

Investment platforms

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Investing through a platform allows you to savour a smorgasbord of investment options, without being inundated by the administrative tasks associated with each investment.

What is a platform and what does it do?

In simple terms, a platform is an administration service for your investments.

Many people invest in a number of managed funds, resulting in a deluge of paperwork. Investing via a platform simplifies the management of multiple managed funds in your portfolio.

Some investors also choose to invest through a platform to gain access to a range of investments that may not normally be available to retail investors.

The benefits of investing through a platform

- **Diversity and choice** platforms allow you to spread the risk, investing in a range of asset classes through a variety of managed funds – with some platforms also offering direct shares and margin lending (gearing). Depending on the complexity of the platform, this could give you access to a number of different fund managers, each providing a range of different investment options.
- **Your investments are in one place** without compromising on diversity, platforms can combine your investments under a single administration facility. You receive consolidated reports (simplifying your tax reporting), regular updates, and often 24 hour online access to your portfolio. In addition, the use of a consistent reporting style enables you to compare 'apples with apples' when analysing the performance of your investments.
- **Access to specialist and/or wholesale funds** which would otherwise be outside your reach. For example, many wholesale funds have lower management fees but higher entry levels, such as a minimum investment of \$500,000. While this puts the fund out of the reach for most individual investors, by using a platform, the minimum investment amount is generally a lot lower – even as low as \$1,000 in some cases.
- **Flexible fees:** some platforms provide flexible fee structures and certain fees may even be tax deductible.
- **You retain control:** over where your money is invested and, in consultation with your financial adviser, you can create the investment strategy that is best suited to your financial needs and goals.

Things to consider

As long as your money remains invested through the platform, you can instruct your adviser to switch investments or change your strategy at any time, online or over the telephone. As a result of these added services and functionalities, however, you may incur an administration fee for using the platform.

If you're thinking about investing through a platform, it's important to consider your circumstances. In terms of the fees/benefits trade-off, you should consider whether you will be better-off using a platform

or investing directly in the individual funds.

For more information please contact us on 1300 308 440.

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