



**Media release**  
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## **Zenith 'recommended' for Bennelong SGI global capability**

Zenith Investment Partners (Zenith) has awarded a 'recommended' rating to Bennelong Funds Management's Bennelong SGI Global Equities Fund.

The fund is the result of a partnership between Bennelong Funds Management (BFM) and US-based global equities manager, Security Global Investors (SGI). The fund was launched in March this year and despite tough economic conditions, has been positively received in the Australian market.

James Tsinidis, Zenith Investment Analyst, said the experience of the investment team, their thorough and robust investment management and portfolio construction processes, and sound risk management were all quality elements of their proposition, resulting in a strong rating for the Bennelong SGI fund.

### **Investment team**

SGI's global equities investment team was seen as "highly experienced and well resourced", with strong team stability as the core of the team have worked together for many years.

Of particular note was the level of experience within the team and the high quality of key decision makers. During the review, Zenith met with key members of the SGI and Bennelong business management teams and considers the business support and distribution tie-ups to be strong, which is positive for the success of the Bennelong SGI proposition over the long term.

### **Investment and portfolio construction process**

Whilst the Australian fund had a short history, Zenith acknowledged that SGI had been managing global products since 2001 and demonstrated a strong ability to outperform its benchmark and peers.

SGI's investment process was viewed as "thorough and robust...with a unique portfolio construction process in that it is comprised of separate qualitative and quantitative portfolios, with a specific focus on targeting less risk than the index."

Zenith considers SGI's research prioritisation process to be a strong and attractive feature, noting that they "have not witnessed this level of rigor at many other firms and believe that this structure promotes accountability within the team."

### **Risk management**

Another key point highlighted in the report was SGI's approach to risk management. Based on extensive on-site due diligence, Zenith noted SGI's strong risk management culture and that it was an important focus for the group.

After detailed analysis of SGI's portfolio construction process, particularly the models used to construct the portfolio, Zenith concluded the team employed a unique but equally robust method of managing portfolio risk.

### **Positive response from the market**

Jarrod Brown, Chief Executive Officer of BFM, said they were thrilled with the market's positive response to the launch of their global capability.

"The team's global perspective, wealth of experience and expertise has brought a new dimension to our business. Given the fluctuations we've seen in global markets in recent times, their professional insights have been invaluable," said Jarrod.

“We’ve also received further recognition of our global capability with a recent significant win from a corporate super fund, so it’s an exciting time for the team.”

SGI’s global team is a 13-person San Francisco-based group led by senior investment professionals John Boich, David Whittall, Scott Klimo and Mark Kress. They each bring to the firm a solid record of success in global research and portfolio management, employing global investing methodologies and advising institutional investors for well over a decade.

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**About Bennelong Funds Management**

Established in 2001, Bennelong Funds Management is a boutique funds management business. It currently has investment management capabilities in: global equities, Australian equities, Australian long short and property.

Bennelong Funds Management is a wholly owned subsidiary of the Bennelong Group, a privately owned funds management and private equity business. While the Group owns and manages significant businesses globally, it also measures its success through contributing to positive and lasting change in the wider community via the Bennelong Foundation.

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