



Investing: Art or Science? Or Neither?

It's the question that gets asked often and is almost always answered by investment managers in the same way: "Both."

Most fund managers will tell you that investing is a blend of art and science - the implication being that judgement and experience must temper the raw outputs of models and data. It's a comforting thought, and not entirely wrong. But it's also not the whole picture.

The real question isn't whether art and science are involved, they clearly are. It's more about what problem they're being applied to. And this is where things get a bit uncomfortable. Because, too often, investment managers focus on predicting markets and acting with conviction, without fully engaging with the purpose of the portfolios they manage, and the uses to which they will be put.

It's like building an aircraft without knowing whether it needs to carry passengers, freight, or missiles. The wingspan might be perfect, the aerodynamics flawless, but if you didn't ask what it's for, can you really say it's well designed?

We think a better metaphor is engineering. Engineering starts with the problem. The "why." It takes science as a foundation and design as a tool and brings them together in service of a clearly defined purpose. A good engineer doesn't just build something that works. They build something that fits - for function, for context, for outcome.

For advisers, the purpose is crystal clear: delivering real-world investment outcomes to clients in a way that supports sound financial planning and keeps people invested through the cycle. A well-engineered portfolio range should act as an enabler of advice, not a complication. It should reflect consistency, congruence and clarity - both in performance and in experience.

This is how PMX approaches investment management differently. We don't start with a view on markets. We start with an understanding of what advisers need to deliver to clients. Because that's what ultimately shapes behaviour, and behaviour, not endless forecasting, is the dominant force in long-term outcomes.

Advisers don't need black boxes. They need portfolios they can trust - ones that support their advice process, reflect their philosophy, and help keep clients composed when markets do not. When portfolios align with adviser needs, they translate more naturally into client value.

If the traditional debate is "art versus science," our answer is: wrong question. We're not here to win design awards or run physics experiments. We're here to build something that works and that was engineered with purpose.

Fuelling the success of top financial advisers.



ABOUT PORTFOLIOMETRIX

PortfolioMetrix is a global investment management business. Launched in 2010, we continue to support and empower advisers to provide bespoke and scalable investment solutions to their clients. Our proprietary integrated technology platform and investment management capability are the cornerstones to our offering. Our investment proposition focuses on sound asset allocation theory and pragmatic, common sense implementation to create reliable investment strategies across asset classes and multi asset portfolios. Our pioneering efforts have been recognised through multiple industry awards, including those for innovation, investment performance and process, disruption, client service and adviser satisfaction.

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