

# Thesis

## Product Update

## December 2011

Welcome to the last Thesis Product Update in 2011, the publication about the latest developments and news on Thesis products.

Regardless of investment markets, the next 12 months promise to be a challenge for both discretionary and advisory advisers in the run-up to RDR proposals going live from the beginning of 2013. In this edition of Product Update we share with you some of ways that Thesis will be supporting IFAs and Financial Planners with enhancements to our product proposition and new routes to the advisory market.

### Optima funds now available through Ascentric platform

Five of the six unit trusts making up the Thesis Optima fund range can now be selected by IFAs and Financial Planners via the Ascentric wrap platform.

The Optima Growth Fund, Optima Balanced Fund, Optima Income Fund, Optima Multi Asset Strategy Fund and the Citywire-rated Optima Bond Fund are all available for initial investments from £1,000.

A discretionary managed portfolio service to cater for smaller clients was created by Thesis Asset Management more than 10 years ago in an unwrapped model portfolio solution called the Cathedral Service which subsequently became Optima before finally being unitised in November 2005. The intention of the service in its various designs has always been to provide access to and benefit from the same investment decisions and processes as the firm's larger clients invested in more bespoke portfolios with Thesis. All of these Funds are managed by Thesis Unit Trust Management Limited.

Commenting on the availability of the Optima funds on the Ascentric platform, James Goward, Director of Marketing and Business Development at Thesis said, "Financial Planners can access through Optima the same investment decisions and the private client approach to discretionary management that we apply to portfolios many times larger. Availability on a rapidly growing wrap provider like Ascentric allows us to extend the reach of our service beyond just our local financial planning relationships."

### Thesis to partner with wrap providers

In a move to offer our more commoditised investment solutions to the IFA and Financial Planner market, Thesis will be partnering with two major providers in the wrap platform market early in 2012.

With an increasing appetite for DFMs to provide model portfolio solutions on behalf of IFAs or Financial Planners coupled with the move towards the use of third party wrap platforms on which to run client assets, adopting close relationships with wrap platform providers is a sensible approach for Thesis to take.

Having researched the entire wrap platform market over the past twelve months in order to understand our ability to integrate our services with such solutions, we have resisted the temptation to make our services available on all platforms and instead are developing closer strategic partnerships with platforms we think will continue to have a place in the market in the years ahead and have the functionality for a DFM like Thesis to work smoothly alongside.

More details of these links will be announced in due course. We are confident that the two firms we have chosen to work with will capture an increasing share of the platform market and provide an efficient route in to Thesis' Model Portfolio Services including our well established Optima range of funds.

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This months Product Update is written by:

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Please feel free to contact your local **Investment Manager** to discuss any aspects of this update.

For any other feedback regarding this months Product Update email: [james.goward@thesis-plc.com](mailto:james.goward@thesis-plc.com)

This update is for information only and is not an invitation to engage in investment activity.

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# Thesis Product Update

## Thesis Model Portfolio Service set for early 2012 launch

The partnerships with platform providers outlined earlier form part of our broader project to develop a range of model portfolios to satisfy demand from IFAs and Financial Planners to outsource investment management of their smaller clients to a DFM.

With the drive towards creating efficient business practices ahead of RDR coupled with the FSA's closer scrutiny of risk profiling and investment suitability, many advisers are seeking the use of an external DFM to manage a range of risk-rated model portfolios on their behalf.

Thesis' Model Portfolio Services will provide seven risk-rated portfolios. The **Thesis collectives Model Portfolio Service** will provide exposure to underlying assets such as unit trusts, OEICs, ICVCs, ETFs, ETCs and investment trusts. The **Thesis securities Model Portfolio Service** will provide exposure to the collective investments outlined above as well as to direct shares and bonds. Both an active and as a passive (with active asset allocation overlay) range of model portfolios will be available for both solutions.

The **Thesis Optima Fund Model Portfolio Service** will provide investors a fund-based solution providing access to Thesis' range of established Optima unit trusts.

Thesis Model Portfolio Services will be available directly from Thesis through our own nominee or else via the strategic third party platform relationships we referred to earlier. Current investment restrictions of most platforms will mean that the underlying holdings in model portfolios run via a third party platform would likely have some differences to those available directly from Thesis where funds are held on our own nominee. Initially, the Thesis securities Model Portfolio Service will not be available on a wrap platform.

Full details will be announced on launch early in 2012 but with minimum investment levels of £10,000 and management fees for the new solutions from 0.40% p.a. (where held on a platform) to 0.75% p.a. (for the services managed by us on our nominee), we will offer a competitive solution to the market enabling advisers and their clients to benefit from the same investment processes and decisions that we apply to larger clients invested in our more bespoke services.

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