

Financial Standard

Praemium signs on UK Fat Prophets

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ASX listed separately managed account (SMA) technology provider Praemium has signed a letter of engagement with the UK arm of Fat Prophets to launch its own branded version of the British version of the SMA, SO Smartfund.

According to a statement released by Praemium, FAT Prophets UK will brand their own version of SO Smartfund, a hybrid SMA/managed fund offering developed by Praemium and approved by the UK Financial Services Authority earlier this month.

Praemium claims the product's legal structure will allow clients to make the most out of the UK tax laws for managed fund investments, which currently do not pay capital gains tax at the fund level.

Fat Prophets UK will distribute the offering through their British client base and existing alliance arrangements with UK stockbrokers.

Praemium's managing director Arthur Naoumidis said Fat Prophets is "well acquainted" with the SMA concept. The venture has received high levels of interest since regulatory approval of Smartfund was granted.

Locally, Fat Prophets has been offering its own branded SMA under a white labelled service powered by Praemium's technology. All three investment models offered on the platform have produced positive returns since their launch, both relative to their benchmarks and absolute terms.

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