

Employee
Profile

Andrew Baker



Our employee profile series continues with Andy Baker, CFA, partner and portfolio manager in RMB's Chicago office. We discuss his favorite hobbies, his connection to the city and how his work helps clients across the firm.

INVESTED: What are things you like to do for fun away from the office?

Andrew Baker: Well, I have a wife and three kids, so being a dad and husband takes up a lot of my attention and time, but I love it. Being involved in their lives is what I love to do the most. I am also a big NBA fan; I follow the whole league closely, but I'm primarily a Bulls fan, and my father and I share season tickets. I'm also very active: I like to run, bike, play tennis, golf, ski, lift weights. We also have a pretty active social life—we are fortunate that we have lots of good friends to spend time with. We also enjoy traveling as a family, so we go on some fun trips every year. I also like to read a lot. And I'm currently taking piano lessons.

INVESTED: Tell me a bit about your career path and how you ended up at RMB. You joined the firm 14 years ago, correct?

AB: That's right. I grew up in Evanston, Illinois, and went to college at Washington University in St. Louis. However, I moved back to Chicago right after graduation, so I've basically been in the area my whole life. We currently live in the North Center neighborhood and have been in the city since 2000, outside of two years that I lived back in Evanston while I attended graduate school at Northwestern.

I joined RMB in the fall of 2008. Interestingly, my first day at RMB was the day Lehman Brothers filed for bankruptcy, which is the day the global financial crisis went from bad to worse. Talk about a crazy time to join the firm. I'd been in business school prior to that, so I had been in a little bit of a bubble. Obviously, the financial crisis dominated my first year at the firm. March 9, 2009, was the market bottom, but of course we didn't realize that until later. When I joined, we were about \$1.5 billion in AUM, and the market plunge during the crisis quickly took us down to about \$1 billion. But we stuck to our plan and approach, and rebuilt and grew over the next few years, and now we're over \$9 billion. The firm has grown in many exciting ways, and I'm proud that I've been able to help with that.

INVESTED: Can you give us an overview of your changing roles at RMB over the years?

AB: Yes, it's been an evolution. I was hired to help expand RMB's investment platform, and in some ways, I'm still doing that today. When I first joined, we just had a few internally managed equity and core fixed income strategies, complemented by some international and emerging market strategies managed by third-party asset managers. I took responsibility for overseeing those third-party manager relationships and then helped us move out into different asset classes, such as real »

assets and credit-oriented strategies. A few years later we started getting into the hedge fund business, and I helped with that, including ultimately managing the multistrategy hedge fund we built. RMB spun that business out a couple years ago. I also helped develop our private investment platform, which we established in 2013 to invest in private equity and real estate.

INVESTED: So how would you describe your role now?

AB: I have three primary responsibilities today—managing our private investment strategies, overseeing our third-party investment managers, and I recently took over management of the firm’s asset allocation process. I’m also on RMB’s Investment Committee, which is responsible for setting the firm’s investment policy and overseeing the investment platform. And I am a partner in the firm.

I don’t have direct client responsibilities, but I frequently help our advisors and our family office team by talking to clients and prospects when they have questions about our investment approach and strategies. Right now, I have two people on my team working with me, and we are currently hiring for a third.

INVESTED: How would an individual wealth management client interact with your work?

AB: Think about RMB’s investment platform as a three-legged stool: Our fixed income team manages the core bond portfolios; our equity team manages equity strategies across the U.S., Europe and Japan; then my team essentially manages everything else. Many of our readers may be invested in some of these different assets beyond traditional stock and bond portfolios.

INVESTED: In your opinion, what are clients getting at RMB that is different from other firms?

AB: I think the strength of our investment team and platform provides our clients with a much more robust investment offering than they could find at most other RIAs. We have a very high caliber equity team that’s been working together for 20 years, producing great results. Clients have access to that, and importantly, can talk to those people directly, and many other firms don’t offer that. The same is true on the fixed income side—our fixed income portfolio manager has been in the market for 40 years. Also, the private investment program that my team developed is a sophisticated approach to private equity and real estate, which is different from what is offered elsewhere.

INVESTED: Obviously, we’ve had some pretty extreme market volatility recently. Any words of wisdom for investors based on your experience?

AB: First and foremost, take a long-term view when you’re thinking about investing. Investing in the markets means that periods of volatility and drawdowns come with the territory. It’s always scary. We know that over time markets go up, but when they go down, it’s often something scary we haven’t seen before. Fourteen years ago, the worry was that the global financial system might collapse. It was a really scary time because it was a systemic issue. Two years ago, a global pandemic hit that we feared might cause the collapse of civilization, and that was also very frightening. Right now, the concern is inflation like we haven’t seen in a couple generations—very few people in the industry today lived through it in the 1970s. It’s all new to most people. That’s why it’s critical to keep a long-term perspective, don’t panic, keep your portfolio properly structured, keep in touch with your advisor, and we’ll get through it and emerge in a better place. ■

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