

Outlooks and insights

Ron Hanson, President & CIO details GLC's disciplined and active management approach during COVID-19 outbreak.

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By Ron Hanson, President and Chief Investment Officer, GLC Asset Management Group



As events related to the coronavirus (COVID-19) continue to unfold around the globe, I want to personally update you on what we're doing at GLC Asset Management Group (GLC). Ensuring uninterrupted prudent and professional management of your investments, and the well-being of our GLC team are our top priorities at this time. So, what are we specifically doing to ensure this?

GLC's business continuity preparedness plans are being put into action

GLC has long maintained robust business continuity plans that are regularly updated and kept current. As part of that plan being put to action now, GLC's senior leadership team meets daily with a focus on facilitating and streamlining best strategies to ensure the smooth ongoing operation of our business. Any additional corporate responses necessary to adapt to the evolving situation are identified and actionable steps to address them are determined at that time.

To ensure the continued well-being of our staff and the continuity of team functions, all GLC teams have been separated with the majority working remotely in separate locations. GLC's ongoing investment in our people, technology and portfolio management systems allows this to occur without any change in the level of attention, care and discipline to the management of GLC's investment portfolios.

These business continuity measures can, and will, stay in place to ensure the ongoing professional management of your investments, and for as long as necessary to ensure GLC does our part in helping to contain the health impact within our communities.

Bringing deep bench strength and experience to bear

Our portfolio management teams are continuing to manage their portfolios as they always have, using proven disciplined processes. GLC is fortunate to have an experienced and talented team, most of which have successfully managed portfolios through extreme market events in the past, including the Tech Bubble, the events of 9-11, and the Great Financial Crisis of 2008/9. I am proud to see our entire team sharing lessons learned and bringing those experiences to bear today.

Committing to reliable, timely and straightforward market insights

Amidst heightened levels of volatility, anxiety surrounding COVID-19, and rapidly evolving policy responses from governments and monetary authorities, it's natural to have questions and concerns about what's happening in financial markets. GLC's reputation of providing reliable, timely and straightforward market insights that aligned with investors' best interests was earned during periods of great uncertainty – and we aren't going to stop now. We're committed to being with you during this period of uncertainty and being a trusted resource for you now and thereafter, when calm will inevitably return to capital markets. You can always find the latest to stay informed at [News and Insights](#) – where we already have a number of articles and resources for investors related to current market events.

Delivering on the value of active management

The benefits of active management are most often realized during periods of market volatility. At GLC, we adopted a slight defensive position for our multi-asset balanced portfolios in the fall of 2019, largely predicated on concerns over elevated equity valuations. While no one foresaw the emergence of a global health pandemic coming into 2020, our asset mix call leading into the crisis has served our investors well. As events unfold, our investment teams remain vigilant in managing risk, as well looking for attractive opportunities. While we fully recognize that strong relative performance amidst unnerving absolute returns provides little comfort for investors, I must acknowledge the hard work and expertise of the GLC portfolio management teams at this time. Many of GLC-managed portfolios are outperforming both peers and benchmarks thus far in these very early bear market stages – an illustration of the value of our disciplined active management approach.

What's next?

Significant uncertainty surrounding the extent of COVID-19's impact on the global economy remains but there will undoubtedly be a material impact to economic growth and in turn corporate earnings. The full degree of the negative impact has yet to be determined and will

largely be dependent upon the severity and duration of the pandemic. We expect, and are prepared for, continued volatility in the days and weeks ahead.

As experienced institutional investors, we know that our best course of action remains the diligent adherence to our proven disciplined investment processes. It's a measured and disciplined approach that has held us in good stead in prior market crises, and we believe will do so again to the benefit of our clients. We likewise advise all our clients not to abandon their well-thought out and diversified investment plans.

It may be some time until capital markets, and daily life, return to normal. We remain optimistic that with collective and responsible action, including the many precautions and safeguards being put in place by individuals, governments and private enterprises, together we can help "flatten the curve".

On behalf of all of us at GLC Asset Management, we thank you for your support and trust, and extend our sincere best wishes to you in these trying times.

Yours truly,

Ron Hanson, President and Chief Investment Officer, GLC Asset Management Group Ltd.

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