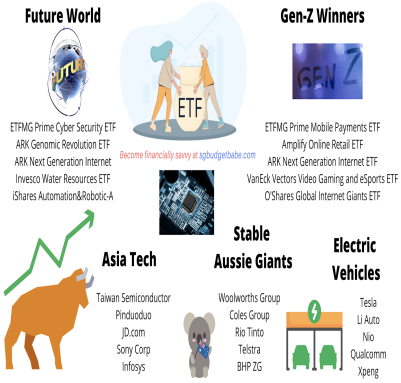


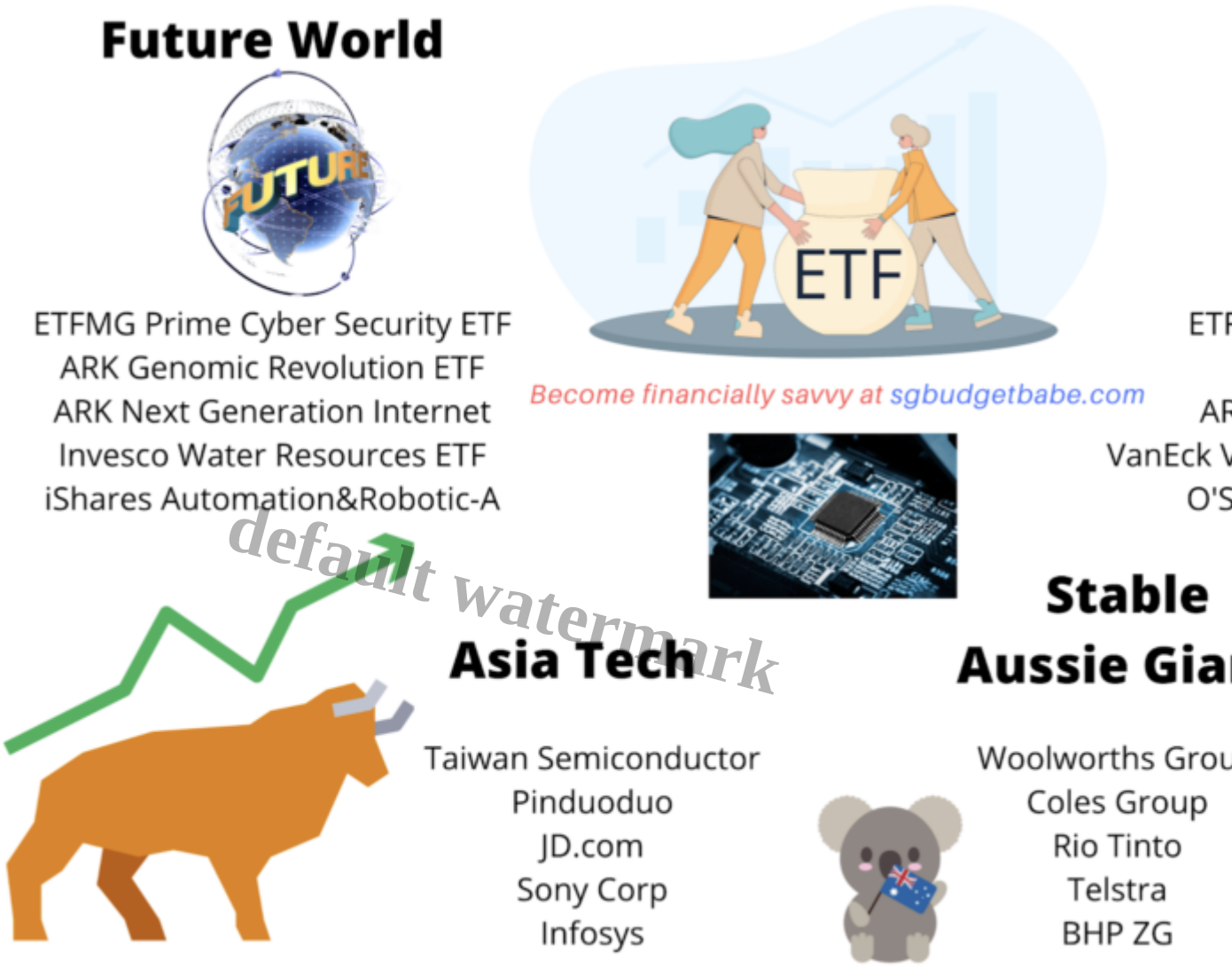
OCBC RoboInvest Review â?? a worthy contender with 36 portfolios to choose from

