

Strategy Search & Manager Selection

Subject

An investor plans to replace a large part of his current liquid fixed income allocation. The institution is subject to very few restrictions. One part of the new allocation should consist of active strategies. These strategies do not need to deliver low risk figures but should not exceed a certain risk budget within the portfolio context. The selected strategy has to be systematically managed, in such a manner that historical time series or qualitative analysis allow a good indication for the future risk return profile. Multi asset is allowed, high liquidity, and distributions are preferred.

The buy side client has experience with hedge funds. He already utilizes fund databases and other sources. Comparison across these sources and across vehicles can only be realized with manual effort. A lot of relevant information can only be gathered by contacting the manager or a third party.

Fund-Analytics.com

Collecting + Organizing + Analyzing Fund & Strategy Data

Collecting Data On All Investment Strategies

Our Role

QAP collects structured and unstructured data

on funds and managers. Beyond, our database encompasses strategies which are not or only partly implemented in vehicles. Therefore, we increase the manager and strategy universe. The basic functions organize the data to categorize, find peers, and see further relations.

In this case, we supported the investor with an individual filter and search to build a shortlist. Up front, we received the time series of the aggregate portfolio and of the fixed income portion. On the final shortlist, wealth managers were found that face similar challenges for their clients: replacement of fixed income allocations, distributions, no negative effects on the portfolio's risk profile.

QAP could provide the client with contact to potential new managers thanks to our collection of data and the individual search. The next steps could have included a more sophisticated quantitative analysis and a qualitative assessment based on our criteria catalogue and manager interviews. Finally, our recommendations are data based and illustrated in-depth.