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## Wealth managers reveal their best ever investments

Leading wealth managers reflect on the most significant investment decisions they have made to date. Collectively all the following Citywire personalities have enjoyed a career in finance that spans more than a century. Here, Charles MacKinnon, Dennis Phillips, Michael Lally, Matthew Hunt, Gareth Howlett, Simon James and Tim Price share the secrets behind their best ever investments. While Gareth Howlett, of AIM-listed wealth manager Brooks Macdonald, extolled the virtues of protecting portfolios with insurance-style bets, Gore Browne Investment Management's Simon James tells how he was able to defy the laws of vehicle depreciation and profit from the sale of his first car. Meanwhile, Michael Lally of [Thesis Asset Management](#) cites buying a non-prize-winning raffle ticket as a key decision. Surprisingly, it is not just the amount made on these individual plays that stood out to wealth managers, but the lessons learned along the way. Matthew Hunt, Prospect Wealth Management Stock valuation system Prospect Wealth Management's stock valuation system took Matthew Hunt countless hours to assemble, he told Citywire. 'This has produced returns over the course of 20 years following countless hours of time and intellectual capital,' he says. 'It produced returns by picking stock winners rather than losers one of the most recent examples would be Petrofac (currently priced 1196p), which has increased 300% over 18 months.' Tim Price, PFP Wealth Recommending Washington Mutual to clients at the turn of the millennium 'Like anything that works really well, at the time you're going for it you feel like you want to throw up,' says PFP Wealth's Price, who was working at Merrill Lynch when he spotted potential in the now dissolved US savings bank Washington Mutual (WM). At the time, between the tail-end of 1999 and the beginning of 2000, the dotcom technology boom was at its height and anything with roots in bricks and mortar was shunned by investors. Price recalls: '[WM] was being overlooked but at the time it had 17 consecutive rising quarters and traded on a price to earnings ratio of about five, making it dirt cheap. It was recommended to clients and those who went for it made 200% to 300% over the year. 'It was a great investment at the time, but also one that was of its time and opportunistic.' Michael Lally, Thesis Asset Management Purchasing a Â£10 raffle ticket By his own admission, Michael Lally's entry into a charity prize draw was financially fruitless. But Thesis's CIO told Citywire that his best ever investment opened his eyes to the good fortunes of most individuals and helped further the work of Sussex children's hospice Chestnut Tree House. Lally says: 'My best ever investment is the complete antithesis of what an investment should be, but to me it was a good investment even if it produced a zero return. 'There isn't anything I have made a substantial amount of money out of but I have a soft spot for children's charities. I didn't know much about it until [Thesis Asset Management] decided to nominate it as its charity of the year. It brought my attention to how fortunate I am. Subsequently, I went on to make other donations.' Simon James, Gore Browne Investment Management First car After his student days came to an end Simon James, founder of Gore Browne, bought his first car and made a Â£50 profit from its eventual sale. 'It was a cream Volkswagen Polo that I bought for Â£1,700 after starting my first job at Grieveson Grant & Co, the stockbroker which was taken over by Kleinwort Benson in 1986,' he says. 'It wasn't my first major purchase that was a watch. But I sold the car for Â£1,750 after three years and I hadn't driven it like a granny. I was pretty impressed to have made a profit.' Gareth Howlett, Brooks Macdonald A Â£100 bet on his wife, Karen, giving birth to twins A short time after marrying, Brooks Macdonald's Gareth Howlett and his wife, Karen, discovered they were expecting their first child. 'After my wife fell pregnant she pointed out a history of twins in her family,' Howlett explains. 'As women are the carriers of this gene we thought there must be an above-average chance of having a set of twins.' At the time, in 1981, a number of leading insurance companies offered payouts of Â£1,500 in exchange for a one-off Â£100 premium to help cover the costs if a couple had a multiple birth. 'This gives odds of 15 to one, but according to statistics, the chance of a couple having twins or a multiple birth is one in 80,' Howlett says. 'The insurance company pockets the difference, but William Hill said it would offer odds of 66 to one provided neither myself nor my wife were still unaware of the outcome of the birth. 'I decided these odds were commercial but a little more reasonable, and placed a bet of Â£100 we would have made Â£6,600.' Several months later, Howlett's wife gave birth to a single baby girl. 'It's my best investment concept a good



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example of portfolio insurance,' he says. Charles MacKinnon, Thurleigh Investment Managers His MBA postgraduate qualification After a spell as a reinsurance broker at CT Bowring, Thurleigh's Charles MacKinnon decided to return to university. He borrowed money to meet the £13,000 fee to attend INSEAD, the prestigious French business school, around a year after graduating and landing his first post. MacKinnon who as an undergraduate read human sciences at Oxford University says at the time, in 1984, his friends had been deeply sceptical about the move. 'It was a year out of my life but it was the best thing my MBA proved to be my best investment,' he says. 'The fees were about £13,000 and my bonus within a year of starting work at Goldman Sachs exceeded this.' Dennis Phillips, Ashburton Pulling out of equities following Lehman Brothers' bankruptcy In a career that spans nearly 40 years, Ashburton's Dennis Phillips says his decision to remove equity exposure from portfolios in 2008 was an action he would 'take to his grave'. 'Going into the period we had little in risk assets single digits and afterwards we went to 100% in cash and bonds. That was most unusual in my 37 years in the industry. Subsequently, some of the best investments were made.' Phillips told Citywire Wealth Manager some of his colleagues regarded his decision as mad. However, the move was later regarded by the industry as among the most intelligent.