



# You and **your wealth**

Investment management services for individuals, families,  
trustees, and institutions





# Welcome to **Melville Douglas**

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Individuals, families, trustees, and institutions come to Melville Douglas for a combination of our investment skills, and our thoughtful, personal service. Through this approach, we establish long-lasting relationships built on confidence, trust and a commitment to meeting individual needs.

We have a strong investment culture that brings together our experienced team of investment professionals. They are guided by a well-defined philosophy and process for managing investments within a continuously changing environment.

Clients can access our expertise through our discretionary investment management service and our range of managed funds. Direct contact with their portfolio managers means our clients understand how we are managing their money and we respond to their needs promptly and accurately.

Over the following pages, you can find out more about the Melville Douglas way of protecting and growing your wealth.

*It's Personal.*

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Please contact us if you would like further information or to arrange an initial meeting.

## **Melville Douglas**

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## Taking care of your wealth

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Our bespoke service appeals to a wide range of investors, from individuals to institutions and their financial advisers, with investments held in various structures. Working together, we use our expertise and knowledge to identify investment opportunities across a range of investment instruments and markets and manage wealth in the most appropriate way.

We are truly global investors as we seek out opportunities from around the world to create diversified investment solutions. We combine this global outlook with a personal approach to managing the individual needs of our clients.



## The Melville Douglas Way

# 01

### Our approach to protecting and growing wealth

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For more than 35 years, Melville Douglas has been helping families, trustees and businesses protect and grow their wealth. Our commitment to uncovering opportunities stretches back to 1983, when we set about building the bespoke investment approach we offer our clients.

Today, we continue to deliver the Melville Douglas way throughout our investment process. This approach is driven by fundamental research, with balanced decisions guided by a long-term outlook. As a result, our investment performance has been consistently outstanding.

# 02

### A global player with a personal touch

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The size and scale of our operation increased substantially in 2001 when we were acquired by Standard Bank. Although we remain an independent business, this partnership enabled us to expand our offering across the continent, with the support of Africa's largest banking group.

Throughout this period of growth, we have maintained a focus on meeting individual investment needs. To do this successfully, our portfolio managers draw on their substantial experience and expertise as well as our robust investment processes. They have the freedom to make investment decisions based on what is most appropriate for each client.

Although we are strategically positioned to operate globally our boutique approach ensures you will never be just a number to us.

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## **Our people** and lasting relationships

Everyone who works at Melville Douglas shares one goal – to meet the investment needs of our clients with skill and attention to detail. Our 35 years of exceptional investment returns and service are grounded in the principle that growing your wealth is more than just what we do – to us, it's personal.

We have the skills and experience required to capture investment opportunities from around the world. Investors can access our global expertise in a way that is most appropriate for them. We offer discretionary investment portfolios as well as a range of funds in both onshore and offshore vehicles.

As a direct result of our flexible and personal approach, we have established long-lasting relationships with many of our clients. Some of these stretch back more than 30 years, often with several members of one family across multiple generations.

Our approach to investing is also suitable for institutional investors, including trusts, endowments and pension funds. We believe the key to success is a disciplined focus on high-quality investments and a robust investment process.

We also manage segregated funds against an agreed benchmark. Our investment capabilities extend across all asset classes, which are blended to deliver the desired solution.



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## **An active and global** approach to investing

Successful investing requires a global perspective together with the skills and experience necessary for identifying opportunities and navigating the risks. Our approach is based on a rigorous, research-driven process that adapts to a changing investment environment.

Our portfolio managers will develop an investment strategy that is appropriate to your individual set of circumstances. Communication is important and we will review your plan regularly and make any changes if your situation or objectives change.

With offices in South Africa and Jersey, we provide a range of onshore and offshore investment solutions, giving us the flexibility and control to meet your needs.





## Managing your Investments

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### / AN EYE FOR DETAIL AND THE LONG GAME

Attention to detail underpins everything we do as we seek to preserve the capital entrusted to us and deliver superior risk-adjusted returns. Our commitment to putting our clients first involves an ongoing focus on meeting their investment objectives with an appropriate level of risk.

Our well-defined investment process enables us to deliver sustainable, repeatable investment results. We believe the quality and consistency of our approach is more important than capturing short-term market movements.

We also believe that the best way to protect and grow wealth over the long term is by managing diversified portfolios of high-quality investments in which we have the most conviction. Valuation is important and we use various measures to identify assets with attractive prices.

All our portfolio managers are part of the investment process. They have a robust understanding of the underlying investments, and apply this knowledge to the individual portfolios that they manage.

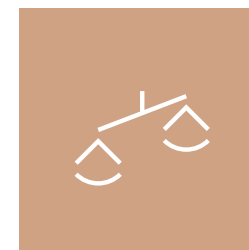


### / OUR INVESTMENT PHILOSOPHY



#### Teamwork

Our ongoing success is built on our long history of attracting and developing the best investment talent available. We work together as a team in a supportive environment that encourages everyone to share their investment skills and knowledge.



