

Actively Managed Certificates

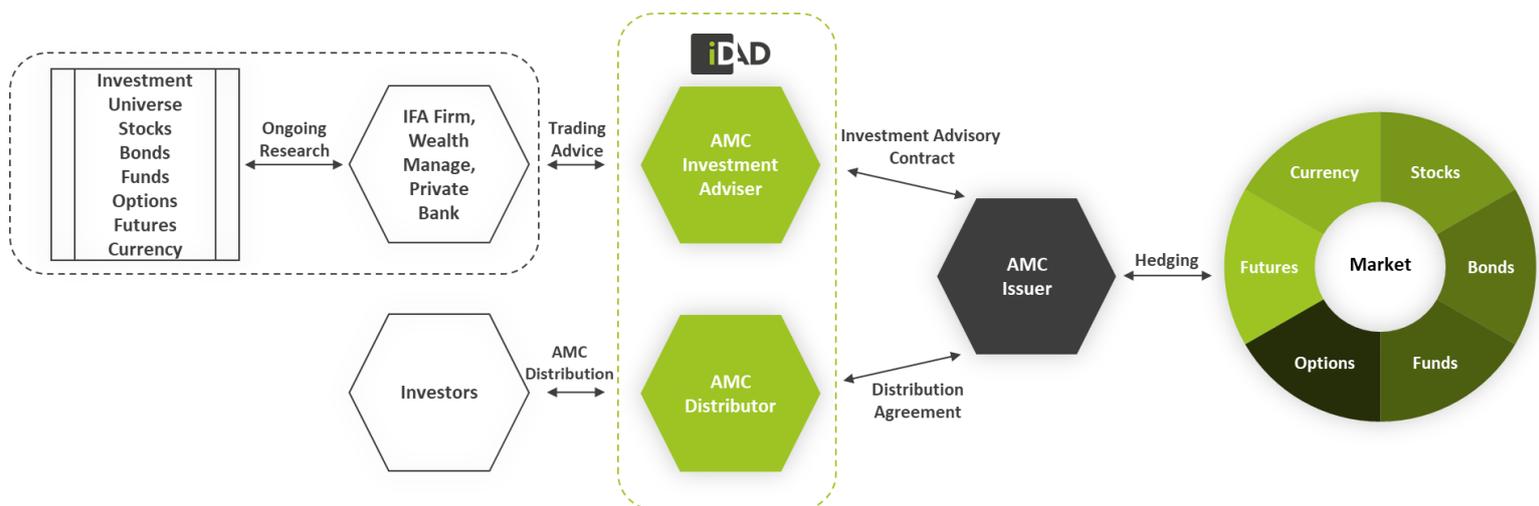
Leveraging IDAD’s infrastructure and agreements with issuers to launch your own certificate

Actively Managed Certificates (AMCs) enable asset managers and regulated investment advisers to wrap discretionary investment strategies into flexible, cost effective, freely transferable securities. Such portfolios can comprise a wide range of assets and are actively managed by the appointed investment adviser. The portfolios are often structured as either an asset basket or an index with daily pricing, periodic performance reporting and there is typically the option to use an independent index calculation agent to verify the daily pricing. Moreover, the portfolio can be delivered to investors on a full passthrough basis, like an ETF or a mutual fund, or with structural features – like embedded leverage or a capital protection overlay.

IDAD works with its clients to customise the investment universe, shape the investment strategy, establish a suitable fee arrangement, and provide a relevant issuer, whether that is a bank or a special purpose vehicle. IDAD then actively leverages its existing relationships with issuers and its operational infrastructure to formally deliver the ongoing asset allocation, asset servicing and brokerage of the AMCs. Whereas the client can focus on what they do best: active asset management. The client will provide IDAD with the initial portfolio composition and any future adjustments via its own advisory relationship, and IDAD will take care of the rest.

AMCs are no newcomers to the investment product market and have followed a strong growth trajectory in recent years. In contrast to their ETF and mutual fund counterparts, they are set up within a few weeks with no establishment costs for the client and they offer ongoing cost advantages due to their streamlined administration. In addition, the securities are issued with an ISIN number, making them freely transferable which may be booked at various custodians, platforms, private banks, and life insurance companies.

Working with IDAD to construct your own AMC



IDAD Structured Solutions

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