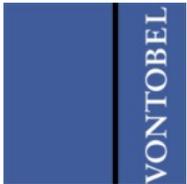


News / 26 June 2017



## **Vontobel Asset Management's Quality Growth boutique launches global equity income strategy**

The quest for income has become ever more important in the current low return environment. In response, Vontobel's Quality Growth boutique launched a global equity income strategy based on its proven, fundamental research-driven investment philosophy.

"For nearly two decades, we have been investing in high quality growth companies –franchises with high and stable returns on equity, strong balance sheets and strong free cash flow generation. These are the types of businesses that we feel can sustain and grow dividends over time. So a natural synergy exists between our traditional focus on quality growth investing and our Global Equity Income Strategy," said Co-Portfolio Manager and Director of Research Igor Krutov. "When constructing our Global Equity Income portfolio, we look at the total return of each individual security and then create a portfolio that balances dividend yield and earnings growth." added Co-Portfolio Manager Ramiz Chelat.

In their whitepaper "Generating Equity Income through a Quality Growth Approach", Igor Krutov and Ramiz Chelat analyze the interaction between dividend yield and quality and found strong evidence of the benefits of a quality focus. Among high dividend yielding stocks, better quality companies as a group produced higher returns with less volatility than lower quality names. This combination of high dividend yield and quality can be an attractive long-term solution for investors.

The New York-based Quality Growth boutique, one of seven boutiques within Vontobel Asset Management, managed CHF 33.2 billion in assets under management (31 December 2016).

### **Vontobel Asset Management**

Since it was established in 1988, Vontobel Asset Management has pursued a multi-boutique approach with a focused offering in the areas of equities, fixed income and multi asset class. Its goal is to create value – or 'alpha' – for clients. Vontobel Asset Management has over 400 employees, including over 150 investment specialists, in over a dozen locations around the globe. Its advised client assets totalled CHF 101 billion as of 31 December 2016. [www.vontobel.ch/am](http://www.vontobel.ch/am). Vontobel Asset Management is one of Vontobel's three divisions – together with Private Banking and Investment Banking – whose mission is to protect and build the wealth clients have entrusted to them over the long term. In doing so, Vontobel is committed to Swiss quality and performance standards. With their good name, the owner families have stood by these principles for generations. The registered shares of Vontobel Holding AG are listed on the SIX Swiss Exchange. The Vontobel families and the Vontobel Foundation hold the majority of shares and votes in the company.