FIIG Adviser Services

Australia's leading fixed-income experts providing direct access to the bond market, and deep expertise.

FIIG Securities was established in 1998 and is the leading independent Fixed Income specialist for Australian investors and financial advisers. FIIG has grown to service over 6,000 clients and over 1,200 adviser accounts with more than $4.5bn in funds under advice and locations across Australia in Brisbane, Sydney, Melbourne and Perth. Our legacy and pedigree have been built upon providing access to quality fixed-income investments while ensuring that investors understand the critical role that bonds play in a balanced portfolio.

FIIG Products and Services

At FIIG, we offer a comprehensive and specialised service for financial advisers, delivering tailored and bespoke corporate and government bond portfolios to meet your and your clients' unique needs. With access to the largest menu of direct bonds in Australia—over 700 securities—we provide investment choice and flexibility. Our offering spans Direct Bonds, MDAs, Managed Funds, Debt Capital Markets, and Term Deposits, supported by a robust secondary market and access to primary issues and institutional-grade investments. Seamless execution and deep market liquidity mean you can act quickly and confidently on behalf of your clients.

How to Invest with FIIG - Accessing the Over-the-counter (OTC) Bond Market

The trading of bonds between two parties through a dealer network such as FIIG.

The majority of bond trading in Australia occurs in the over-the-counter (OTC) market, which offers a broader range of securities and greater flexibility compared to exchange-traded options. The OTC market is significant and, where the majority of bond trading occurs with a diverse range of issuers and investors. In order to buy and sell in this market you need to find a fixed income dealer or broker like FIIG as there is no electronic exchange. This is a global bond market characteristic and not particular to the Australian market. OTC trading suits bond markets better because of its need for scale, customisation, discretion and efficiency.

Robust Research and Analysis – In-House Research and Education Department

FIIG's in-house research department provides investors with:

- Daily market commentary, analysis and insights
- Issuer research
- Sample portfolios
- Educational material such as guides, reference books and videos
- Fixed income seminars and webinars

To Speak to a Fixed Income Expert:
Call 1800 01 01 81 or Email: ClientServices@fiig.com.au

FIIG Adviser Services

The essential role of Bonds in a Balanced Portfolio

Bonds are complementary and necessary parts of a balanced portfolio. Generally, when shares underperform, Corporate Bonds outperform – and vice versa.

When markets are declining or unpredictable, Bonds look more attractive as a way of locking in returns and preserving capital. As a defensive asset, Corporate Bonds present slightly more risk than bank deposits for returns of around 2 to 4% per annum higher across the economic cycle. There are high risk Corporate Bonds earning as much as 12%+ per annum. Including Corporate Bonds in your portfolio helps you smooth out overall returns over time, especially when markets are stressed or volatile.

Why now for Bonds?

As the current cash rate remains elevated, direct bonds continue to provide investors with attractive returns on high-quality bonds. Bond returns are among the best we've seen in decades, offering between 5-8% for high-quality credit and even as high as 12% with more risk added.

Transparency in OTC bond markets:

- FIIG clients are provided transparent pricing that includes the bond's yield to maturity or running yield, which makes comparisons easier and more objective.

Three types of Bonds

Fixed Rate A fixed rate bond pays a fixed return for the life of the bond and is set at the time of issue.

- Deposits pay interest
- Bonds pay coupons

Floating Rate (FRN) A floating rate bond pays income linked to a variable benchmark.

- The margin over the benchmark is fixed and set at first issue
- Income will rise and fall over time as the benchmark changes

Indexed Linked An inflation linked bond is a security linked to the Consumer Price Index (CPI) or inflation.

Two main types:

- The capital indexed bond
- The index annuity bond

A bond gives periodic coupons, but prices can move.