

Client Management, Advisory and Support > Investment Advisory

Title	Provide recommendations on asset allocation based on client needs
Code	106872L6
Range	Providing advice in relation to allocation of investment assets. This applies to investment portfolio of private banking clients and across different asset classes.
Level	6
Credit	5 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Evaluate different options in asset allocation <p>Be able to:</p> <ul style="list-style-type: none"> • Demonstrate specialized knowledge in asset allocation in order to structure a suitable portfolio in accordance to client's needs and investment profile • Evaluate and compare the features of different private banking products and services in order to structure a suitable portfolio in accordance with client's needs 2. Provide advice or make discretionary decision to construct investment portfolio <p>Be able to:</p> <ul style="list-style-type: none"> • Assess the risk tolerance level of clients for identifying suitable asset classes • Compare different options in asset allocation, determine the target allocation and acceptable range among different asset classes • Formulate guidelines on selecting particular products in an asset class, e.g. industry sectors, geographies, etc, in order to fulfill the asset allocation strategy • Evaluate clients' needs and investment objectives for advising a portfolio which can align with their current and future needs, • For the clients who use the discretionary portfolio services, take responsibility for the on-going management of their investment in line with their investment objectives and risk profile • Take necessary actions to ensure the portfolio constructed for the discretionary accounts is cohered with the agreement which set out clearly the client's investment objectives, strategies, and the extent of the discretion • For discretionary services accounts, adapt clients' portfolio in order to reflect both the bank's long term views and the shorter term environment as financial markets change • Carefully manage the portfolio's risk, utilise the bank's extensive tools and analytics to make decision on developing investment portfolio in managing a discretionary client's account • Take necessary actions to ensure the recommendations provided to general investment accounts and/or the discretionary decision made on rebalancing are supported with sound analysis and taken into account execution costs • Review and rebalance the portfolio periodically in response to market movements 3. Maintain professionalism <p>Be able to:</p> <ul style="list-style-type: none"> • Communicate with clients effectively to ensure they understand and agree with the recommendations • Ensure the recommendations are in accordance with relevant regulatory requirements in different regions and internal policies of the bank
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Proposal on asset allocation in accordance to client's needs. The proposal should be based on analysis of client's investment objectives, risk and returns of different products and comparison of different alternatives, etc.
Remark	