Panthera Solutions | Service

Strategic Asset Allocation (SAA) Consulting

www.panthera.mc

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MOST IMPORTANT ELEMENT IN RISK MANAGEMENT? THE RIGHT STRATEGIC ASSET ALLOCATION (SAA).

THE STRATEGY

Developed by Panthera Solutions, the strategy represents a new generation of portfolio management solutions. For achieving a robust strategic asset allocation, traditional but ineffective quantitative (ie MPT) and qualitative (ie core/satellite) optimization techniques were ruled out.

Robust diversification is achieved by transposing Megatrends-caused economic added-value in a G20 universe. For that, latest academic and practitioner insights are applied, such as state/preference-modelling for ranking macro scenarios.

The primary objective is to profit from quantifiable global Megatrends. The conversion from spotting those to forming diversified risk budgets follows a stringent process of quantitative and qualitative optimization techniques like the Grey Swan Matrix & a Strategy Rulebook - both inhouse developed tools. The Strategy Rulebook consists of a compendium of applicable allocation principles such as how to embed alternative risk-return pattern in risk budgeting.

Instead of seeking diversification between asset classes, Panthera´s strategy seeks to optimize diversification of risk factors. Why? Definitions of asset classes become increasingly inconsistent – structures, strategies and underlyings are blended. The focus on risk factors returns a clarity that is required in risk management.

The product seletion follows a stringent filter- and due diligence framework – written down in Panthera‘s Product Rulebook. Once selected, products are constantly monitored. Alternative Investments implicitly experience a professional consideration as core allocation components.

The strategy is tailored to an investors risk profile. Three target return categories are available. Inflation +2, +4 and +8 allow a flexible scalability.

Why Megatrends
Megatrends are long-lasting, comprehensive transformation processes in a globalized economy.

Constant business cycle timing is still the standard practice in asset management – despite its incapability of a systematic exploitation of cycle swings. On the other hand, Kondratieff/Schumpeter cycles of 30-50 years are too long to properly extract value creation, mislead by too much market noise.

Megatrends of 15-20 years are short enough to generate noise-minimized value through its coverage, and long enough for a robust exploitation.

STRATEGY | BUILDING BLOCKS

ROBUST ASSET ALLOCATION BY UTILIZING MEGATRENDS TO EXTRACT ECONOMIC VALUE

STRATEGY BUILDING BLOCKS

- G20 Megatrends
- Adaptive Market Hypothesis (AMH)
- State/Preference Modell
- Multi-Asset-Concept (MAC)
- Alternative Investments

PANTHERAs STRATEGY-RELATED PUBLICATIONS

„AMH & DIVERSIFICATION“ | 11/2011

„ROBUST AA BEYOND MARKOWITZ“ | 03/2011

WE CONSCIOUSLY IGNORE SPECIFIC TRADITIONAL PORTFOLIO MANAGEMENT PRINCIPLES

MPT / CAPM / MEAN VARIANCE OPTIMIZATION
OUTDATED ASSUMPTIONS

TAA – TACTICAL ASSET ALLOCATION
IMPOSSIBILITY TO TIME MARKET MOVEMENTS

TRADITIONELLES CORE-SATTELITE MODELL
IGNORES ASSET CORR IN GLOBALIZED ECONOMY

VaR-BASED RISK MANAGEMENT
CREATES FALSE SENSE OF SECURITY

EFFICIENT MARKET HYPOTHESIS
IGNORES BEHAVIOURAL FINANCE INSIGHTS

ACTIVE MANAGEMENT BIAS
IGNORES CHRONICAL MF UNDERPERFORMANCE

THE 5-STEP STRATEGY PROCESS EXPLAINED

STEP ONE

MONTHLY

MEGATREND ANALYSIS & SELECTION

METHOD
Inhouse Macro-Research-Matrix

PURPOSE
Quantification, Updating & Evaluation of Megatrends in G20 Universe

STEP TWO

MONTHLY

DEVELOPING MACRO SCENARIOS

METHOD
Multiple-Regression & Grey Swan Matrix

PURPOSE
Extraction of possible 6 month-scenarios of selected Megatrends

STEP THREE

MONTHLY

RANKING MACRO SCENARIOS

METHOD
State/Preference Algorithm

PURPOSE
Short-listing of most likely STEP TWO scenarios for selected Megatrends

STEP FOUR

MONTHLY

STRATEGIC ASSET ALLOCATION

METHOD
PS Strategy Rulebook

PURPOSE
Defining risk budgets (ie 5% commodities) based on the top-rankings in STEP THREE