Description

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As an active investor who prefers to have control over my own portfolio, I prefer robo-advisors that add value by helping me to save money (in the form of fees that I would have otherwise paid to the brokerages) while riding on growing themes or trends that I foresee will shape our world.

Which was why when OCBC reached out to showcase their RoboInvest solution, it certainly got me intrigued â?? mostly because it offers **over 36 core and thematic portfolios** which **invests into stocks or ETFs**, or both.



One of its more intriguing ETF portfolios, for instance, is the **Gen-Z Winners portfolio**, which is designed to provide diversified exposure to sectors that are likely to benefit from the spending of the Gen-Z generation. Right now, the portfolio rides on trends like online retail, mobile payments, next-generation internet and video-gaming, to name a few.

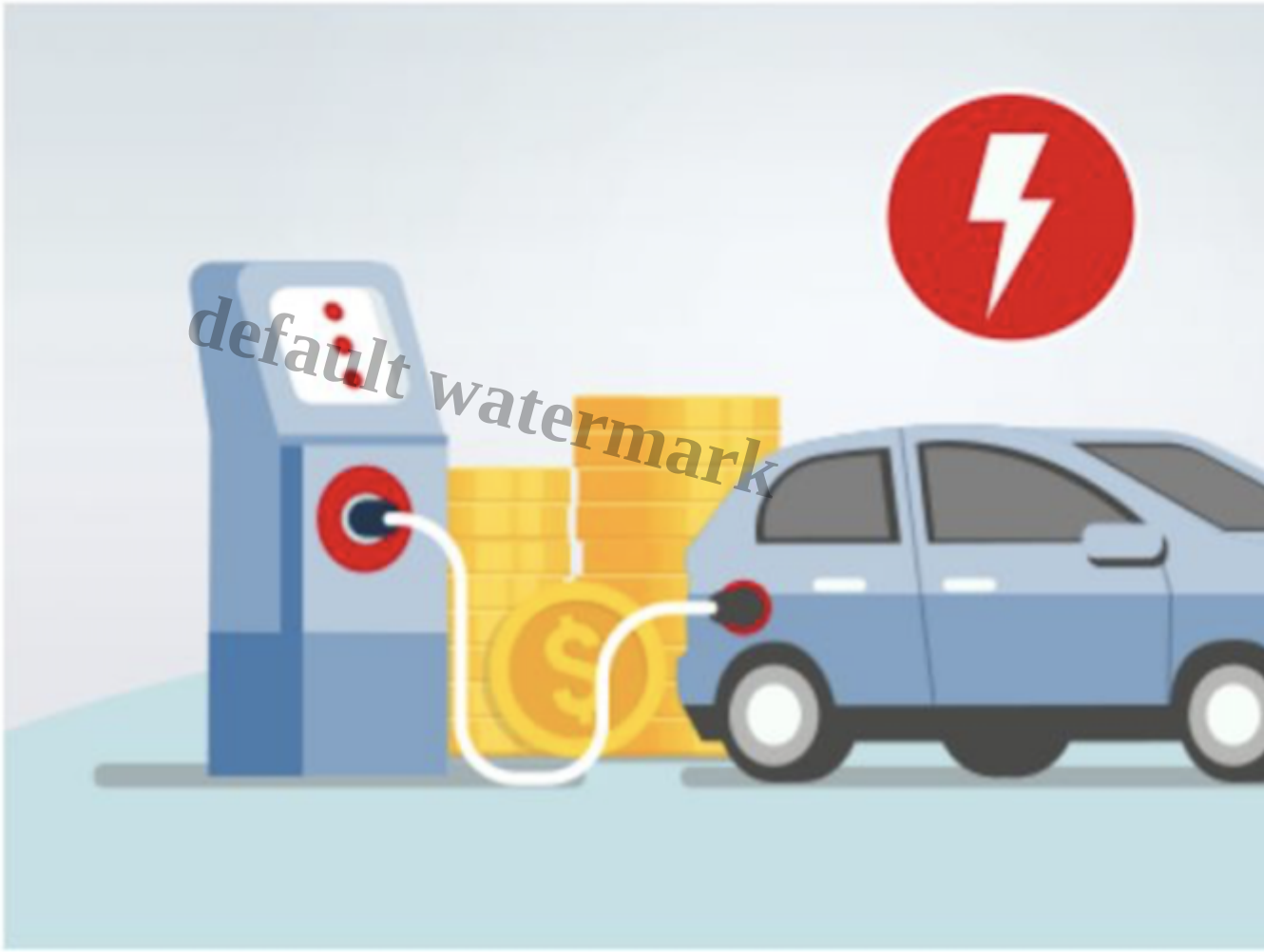
But while most robo-advisors already offer ETF portfolios, OCBC RoboInvest stands out as a game-changer for using stocks in theirs. One example would be that of the **Asia Tech portfolio**, which consists of stocks of Asian companies with significant business exposure to the IT sector in China, Japan, Taiwan and India.

