

# Press Release



Contact: Vee Montebello/Sarah Deutscher  
+44 (0) 20 7163 6246/2744  
vee.montebello@bnymellon.com  
sarah.deutscher@bnymellon.com

Lauren Stewart/ Karolina Adamkiewicz  
+44 (0) 20 7786 4835  
newton@penrose.co.uk

## **Newton signals 'all change' as a key theme for the private wealth investment industry**

London, 4 March 2009 – Capital preservation, a focus on income and a 'back to basics' approach have emerged as the key priorities for private client investors in this new financial era, says Mark Rayward, Managing Director of Newton's Private Investment Management division.

Rayward believes that the last decade was an era of product proliferation, zealous sales teams and unrealistic return expectations. But today's market environment signals considerable change, with a greater focus on risk mitigation, transparency and absolute returns. According to him, the challenge for the industry is in how firms adapt their business models to this new environment:

"The experience of 2008 has left many investors bruised and considerably more risk averse. Clients new to financial markets over the past decade have been disappointed with their experience, not only the lack of liquidity and return from their investments, but the unexpected volatility."

As we enter this new era of '*all change*', Rayward focuses on five key elements that investors should consider:

1. Don't be afraid to ask basic questions of your fund manager or financial adviser – How secure is my cash? Where are my assets invested and what are the risks?
2. Understand the fees – excessive fees can be a major impediment to capital growth.
3. Be diligent in fund manager selection – look for managers with proven processes and transparency. Don't rely on big brand names alone.
4. Define realistic return expectations in the context of risk appetite. Perhaps lower one's return expectations.
5. Consider diversifying your portfolio into income generating assets. Some studies suggest income growth over time is the ultimate way to preserve capital and guard against inflation.

Rayward concludes: "We are recommending clients do not lose confidence and abandon the financial markets altogether, but reevaluate their risk/return expectations and adopt a back to basics approach to investing."

- ends -

All information source BNY Mellon Asset Management International as at 31 December 2008. This press release is qualified for issuance in the UK only and is for information purposes only. It does not constitute an offer or solicitation of securities or investment services or an endorsement thereof in any jurisdiction or in any circumstance in which such offer or solicitation is unlawful or not authorised. This press release is issued by BNY Mellon Asset Management International Limited to members of the financial press and media and the information contained herein should not be construed as investment advice. Past performance is not a guide to future performance. Registered office: The Bank of New York Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA. Registered in England no. 1118580. Authorised and regulated by the Financial Services Authority  
A Bank of New York Mellon Company

**NEWTON**  
The Power of Ideas

### **Notes to Editors:**

**Newton Investment Management Limited** is a London-based global asset management subsidiary of The Bank of New York Mellon Corporation and part of BNY Mellon Asset Management. With assets under management of more than £35 billion, the company provides a broad range of award-winning investment products and services to individuals, pension funds, charities and corporations. News and other information about Newton is available at [www.newton.co.uk](http://www.newton.co.uk).

**The Bank of New York Mellon Corporation** is a global financial services company focused on helping clients manage and service their financial assets, operating in 34 countries and serving more than 100 markets. The company is a leading provider of financial services for institutions, corporations and high-net-worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client-focused team. It has \$20.2 trillion in assets under custody and administration, \$928 billion in assets under management, services more than \$11 trillion in outstanding debt, and processes global payments averaging \$1.8 trillion per day. Additional information is available at [www.bnymellon.com](http://www.bnymellon.com).