P&A Behind the Scenes – Trading and Research

By Blake Anderson

We continue our series of looking behind the scenes at P&A and how our work gets done. Today, we will highlight our trading and research teams.

Our trading and research efforts are led by Shane Riley, P&A's Chief Investment Officer. Shane has been with P&A for 13 years and earned his Chartered Financial Analyst (CFA) designation in 2015. In his role as CIO, Shane is responsible for organizing and setting the overall investment direction for P&A. However, as all things at P&A, this is not a single-person endeavor. Dan Frost is P&A's other CFA Charterholder and plays a key role in this area of our business. Joining P&A three years ago this August, he has been in the industry since 1999 and earned his CFA charter in 2002. In addition to Dan and Shane, Jaxson Simmerman and Elizabeth Sydzyik are key members of the trading team.

As the name would indicate, our research and trading teams fulfill two key tasks. First, we'll take a look at our research process.

Our research team is made up of several team members at P&A who bring diverse opinions, insights and input to our research meetings. These weekly meetings cover a wide range of topics –from general market conditions and the economy to individual stocks and funds used in portfolios. In a typical meeting, the team will do a deep dive into one or two companies covering topics like the management team, industry trends, company financials – balance sheet, growth, cash flow, etc. We proudly say these conversations take many twists and turns all in pursuit of exploring our curiosities.

Not to be forgotten is the "ad hoc" research that occurs in the P&A office on a daily basis. Our open office set-up makes it a natural environment for impromptu discussions, debates and deliberations on a variety of topics – from the macro-economic news of the day (i.e. inflation, the economy, oil prices, etc.) to specific stocks or companies making headlines. These discussions are just as important and impactful to our research process as the formal weekly meetings.

Our philosophy on the markets is to be long-term investors, not day traders. However, we make several trades on a daily basis as our client's deposit or withdraw money, and as a part of our regular portfolio review process. The P&A Trading team utilizes the latest technology to help facilitate trading in client accounts. We have customized model portfolios built within our software that helps us get an account invested efficiently and accurately.

Again, we hold ourselves out to be investors (not day traders) and advocate for time in the market versus trying to time the market. Simply, it's our preference to be fully invested at all times. This is why our trading team works diligently to keep cash levels at a minimum (unless the client has an upcoming cash need) and keep those dollars invested and working hard at the client's targeted asset allocation. Our technology tools help the Trading Team effectively identify clients who have upcoming cash needs, as well as those who had money deposited into their account and need to be invested. All these tools and processes help us deliver a high-quality client experience.

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