



Emerging Interest
... financial adviser
Sam Henderson.
Photo: Danielle Smith

> CASE STUDY

THE chief executive and senior financial adviser at Henderson Maxwell, Sam Henderson, has invested in emerging markets through iShares for almost a year now.

He favours these markets for several reasons. "Ninety per cent of actively managed funds don't outperform the index," he says. "Emerging economies have been leading the global recovery, with China, for instance, up 90 per cent from its lows."

Sam says he has always favoured investing in China, which has "risen 90 per cent since its low but it is starting to show signs of overheating".

"China may well be having another bubble given that it has lent \$1 trillion via banks in the past 12 months and that has certainly fuelled the recovery.

"As economic activity picks up, it should be fine."

In Sam's opinion, "Russia has been a bit of a basket case and Brazil and India look OK".

He believes investing in these economies is cheaper than investing in managed funds and investing through iShares is liquid, too. "[It's] a cheap and well-diversified method of gaining exposure to emerging markets."

However, Sam does admit it took an hour-long presentation to explain the merits of iShares to his clients and he warns that "using terms like [the acronym] ETF will only further confuse people and put it into a 'too hard to understand' category".

He established his firm in 2004 and specialises in superannuation and wealth management for clients over 50 years of age. With offices in Sydney and Melbourne, the team manages about \$250 million worth of assets.