

selekane

ASSET CONSULTANTS



fresh ideas



## SETTING THE BENCHMARK FOR INVESTMENT CONSULTING

Selekane Asset Consultants is an independent firm offering a wide range of investment consulting services to institutional funds.

Selekane provides clear, comprehensive, impartial and professional advice on the increasingly multifaceted issues facing institutional investors in today's complex investment environment. As a black economic empowerment company, we aim to represent the demographics, ethics and values of our beautiful rainbow nation and, in the process, stay true to our roots as a proud South African company.

# SELEKANE'S PHILOSOPHY IS BASED ON FOUR FUNDAMENTAL PRINCIPLES:

**INDEPENDENCE** Our independent group of highly knowledgeable and experienced professionals work in a collaborative environment that is best suited to providing exceptional customised investment guidance.

**COMMITMENT** We make an ongoing commitment to educate ourselves and our clients on investment strategies and processes, which helps ensure the most suitable investment approach for each client.

**KNOWLEDGE** Our knowledge, experience and dedication to meticulous research enable us to focus

on the specific needs of institutional investors, thus we are able to develop unique solutions to meet our clients' challenges.

**INTEGRITY** We offer a full range of consulting services under an all-inclusive fee structure. We do not receive trading commissions and we do not participate in soft dollar arrangements. Our interests are aligned solely with those of our clients, allowing us to pursue the best possible solution for each client.



*Selekane is a Sesotho word meaning benchmark, and thus captures the core of our vision, which is being the leader in service excellence, independence and integrity.*

# TAILOR-MADE SOLUTIONS

At Selekane, we focus on providing services that are tailored to our clients' needs. These services include the following:

**INVESTMENT POLICY DEVELOPMENT AND MAINTENANCE** Investment policy statements provide a vital framework for investment decisions. Which is why Selekane consultants work with clients to evaluate and prioritise their investment objectives, and develop a strategy that maximises the probability of achieving these objectives.

An investment policy statement is formulated detailing the guidelines by which the fund's investments must be planned and supervised. This statement is kept flexible, allowing the trustees to make changes as and when necessary.

**INVESTMENT STRATEGY FORMULATION AND PORTFOLIO CONSTRUCTION** While it is important to select the right investment manager, it is also vital to ensure that the manager is following an investment strategy suitable for the fund and its liability profile.

At Selekane, we utilise the industry's leading asset liability investment model to analyse how a fund's assets and liabilities will jointly behave, with varying asset mixes and under different economic scenarios. We are then able to produce a mix of assets referred to as the strategic asset allocation, appropriate to the specific liabilities of the fund and stated objectives. This is key, as research reveals that asset allocation contributes over 90% to the variability of returns.

Throughout this process, our consultants work closely with the funds' actuary as well as the trustees. They provide a detailed explanation of the investment vehicles available and their associated risks, as well as information on the expected return levels, risk and taxation (where applicable) of individual asset classes, and details of legislative requirements and restrictions.



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**ASSET MANAGER SELECTION** At Sele Kane, asset manager research is a core activity, which is why we maintain a comprehensive database of investment managers for a wide range of institutional mandates and products. Our investment manager research, due diligence, and selection process utilises several layers of quantitative and qualitative screens to identify managers most likely to perform well in future.

**RISK, PERFORMANCE AND COMPLIANCE MONITORING** Independent risk, performance and compliance monitoring are crucial for unbiased analysis of the performance of the fund as well as that of investment managers.

We pay particular attention to risk, rather than past performance, to ensure that trustees know what lies ahead as opposed to what has happened in the past. We focus on analysing the actual assets (domestic or international) that managers buy into their portfolios, rather than the aggregate returns that have been achieved. This allows for the proper understanding of risk associated with each asset in the portfolio.

**TRUSTEE TRAINING** In order for trustees to be confident that they are making the right decisions, they need to have a thorough understanding of the tasks that they are delegating. Sele Kane offers comprehensive training programmes to trustees covering a diverse range of topics.



*"We align our interests solely with those of our clients, allowing us to pursue the best possible solution for each of them."*

These include the principles of investing, risk management, investment strategy formulation and monitoring, and asset manager and product selection. This training helps trustees to make confident, fully-informed decisions when it comes to managing their fund's assets.

## **MEMBER EDUCATION AND COMMUNICATION**

Selekane offers member education programmes that are tailored for each fund. These enable members to have a full understanding of the implications of their fund selections and the risks of the various asset classes in which they may choose to invest.

Our member communication services include:

Preparing detailed fact sheets on each of the fund options (including structure, risk, suitability and performance), investment newsletters for members and regular performance updates.

**TRANSITION MONITORING** In the event that trustees decide to change the investment strategy and replace an investment manager, the transitioning of assets to a new manager poses a challenge given the number of parties involved. Selekane assists trustees with the appointment and acts as a liaison with the appointed transition manager to ensure that the transfer is carried out in a cost-effective and timely manner.

# PEOPLE WITH A PURPOSE

The Sele Kane team has an average of 12 years experience to draw on, in disciplines ranging from actuarial valuation, risk management and asset consulting, to asset management and information technology. Our founding members, some of whom boast industry awards, are:

## **MXOLISI MBEKWA, Managing**

**Director** Mxolisi is Head of Consulting and brings over 14 years of investment experience to the company. He was a finalist at the ABSIP 2004 Top Pension Fund Consultant Awards. Mxolisi has published extensively in the financial press.



## **LINDI MOABI, Executive Director**

Lindi is responsible for client services. She holds a B Com with majors in Economics and Business Management, and has 13 years of experience in the investment industry. She was a recipient of the 2003 ABSIP Top Pension Fund Consultant award.



## **MFISO MASINA, Executive**

**Director** Mfiso is Head of Research and holds a B Com Honours in Economics and is currently working towards completing his MBA. He has over 10 years of experience in investment consulting.



## CONTACT US

For more information on Selekane, please visit our website at [www.selekane.co.za](http://www.selekane.co.za).  
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