

# Asset management: invest assets professionally

With professional asset management, you can place the control of your assets in expert hands and work specifically towards your financial goals. This way you can be confident that your assets will be managed professionally – taking into account your individual objectives and risk preferences.

## Step by step to financial success

The key building blocks of successful wealth planning:

### 1. Define financial targets

What do you want to achieve with your assets? Are you planning to retire, purchase residential property or perhaps fund your children's education? Developing a suitable investment strategy is easier when you have a clear objective, and expert advice can be invaluable in shaping it.

### 2. Determine your personal investment profile

So that your assets can be managed according to your needs, it is essential to define the investment strategy based on your investment profile.

#### Investor profile explained

In addition to your individual investment objectives, it's crucial to understand how you assess opportunities and risks, as well as the value you place on sustainability. An in-depth analysis ensures that your investment strategy takes into account both your financial goals and your individual values – for instance in terms of sustainability. In order to capture this as accurately as possible, we draw up an investment profile that takes into account your risk profile, your ESG focus, and your experiences and knowledge of investment solutions.

The risk profile gives us an indication of your risk appetite and risk capacity. While risk appetite describes how much risk you would like to take on subjectively, **risk capacity** shows what financial leeway you actually have for fluctuations. It is based on measurable factors such as your income, asset accumulation, liquidity reserve and investment horizon.

Your **risk appetite**, on the other hand, is subjective and describes your individual attitude. It reflects how comfortable you are with market volatility. Personal experiences, emotional responses and your general investment philosophy play an essential role in this.

In addition, we assess your stance on ESG to understand which aspects of sustainability are particularly important to you. Your previous experiences and knowledge of investment matters helps us to offer you suitable and comprehensible investment solutions.

### 3. Structure and define your investment strategy in a sensible way

When it comes to your assets, we work with you to leave nothing to chance. A clearly defined investment strategy is essential to ensure that individual decisions are made correctly and align seamlessly as a whole. One well-established approach is the "three pots" strategy which is structured around a time-based framework and helps to ensure liquidity throughout all phases of life. Specifically, this means:

- Ensuring liquidity: A proportion of the assets should be available at all times to cover ongoing costs and to ensure a necessary safety reserve.
- Planned asset use and pension provision: This component is designed for the planned and targeted use of assets over the coming years, for example, to secure your retirement while at the same time safeguarding the development of your assets.
- Preserving value across generations: Capital not needed to secure your retirement can be invested for the long term in order to exploit the growth potential of the corresponding assets.

#### 4. Pay attention to diversification

Experienced investors rely on diversification to optimally position their portfolio. But what exactly does that mean? Diversification refers to the allocation of capital across different asset classes, sectors, regions and types of securities in order to reduce reliance on individual market developments. This strategy can mitigate fluctuations in specific investments and increase the stability of the overall portfolio. A smart investment strategy ensures such broad diversification and is ensured for you by our team of experts as part of an asset management mandate.

#### 5. Continuous monitoring and management

As part of an asset management mandate, a team of experienced experts takes care of the professional support and ongoing monitoring of your portfolio and ensures that you are invested in quality. You can enjoy peace of mind, knowing that your assets will be actively managed on an ongoing basis.

#### 6. Regular dialogue

In addition to ongoing monitoring by specialists, it is advisable to talk to your client advisor about the performance of the investment solution once a year. In addition, you always have an overview and access to detailed information about the performance of and activities in your portfolio. Should your circumstances change, contact your client advisor to review the investment strategy and adjust it if necessary.

#### 7. Invest in quality, now and for the future

Short-term market fluctuations can be unsettling. Patience and discipline are essential to ensuring that investment success is not compromised by short-term emotional reactions. Historical data shows that markets recover after a correction – either in the short or the long term. Investors who remain committed to their strategy and avoid making impulsive decisions will benefit over the long term. Particularly in turbulent phases, a discussion with your client advisor can help to restore an objective overview of the situation.

#### 8. Quality pays off

Building up wealth takes time. A clear strategy, patience and persistence can lead to lasting success. With a discretionary management mandate, you benefit from:

- Investment strategy tailored to your personal situation
- Systematic monitoring of your portfolio by Zuger Kantonalbank's experts
- Return optimisation in line with your investor profile
- Time saved on investment management
- Transparent cost structure
- Comprehensive reporting including investment publications
- Compliance with international Global Investment Performance Standards (GIPS®) for performance measurement and presentation
- Expert knowledge continuously integrated into your chosen solution

Zuger Kantonalbank offers a wide spectrum of customised asset management services that take account of your individual needs and goals. Our experienced professionals support you on your journey towards achieving your financial goals and are always available to provide specialist advice.

For rapid decision-makers: with Zuger Kantonalbank E-Invest, you can manage your investments independently. Open a custody account here with just a few clicks.

#### Contact us

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