Investment Advice

At Hemenway Trust Company, our investment approach is based on several over-arching principles. The first is to understand your objectives, financial needs and tolerance for risk. Our seasoned professionals have extensive experience working with complex, high net worth individuals and families, developing tailored investment strategies that meet their needs. Second, because we have no products to sell, we are free of constraints and aim to invest in the best opportunities available, whatever their source. We believe in diversification, but do not try to match market weightings reflected in any specific benchmark or index. Third, our investment horizon is long-term. We believe that the important trends in the economy develop over an extended period of time and we have built a long track record of finding investments that have compounded impressive returns over multiple years.

Equities

We build our equity portfolios both with individually selected common stocks and with carefully selected sub-managers. In our directly invested equity accounts, we focus on companies based in the United States and other developed countries. We gain exposure to the developing world primarily through investments in companies based in already developed countries that have substantial investments in emerging economies. In appropriate cases, we will allocate a portion of client assets to a dedicated emerging market specialist.

We generally invest in growing companies with strong balance sheets, trading at attractive valuations and favor companies that pay dividends and have demonstrated the ability to continue to grow their dividends. These stocks are able to withstand economic turbulence and grow at a faster rate than their competitors. At times, we will invest in companies with superior growth prospects that currently pay no dividend, but have the prospect of doing so, and companies that reward their owners through price appreciation. We also have the ability to tailor portfolios to reflect a client's commitment to socially responsible investments, including a focus on environmental, political or health and human services issues.

Fixed Income

We view the fixed income portion of accounts as a source of steady income, liquidity and stability. In that light, we limit credit risk and invest in fixed income instruments issued by the United States Treasury, highly rated companies, or states and local municipalities. We generally structure bond portfolios to reflect our view of interest rate trends, taking into consideration a client's tax status and liquidity needs. Recently, we have shortened durations to protect against the loss of principal resulting from interest rate increase, and to provide opportunities to invest at higher rates. In larger accounts or where otherwise appropriate, we engage sub-managers to manage bond accounts that complement our core bond holdings. Those sub-managers will, at times, invest in high-yield bonds, and bonds issued by companies outside the United States.

Other Asset Classes

In appropriate accounts, we invest in asset classes outside our core equity and bond portfolios. Those asset classes are intended to provide additional sources of return, less correlated to our core investment strategy. Those investments include venture capital and private equity funds where investors can tolerate reduced liquidity in exchange for the prospect of higher returns. We invest in real estate and real assets intended to provide a source of return that will grow in periods of inflation. We also invest in hedge funds structured to provide equity or bond-like returns with lower volatility. Exposure to these alternative assets is gained through direct and fund-of-fund vehicles, tailored to client needs and appetites. All outside investment managers, whether selected by Hemenway Trust Company or directed by the client, are subject to a full due diligence process and ongoing monitoring from an investment and operational standpoint.

Our Process

We bring our clients our vast experience and deep track record of investment management. We have over $3.5 billion of assets under advisement, between Hemenway Trust Company and Hemenway & Barnes, $800 million of which is at Hemenway Trust Company. The investment management services provided by HTC are delivered by capable and seasoned professionals. The account managers of HTC have an average level of experience of at least 20 years. The account managers receive research and advice from a number of sources including in-house professionals, Reynders McVeigh Capital Management and other investment advisors. Our account managers work as a team to provide valuable insights and informed investing acumen to our clients.

Contact Us

Whatever your investment goals and objectives, Hemenway Trust Company stands ready to meet your needs. Please contact us to learn how we may be helpful to you.

Hemenway Trust Company LLC