

WEALTH MANAGEMENT PERSPECTIVE IN ASSET OPTIMALIZATION BASED ON WEALTH PROFILE AND RISK PREFERENCE

STUDY ON A *HIGH NET WORTH INDIVIDUAL*

By

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ABSTRACT

The objectives of this research are to investigate client's risk preference, where the result later will be equaled client's current assets allocation. Bunch of recommendation which describe alternatives of relevant scenario based on facts and in line with client's risk tolerance, will be the final objective. *Wealth Management* concept and its derivation onto 3 main pillars is the basic perspective along with this research.

Client is an entrepreneur, where a large amount of his wealth is being invested in the shape of properties. The problems he faced are cash flow liquidity, caused by elongated investment cycle (*cash to cash cycle*). Further problem is no long-term financial plan and wealth protection of client's assets.

Recommendation divided into 2 scenarios. *Alpha* and *Beta* are both offer quite alike investment and protection blueprint. Those were projected to overcome client's illiquidity as well short-term and long-term protection. *Alpha* is likely to put additional cash-in-flow for Rp. 29.500.000,- during its first year investment. At the same time as *Beta* expected to bring extra wealth for Rp. 41.333.333,-. Instruments used here are interchangeable.

Key Words: *Wealth Management*, Cash Flow, Protection, Future Savings