SVEN ROERING
Managing partner
Tenzing Pacific Investment Management, Vietnam

Multi-asset funds have, over time, become core holdings within our clients' portfolios. We have seen a rapidly transitioning environment, from both a political and economic perspective.

The Brexit vote, Trump's election, the Italian referendum, the end of the bond market bull run, the return of inflation and interest rate hikes, as well as the latest rapid rotation into equity markets have capped off an incredibly busy 12 months.

Thus, we have found it necessary to find a quality, active manager with the ability to remain headstrong and take opportunities in global equities, while at the same time effectively managing duration within a bond portfolio.

We've thus favored the **Carmignac Patrimione USD** fund, which maintains a 50/50 split between fixed income and equities. The result has been consistent positive risk adjusted returns, with low volatility and a positive three-year alpha with the flexibility to have the asset allocation differ substantially from the fund's benchmark.

PIERRE DEGAGNE

Senior vice-president
DBS Private Bank, Singapore

The DBS fund selection team has a highly selective process emphasising qualitative competitive advantage.

There are many multi-asset funds to choose from, but we have identified only a few to be superior. Whether called 'multi-asset' or 'balanced', it still boils down to finding managers who are globally allocated across asset classes to produce better risk-adjusted returns that meet the needs of moderate investors, with some income thrown in for good measure.

For example, we were very early proponents of the **Amundi First Eagle Income Builder** fund. We have known First Eagle for a long time and highly value the manager's long history of wealth preservation. With exposure to global equity, bonds and commodities, this is our core one-stop wealth solution.

We also like the **JP Morgan Global Income** fund, which is extremely well diversified over 10 different asset classes including equity and bonds as well as less traditional assets such as preferreds, Reits and mortgage-backed securities. We feel the core team is extremely experienced and empowered to tap JPM's broader resources. We feel that this fund is an excellent choice for more conservative investors.

Both funds pay out a consistent and sustainable 5% per annum distribution.

LAURA YEO

Fund analyst
CIC Banque Privee, Singapore

Currently, investors find themselves in a time when black swan events are the new norm.

Two ways we plan to navigate these choppy waters are diversification and stressing the need to look at solutions that have volatility management as their focus. We find multi-asset solutions come in very handy for smaller managed accounts, which have trouble diversifying across asset classes.

In the multi-asset universe, we like strategies with exposure to high-yielding asset classes diversifying across regions, sectors and across the credit quality spectrum.

The managers we take note of are those who have successfully structured a portfolio which generate similar returns to a global equities portfolio, but at a much lower volatility.

Beside strategies focused on generating income, we also have our eyes on those with an unconstrained mandate. Such mandates allow managers to be dynamic by adopting directional trades through the use of derivatives to hedge and even gain from surprises in the market.

JUAN-MANUEL ARONNA

Head of investment and products, WM Asia
RBC, Singapore

Only 0.5% of our AUM is in multi-asset funds. The two main funds our clients are invested in are the **BlackRock Global Multi Asset Income** and **JP Morgan Global Income**.

Clients use them as short term 'satellite' investments, not long-term 'core' investments.

Multi-asset funds are also held by clients when their AUM is small. Once clients cross a certain level, they typically switch to advisory or discretionary mandates.

Multi-asset funds do not have wide appeal for high-net-worth clients because they're not designed for them. How many clients would wish to place $5 million in one multi-asset fund?

A sophisticated portfolio is one that is tailored for each client and driven by a clear and consistent house view. RBC has its own investment strategy and asset allocation. If we use a multi-asset fund, we've effectively given up our role as a portfolio manager as we have no control over the asset allocation of the third-party manager.

The client could end up taking too much risk or risk we don't recommend to take.

We do use funds to build client portfolios, but these are single-market, single-theme, single-asset-class funds.