



GAMBIT FINANCIAL SOLUTIONS

FolioMaster™
The Portfolio Optimisation
& Management Solution



PROFILE. OPTIMISE. COMPLY.

FolioMaster™

The Portfolio Optimisation & Management Solution

A Modular Approach

PROFILE

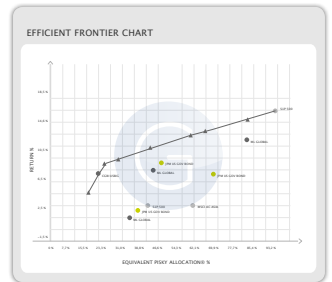
FolioMaster™ enables Asset Managers to parameterise the risk preferences and strategic allocation strategy for their investment portfolios. It allows a comprehensive configuration of the portfolio constraints whether mandated within the firm or by the regulators.

OPTIMISE

FolioMaster™ uses a sophisticated but proven optimisation method that focuses on an objective use of diversification to optimise investment portfolios, on measuring accurately the risky assets and on recommending the best trade-offs between risk and return. The tool is widely used by asset managers to complement their investment expertise.

COMPLY

FolioMaster™ includes the latest development in analytics for risk measurement, comprehensive stress testing and scenario analysis. They have been designed for the Risk Managers and Compliance Officers, who wish to measure, monitor and report on financial performance and risks. The tool can produce at various frequencies a number of reports, either off-the-shelf and/or tailored in various ways.



« **FolioMaster™**: a flexible, responsive and robust portfolio optimisation tool that combines powerful asset allocation with effective monitoring and reporting of risks in an investment portfolio in all market conditions »

Why you should use FolioMaster™

FolioMaster™ is used by Asset Managers, Hedge Funds, Banks, Insurance Companies, Pension Funds, Wealth Managers and more. It provides an opportunity to leverage your investment expertise and deliver to your client base optimal portfolio allocations

in all market conditions.

FolioMaster™ also provides your Risk Managers with better tools to monitor compliance of portfolios behaviour with risk strategy and regulations. The tool can be rapidly implemented and offers a low total cost of ownership (TCO) and an accelerated return on investment.

Folio**Master**[™] has been developed to deliver the following key features:

- ✦ Providing a comprehensive investment portfolio diagnostic and analysis tool that includes simulation, dynamic style analysis, leverage analysis and performance analysis;
- ✦ **Analysing the portfolio structure based on specific criteria (e.g. currencies, sectors, product categories) and benchmarking it to a specified asset allocation;**
- ✦ Generating new investment/rebalancing proposals based on the strategic asset allocation, the risk appetite, the investment constraints (risk and allocation) and the organisation's recommended investment universe. The tool includes a wide range of configurable optimisation methods;
- ✦ **Calculating and back testing the market risk of a portfolio (Value at Risk) using various methods – historical, modified, Extreme Value Theory, Gaussian and Monte Carlo. Risk figures can be broken down by asset class down to portfolio line level;**
- ✦ For a wide coverage of financial instruments, including comprehensive identification and measurement of a wide range of risk classes that can be used to set risk-related investment constraints (equity, interest rate, currency, liquidity, concentration, counterparty credit risk etc...) and to ensure ongoing compliance with latest regulatory requirements;
- ✦ **Providing detailed tracking functionality of the portfolio risk, return and in-depth performance measures at any level – security, currency, market or portfolio;**
- ✦ Simulating and stress testing the potential change in value of a portfolio based on a market shock or any other scenario defined by the client;
- ✦ **Integrating a comprehensive reporting module to calculate a multitude of risk and performance measures. True sources of both risk and performance can be analysed by attribution to asset types, sectors, etc;**
- ✦ Providing comprehensive back testing of asset allocations to illustrate their characteristics.

Unlocking powerful optimisation functionality

Its simplicity of use, as well as ease of customisation, makes Folio**Master**[™] one of the simplest, yet most powerful portfolio optimisation and management tool ever created. The software is very flexible having been developed and continually enhanced in line with client requests and working with leading academics.

The tool has been developed to integrate easily and rapidly with your existing systems and other sources such as market data providers or custodian feeds.

Folio**Master**[™] adapts to your corporate culture and investment expertise. Your asset managers will be, without a doubt, enthusiastic, reassured and motivated by this tool that assists them in their investment decisions with objective portfolio analyses and re-balancing recommendations.

The tool provides endless options for monitoring the portfolios. Using easily configured option panel, Risk Managers can take control over the extent of information and measures to be reported and the scheduling and distribution of the alerts and reports.



PROFILE. OPTIMISE. COMPLY.

Modules included :



Investment Universe Manager

The investment universe manager module enables the definition and management of a set of asset classes and financial instruments from which the asset managers can select to construct an investment portfolio. The module also enables the simulation of the impact of introducing a new asset class or a new asset in an existing investment portfolio.



Risk Profiler

The Risk Profiling module helps the asset manager to load the risk preferences and asset allocation constraints which are used for the portfolio optimisation. The constraints can either be mandated internally or by the regulators.



Portfolio Adviser

The Portfolio Adviser module helps the asset manager to perform an objective analysis of the portfolio's risk profile, its performance against investment objectives and a measure of various risk classes. Simply put, the module assesses the current status and makes detailed recommendations for a more efficient portfolio that is aligned with the risk strategy and to improve the performance.



Portfolio Builder

The portfolio builder module helps the asset manager make informed asset allocation decisions and plots portfolio along an efficient frontier that is specific to the risk strategy for the portfolio. The module performs optimisation techniques that go beyond the traditional mean variance optimisation and for a wide coverage of financial products and asset types. The module adapts to the firm's investment culture and expertise and supports the asset manager in re-balancing the portfolio.



Portfolio Monitor

The Portfolio Monitor module helps the asset manager and/or the risk officer evaluate probability of loss and the portfolio's value-at-risk, liquidity risk and counterparty risk exposures. It also assesses the probability that a portfolio will underperform a given benchmark or a composite benchmark. Finally, it stress tests the portfolio performance during different market conditions.



Alert & Compliance Manager

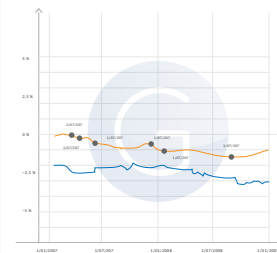
The Compliance Manager module provides the asset manager, risk officer and/or compliance officer a wide variety of means for the management of information that is critical to their work. It processes near real-time events to create alerts detecting breaches of limits or measures of various types mandated by the firm and/or the regulators. Users can determine the features that are relevant to them and the conditions about which they wish to be notified.



Portfolio Reporter

The Portfolio Reporter is a sophisticated reporting module that supports the design, generation, distribution and storage of high quality reports, management information and fund facts sheets. Reports can be customised and produced ad-hoc, or according to a pre-defined schedule to support periodic monitoring.

Value-at-Risk Backtesting chart



Performance chart