Another interesting portfolio that caught my eye was the **Mainland Europe Healthcare portfolio**, because I currently do not have any exposure to stocks listed in Europe. This portfolio consists of stocks with relatively lower volatility in the healthcare sector in France and Germany, which is likely to experience steady growth in demand for medical products and services, especially due to rising economic affluence and an ageing population.

There are 11 ETF portfolios and 25 Equities portfolios in total, with Electric Vehicles and Cyber Security being the latest additions to OCBC RoboInvest.

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NEW PORTFOLIOS



Introducing two new RoboInvest po

Ride the latest technology wave with c

Electric Vehicle and Cyber Security po

which allow you to tap into the opportu

these booming sectors.

How are the stocks or ETFs chosen?

What methodology does OCBC use to determine whether a stock or ETF qualifies to be in their curated portfolios?

I asked the OCBC team this question, and while the algorithms used remain a trade secret, OCBC shared that over 60 quantitative factors across Quality, Value, Momentum, Growth and Volatility are being considered. For stocks, they highlighted that various factors are taken into account before a stock qualifies for inclusion into one of their curated portfolios. This includes screening for

- revenue growth
- return on invested capital (ROIC)
- profit margin
- earnings per share (EPS)

The portfolios are also rebalanced on your behalf *(youâ??ll receive an email and notification suggesting the rebalance, and if you approve, itâ??ll then be automatically executed for you)*, so as to ensure youâ??re never caught with too large an exposure to any single stock or ETF.

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With **over 36 curated portfolios to choose from**, I would imagine it will be super easy for any investor to find one, or a few, to potentially invest in.

Choosing a portfolio based on your risk appetite

You can read about each of their 36 portfolios here, and if you prefer to not choose any theme(s), then you can also opt for one of their **6 core, risk-based portfolios**instead â?? Defensive, Cautious, Balanced, All Weather, Growth or Aggressive.

The **All Weather portfolio**, for instance, is curated to be well diversified across fixed income, equities and gold. This should provide a balance between capital preservation and appreciation, while still growing your investments through various cycles of economic growth and inflation.

Risk-based portfolios

	Total return	
Name of portfolio	**Year-to-date**	**Since inc**
Defensive	0.45%	25.03%
Cautious	2.41%	29.29%
All Weather	0.06%	34.47%
Balanced	3.21%	35.86%
Growth	4.90%	40.56%
Aggressive	5.36%	44.60%

*Data as of 1 September 2018

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What are the charges?

