

FAST ◦ USER FRIENDLY ◦ ROBUST

Asset Selection

Select Top Fund Managers

- Database** ➤ Linked to all hedge funds databases, Morningstar, Lipper-Excel and Bloomberg
- Manager Selection**
 - Separate manager's **alpha from alternative betas**
 - Measure fund risks and extreme risks · Fast intuitive · Peer grouping
 - Unique model analyzing **Long Only funds** by using alpha, conditional alpha and tracking error
- Due Diligence** ➤ Customizable qualitative and quantitative ratings
- Style Analysis** ➤ Verify fund style and sensitivity to economic factors through time
- Reporting** ➤ Robust Excel and PDF reporting to construct tailor-made Fact sheets.

Portfolio Construction

Extreme Risk Minimization

- Optimization techniques**
 - Modified VaR, Conditional VaR, Max drawdown, Omega, Correlation or Variance Optimization with or without correlation views
 - Optimization techniques allow to **construct portfolios with low probabilities of extreme negative returns** by taking volatility, skewness and kurtosis into account
 - Build portfolios to minimize risk during a financial crisis · Build portfolios with equal contribution to volatility · Build portfolios with multiple constraints
 - The models are developed and verified by market practitioners
- Portfolio Management** ➤ Compute portfolio weekly or monthly returns after management/incentive fees, after buy/sell trades · Liquidity ladder with gates, side pocket, redemption period, notice period · Perform risk and extreme risk analysis
- Risk Management**
 - Manually adjust portfolio assets with lowest / highest contribution to portfolio downside risk for purchase / redemption decisions
 - Measure portfolio risks and extreme risks
 - Stress test portfolios and funds against financial crises or multi-factors
- Reporting** ➤ Robust Excel and PDF reporting to construct tailor-made Fact sheets.

Return Forecasting

Short-Term Investment Strategy

- Forecast Returns** ➤ Know how and when to rebalance a portfolio based on each hedge fund index return forecasted for the next 1 to 6 months

Replication

Liquid Alternative Investments

- Alternative Returns**
 - Create portfolios replicating hedge funds, fund of hedge funds or hedge fund strategies, with no fees, full transparency and daily liquidity.
 - Monthly buy and sell recommendations using futures or ETFs.

AlternativeSoft - References

Why AlternativeSoft?

AlternativeSoft is a leader in asset selection, portfolio construction, return forecasting and replication. Our platform enables investors to use mutual funds, ETF, hedge funds and fund of funds to build and manage their portfolios.

Our software is unique because:

- It's fast and easy-to-use.
- It minimizes the extreme negative portfolio returns.
- We deliver annual updates with regular new features.
- Reliable and efficient client support



Best in Class

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A Sample of references

«AlternativeSoft is easy to use and a valuable tool for our fund of funds investment process. Ongoing support has been efficient and prompt.»

Emily Porter
Portfolio Manager
Universities Superannuation Scheme (USS)
www.uss.co.uk

«AlternativeSoft is a practical and user friendly tool used as part of our portfolio construction and risk management process. Their extensive support and responsiveness provides added value.»

Vikas Kapoor
Managing Director, Head of Risk Management and Portfolio Construction
Ramius Alternative Solutions LLC
www.ramius.com

«The AlternativeSoft platform is an intuitive application that is additive to our portfolio construction and risk monitoring processes. Further, the AlternativeSoft support team has been very helpful in supporting our implementation and on-going use of the software.»

Matthew Bianco
MD, Head of Risk Management and Portfolio Construction
Arden Asset Management
www.ardenasset.com

«AlternativeSoft is the only company that provides serious quantitative solutions dedicated to serious hedge fund investing.»

François-Serge Lhabitant, PhD
Head of Research, Kedge Capital
Professor of Finance, HEC Lausanne & EDHEC

«AlternativeSoft provides a useful interface for returns based analysis across a broad range of asset classes. The tool is complemented by responsive and efficient support.»

Rory Mcpherson, CFA
Senior Portfolio Analyst
Russell Investments
www.russell.com