#### Balance

We seek to strike the right balance across everything we do – between risk and return, capital growth and income. This approach ensures the best returns for our clients.



#### Long-term Investment

Experience has taught us that long-term investment returns depend on two key characteristics: the compound growth in the cash stream generated by the investment, and the price the investor pays. Consequently, we focus our effort on identifying and quantifying these characteristics for any investments we make.



#### Fundamental Research

At Melville Douglas we rely on fundamental research to guide all our investment decisions. We only invest in superior businesses that exhibit strong and predictable growth, and which are led by competent management. Only once we have fully examined the DNA of a business will we make a call on whether or not to invest in it.

## / THE MELVILLE DOUGLAS INVESTMENT PROCESS

Our investment process is founded on a bottom-up approach. We identify high-quality investment opportunities at attractive prices, which we believe have the potential to deliver superior returns. A range of inputs inform our decisions, which are driven by fundamental research to reveal the intrinsic value of investment opportunities.

We believe long-term investment performance depends on two characteristics:

- / Compound growth in the underlying cash flows.
- / The price an investor pays.

In our view, investments with no return on capital are purely speculative in nature and difficult to value accurately.

We concentrate our efforts on calculating the intrinsic value of any investment opportunity and buying only when we identify the appropriate margin of safety. This approach enables us to absorb market movements and benefit from compounded, long-term returns.

## Key components of our Investment process



### Fundamental Research and Security Selection

At Melville Douglas, we rely on fundamental research to guide all our investment decisions. We invest in superior businesses that exhibit strong and predictable growth, and that are led by competent management.

At the end of the day, we target predictable returns at the appropriate level of risk. We achieve performance by avoiding investments with high downside risk and low returns on capital through the business cycle, and by patiently allowing the compounding effect to work over time. Only once we have fully examined the DNA of a business, will we make a call on whether to invest in it.

When investing in debt, we spend a great deal of effort in assessing the sustainability of incoming cash flows as part of the process of determining the attractiveness and valuation of the underlying investment we make.



### Asset Allocation

Our asset allocation committee is made up of longstanding seasoned professionals with deep levels of expertise spanning the global spectrum of asset classes, instruments and investment techniques.

The committee meets regularly to survey the economic landscape, discuss the investment environment and update their outlook. We avoid macroeconomic forecasting and establish our view on likely returns through valuation techniques that reflect long-term patterns of past performance.



### Investment Mandates

Individually tailored

Portfolio managers implement our house views in individual portfolios by taking account of any investment restrictions that may apply to the specific mandate.



### Portfolio Construction

Our asset allocation committee builds a model portfolio based on our house views to provide balance and diversification, while at the same time reflecting conviction in our best investment ideas.



# Melville Douglas welcomes you

The first step is to meet one of our investment professionals to discuss your needs.

Whether you are thinking of changing investment managers or are new to portfolio management services, we will be happy to explain what we offer and to provide as much detail about our company and our services as you need. Meetings can be held at one of our offices in South Africa or Jersey, or a location to suit you.

## Important Information

Melville Douglas is a registered business name of Standard Bank International Investments Limited which is regulated by the Jersey Financial Services Commission. Standard Bank International Investments Limited is registered in Jersey No 110601, and is a wholly owned subsidiary of Standard Bank Offshore Group Limited whose registered office is Standard Bank House, 47-49 La Motte Street, St Helier, Jersey, JE2 4SZ. Tel +44 1534 881188, Fax +44 1534 881399, e-mail: sbsam@standardbank.com. Standard Bank Offshore Group Limited is a wholly owned subsidiary of Standard Bank Group Limited which has its registered office at 9th Floor, Standard Bank Centre, 5 Simmonds Street, Johannesburg 2001, Republic of South Africa.

This brochure sheet provides only a summary of the products and services provided by Melville Douglas. Please read more detailed material relating to the specific product or service before committing. This will inform you about the risks, benefits and the full terms and conditions, including any restrictions, for each product or service.

This does not constitute an invitation to buy or the solicitation of an offer to sell securities or to accept deposits or to provide any other products or services in any jurisdiction, to any person to whom it is unlawful to make such an offer or solicitation, nor should it be construed to constitute any investment advice. Legislation or regulations in jurisdictions relevant to you may prohibit you from entering into certain transactions with us and we strongly recommend that you contact your financial or legal adviser in this regard. It is your responsibility for informing yourself about and complying with such restrictions.

The value of investments may fall as well as rise and investors may get back less cash than originally invested. Prices, values or income may fall against the investors' interests and the performance quoted refers to the past, and past performance is not a reliable indicator of future results. Investments may be quoted in foreign currencies and investors should be aware that the changes in rates of exchange may have adverse effects on the value, price or income of the investments.

Telephone calls may be recorded

## Contact Details

For more information,  
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