

Investment Management Services



Notice

Fund Manager Guardian Capital

Date April 2016

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In early April, Guardian Capital ("Guardian") announced that Harpreet Singh, Director of Research and Development with the Systematic Equity Team had departed from the firm. Mr. Singh's research and development responsibilities continue to be overseen by Managing Director and lead Portfolio Manager of the Guardian global funds, Sri Iyer, who will continue to be supported by a team of portfolio engineers including, Adam Cilio, Peter Michaels and Elgin Chau.

Products Affected

Guardian International Fund (GBRS)
Guardian Global Fund (GBRS)
Guardian Balanced Fund (GBRS)
Guardian GEM Balanced Fund (GBRS)

Impact

People

The global funds will continue to be managed by the systematic equity team. The team is now composed of 5 members who oversee all the systematic global equity strategies/portfolios which includes Sri Iyer, Managing Director and Lead Portfolio Manager, 3 Portfolio Managers/Engineers, and an analyst. Portfolio Managers are focused on constructing actual portfolios in line with the model portfolios being generated by the team's quantitative process. Portfolio Engineers are focused on alpha discovery through quantitative research. The team is planning to add two additional members: an individual to assist Adam Cilio and Peter Michaels with engineer experiences as well as a portfolio specialist to assume client facing responsibilities. All members of the team have strong quantitative skills and remain knowledgeable of the quantitative process and aside from the analyst, each has over 10 years experience in the industry. Mr. Iyer remains the Managing Director of all systematic global equity strategies and has over 15 years of experience with the firm and over 23 years in the industry.

Recently, the two portfolio engineers, Mr. Cilio and Mr. Michaels, have been promoted to portfolio managers of these strategies. Mr. Iyer believes the current team structure is better equipped to conduct research and to implement their models efficiently.

Overall, IMS has no major concerns in regards to the capabilities of the current investment management team.

Investment Process and Philosophy

The global funds continue to employ the same investment process and philosophy across all mandates. This team-based research approach to the global strategies utilizes GEMX, which is a proprietary filter that runs a quantitative screen on all global stocks in their universe. The team then construct portfolios based on the model portfolios generated by their multi-factor quantitative model that is based on four valuation frameworks IMS does not expect any changes to the process due to Mr. Singh's departure.

Closing Remarks

IMS met with Mr. Iyer to discuss the team and Mr. Singh's departure, and there are no major concerns with the personnel change. Mr. Singh's departure from his research responsibilities in the global strategies have been transitioned appropriately, and the team remains well-resourced. Mr. Iyer emphasized that the team is well staffed and have the right tools and experience to continue to implement their model for global equity management. IMS continues to be comfortable with the team and management of the Funds going forward. IMS will continue to monitor the team for any new additions and the transition of Mr. Singh's responsibilities going forward.

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