

## Vianova

### Manager background

- Vianova was set up in 2005 by Michael Schneider after he had become frustrated with the index-centric approach of Australian institutional fixed interest managers.
- It is a Melbourne-based boutique fund manager specialising in Australian fixed interest.
- Vianova follows an absolute return approach rather than a relative return one.
- The firm has funds under management of A\$1.3 billion<sup>1</sup>.

### Strategic Fixed Interest Trust

- This is Vianova's flagship product, in which the majority of its funds under management are invested.
- The Trust invests in Australian fixed interest securities including cash, government bonds and corporate bonds, with the aim of preserving capital and delivering positive returns regardless of the direction of fixed interest markets.
- The portfolio manager is Michael Schneider, who has managed Australian fixed interest funds for 20 years.

### Manager attributes

- Vianova has two product offerings. The first is Active Australian fixed interest (accessed via the Strategic Fixed Interest Trust), which is the flagship 'benchmark unaware' product. The second is Core Plus fixed interest, made up predominantly of Australian and global fixed interest, with a allocation to Newton Investment Management (UK).
- Originally, Schneider was uncomfortable being forced to buy issues he did not like because of index-relative considerations. He also felt that the risk of the index had increased significantly and no longer represented the objectives of clients who were looking for an exposure to a low-risk asset class. Hence, Vianova does not focus at all on the index. Instead, it attempts to generate positive returns in all market environments.
- Vianova uses a high conviction, clean sheet approach when managing its portfolios.
- Its team is well resourced and highly experienced.
- Vianova's conservative absolute approach fits well with the Portfolio's objectives.

<sup>1</sup> As at June 2009. This is the most recent information provided by the manager.