Following the traditional investment advice in books (where you should avoid paying more than 1% in fees), OCBC has capped its charges to 0.88% per annum on the total value of your investments held with OCBC RoboInvest.

In return, you get to **save on transaction fees paid to your brokerage** if you were to try and replicate the underlying holdings yourself, as well as the monthly amounts when you employ the **dollar-cost averaging** strategy of diligently adding new capital each month.

Rebalancing also does not incur any additional fees, compared to if you were to manually buy or sell the units yourself.**How much do I need to get started?**

Whether you prefer to employ lump-sum investing or make regular monthly contributions for dollar-cost averaging, you get to choose and control how and when you want to invest.

You can invest from as low as US$100 without needing to open a securities or custodian account. Do note that some of the portfolios have specified minimum sums before you can invest in them, such as US$100 for Future World Portfolio or US$3,500 for the Dogs of the Dow Portfolio.

You can also opt for a **monthly investment plan option** to automate your capital injections, if you like. And since there is **no lock-in period**, you can make withdrawals without any charges at anytime you choose.

If examining the historical performance gives you greater assurance, then you can also review the top performers in each month to decide whether youâ??ll like to allocate more of your capital, or liquidate

them and channel into a different portfolio.

	Total return	
Name of portfolio	**Year-to-date**	**Since i**
Mainland Europe Financials*	21.10%	22
US Financials*	33.81%	31
Stable Singapore Giants*	12.45%	12
Singapore Stable REITs*	4.97%	25
Australian REITs*	15.56%	38

*Data as of 1 September 2018

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A worthy contender among todayâ??s robos

Even though Iâ??ve been an OCBC customer for years and previously used their securities platform for buying and selling stocks in Singapore. I never knew they had a robo-investment option until now. It is exciting that the bank has added a robo advisor for their clients who want to grow their wealth, and is working with WeInvest as the platform operator to power its RoboInvest offering.

With more retail investors choosing to invest through robos, OCBCâ??s RoboInvest truly stands out for its **wide variety of portfolios.** This is definitely suitable for investors who may feel restricted in having to chooseg between the (often less than 10) limited portfolios offered by other platforms in todayâ??s market.

Portfolio	
ETFs	Equities
Aggressive	Asia Tech
All Weather	Australia REITS
Balanced	Australian Financials
Cautious	Cloud Computing
China Growth	Cyber Security
Defensive	Dogs of the Dow
Future World	Electric Vehicles
Gen Z Winners	Hong Kong Consumer
Growth	Hong Kong Technology
Impact Investing	Mainland Europe Financials
Precious Metals	Mainland Europe Healthcare
	Mainland European Technology
	Resurgent Industrials
	Singapore Cash is King
	Singapore Stable REITS
	Stable Aussie Giants
	Stable Singapore Giants
	Stable US Consumer Giants
	Stable US Giants
	Stable US Healthcare Giants
	Stable US Industrial Giants
	UK Financials
	US Financials
	US Tech Leaders
	Yummy

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This is also a much more convenient solution for those of you who have an OCBC account, since you can invest directly using your funds with the bank, instead of having to make a transfer separately.

Whatâ??s more, you can easily get exposure to overseas markets without worrying about custodian fees through their solution that are normally charged by the local banks otherwise.

Definitely worth checking out, whether youâ??re looking for investment ideas or a solution to help you invest better and more easily.

Sponsored Message

When you invest in OCBC RoboInvest, you can be rest assured that you are investing with a trusted financial institution recognised for its stability and wealth management expertise.

Choose from 36 different portfolios in RoboInvest and invest today via the OCBC Digital app, where youâ??ll also get investment ideas and market insights from our OCBC investment experts, while being able to track and manage your portfolio easily on the go!

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For more details, check us out at OCBC RoboInvest here.

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Category

1. Investing
2. Stocks

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