

INTRODUCTION

Having a robust performance and attribution function is of strategic significance to asset managers and asset owners. It goes a long way in assuring investors, distributors and regulators that assets are being managed according to the investment objectives and that there is sufficient oversight and controls in the investment process. Regulators also prescribe fair disclosure and documentation of performance analytics by a competent team that is independent of the portfolio management function.

As the requirements from the function grow, the operational and intellectual challenges in performing the required processes multiply. **stradegi** offers a best practice performance & attribution managed service, to cater to the

needs of asset managers and to transfer the operational risk of producing and reporting performance. Although the managed service concept is not new in the industry, a deep understanding of the markets, significant experience working with multiple upstream and downstream systems and data providers, and a strong functional team is what **stradegi** brings to the table.

stradegi has proven expertise in performance and risk operations and aims of becoming a strategic partner to clients in their business growth aspirations. A strong team of performance individuals gives **stradegi** the advantage of offering customized services to asset managers of varying size & scale.

OVERVIEW

Fund Performance Calculations - Retail Funds

- Total returns
- Relative performance against peers

Fund Performance Calculations - Institutional Funds

- Time weighted return performance
- Performance relative to benchmarks

Fund Performance Attribution

- Brinson methodology
- Key rate duration & duration analysis methodology

ADVANTAGES

Capability

Stradegi offers a team of experienced performance and risk personnel, who have worked with asset owners, asset managers and service providers. This helps the client focus on their core responsibilities, without the overhead of finding the right talent. It also enables optimal allocation of staff.

Regulatory

As regulators start actively scrutinizing controls and procedures around risk management, asset managers will face challenges in demonstrating sound performance and risk frameworks. Stradegi has experience in establishing performance and risk frameworks at different asset managers, and subscribing to Stradegi's managed service means that the clients get a robust institutional performance and investment risk framework.

Cost

The cost of the service aligns with the service volumes. There will not be a need for high upfront costs which might come along with large solutions or high scale-up costs during expansion. The total cost of ownership (TCO) is lower as the recurring people, infrastructure and system costs are replaced by a fixed managed service fee.

Scalability

At times when new asset classes are invested in, new products are launched or new markets are entered, there is an immediate need for systems which can support such growth and people who understand the business requirements. Stradegi's managed service offers scalability in supporting different business requirements and the managed service grows in tandem with the growth in the business.

Pricing

Pricing tied to service levels and volumes

Location

Managed Service hub in Kuala Lumpur

Engine

Analytics engine benchmarked to best of breed solutions

Portal

Portal to support customized dashboards and reporting

Classifications

Supports unlimited custom classifications

Fee Calculations

Supports unlimited fee structure - e.g. Gross of fees, net of tax etc.



MODEL

Superior data and information security are key considerations in designing our service and we ensure that the client's financial information is protected from misuse, theft and disaster. We ensure compliance with business and regulatory requirements.

PERFORMANCE PORTAL

Designed to deliver a highly-intuitive, interactive user experience, the performance and attribution portal delivers the full range of performance data in a dashboard style display accessible to any number of team members and clients.

Through this platform we are essentially providing:

- Total Level Return
- Attribution
- Contribution
- Multi Period Time Series Analysis
- Reports



SALIENT FEATURES

- Meets all regulatory reporting and security requirements
- Performance data for end client and investor reporting
- Benchmarked against best of breed performance sttms
- Supports unlimited custom classification structures
- Supports flexible fee structure for reporting - gross of fees, net of tax etc.
- Interactive dashboards & reports as per client preferences
- One-click export to Excel or PDF

About **stradegi**

stradegi is a management consultancy focused exclusively on investment management. The team advises asset managers, insurance companies, pension funds and sovereign wealth funds in the areas of business strategy, operations, technology and governance.

The firm was established in 2013 in Singapore by a group of individuals with significant experience in senior roles on the buy-side. Our consultants have first-hand experience of the pains and frustrations that management teams go through in resolving Front, Middle and Back Office issues, and thus offer targeted and relevant advice.

The **stradegi** team brings an expert, practical and independent view that is based on an in-depth understanding of the buy-side.

OPERATING MODEL



For a demo, please contact

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