STEP FIVE

WEEKLY

PRODUCT DD & SELECTION

METHOD
PS Product Rulebook

PURPOSE
Due diligence, selection & monitoring of products

SERVICE | MODULE

CORE SERIVCE		
MONTHLY UPDATE CONTAINS	STEP ONE | MEGATRENDS ANALYSIS & SELECTION	Update on which Megatrends are currently selected – incl reasoning
	STEP TWO | MACRO SCENARIO DEVELOPMENT	Update on risk factor changes in the Grey Swan Matrix
	STEP THREE | MACRO SCENARIO RANKING	Update on the most probable risk factors, which could most likely/strongly impact the selected Megatrends
	STEP FOUR | STRATEGIC ASSET ALLOCATION	Update on changes in the Strategic Asset Allocation | Explanation on re-allocation between/inside risk budgets

OPTIONAL SERIVCES		
OPTIONAL CONSULTING SERVICE	STEP FIVE	PRODUCT DUE DILIGENCE
		PRODUCT SELECTION
		PRODUCT MONITORING
	PRODUCT STRUCTURING	
	TAILORED MACRO ANALYSIS - ON DEMAND	
	WORKSHOPS/SEMINARS ON SAA THEME	

MODULAR PRICING MODELL

YOU ALWAYS KNOW THE PRICE FOR PANTHERAs PERFORMANCE IN ADVANCE

SERVICE | MODULE

FLEXIBLE DELIVERY OF CORE & OPTIONAL SERVICES

TAILORED SERVICE DELIVERY			
	PER EMAIL	PER INVESTMENT COMMITTEE	PER PRESENTATION
	PER PHONE	PER VIDEO CONFERENCE	PER SEMINAR

ADVANTAGES FOR PORTFOLIO MANAGERS | INVESTORS

CORE SERVICE

INDEPENDENT ANALYSIS OF ROBUST MEGATRENDS	STRUCTURE-AGNOSTIC (UCITS, MA, OFFSHORE, ect.)	MULTI-ASSET-BASE
CONSULTING ADVICE INSTANTLY APPLICABLE	ROBUSTNESS VIA ANTICIPATORY RISK MANAGEMENT	PROFESSIONAL INTEGRATION OF ALTERNATIVE INVESTMENTS
COHERENT ASSET ALLOCATION METHOD	STATE-OF-THE-ART INTEGRATION OF ACADEMIC INSIGHTS	DIVERSIFICATION VIA RISK FACTOR ANALYSIS

OPTIONAL SERVICES

RENOWNED PARTNER-NETWORK	COST SAVINGS VIA PANTHERAs PROJECT-MANAGEMENT
ACCESS TO OFFSHORE & ONSHORE STRUCTURES	LEARNING FROM PANTHERA AS KNOWLEDGE BROKER
COMPETITIVE ADVANTAGE VIA APPLICABLE MACRO RESEARCH	STRINGENT DUE DILIGENCE MINIMIZES RISK

SERVICE | TOOLS & PARTNERS

DATA BASES | TOOLS

In addition to a well-engineered selection of secondary research sources, Panthera benefits from access to the following primary sources of market data, tools and data bases.

Bloomberg

HEDGE FUNDS REVIEW

BCA RESEARCH

MATLAB®

Lombard Street Research
Independent • Objective • Creative

ProQuest

IIJ Institutional Investor Journals

The Journal of Alternative Investments

The Journal of Portfolio Management

PANTHERAs MACRO ANALYSIS

The evaluation of Megatrends and its conversion into a robust asset allocation, require a sophisticated understanding of the world economy and its risk factors.

Markus Schuller transparently demonstrates his analytical proficiencies in his monthly macro commentary – the PS Commentary. His analyses are regularly published across quality newspapers/ magazines in the German-speaking countries.

Access the PSC archive.

The PSC is regularly published in the following newspapers/magazines.

DAS INVESTMENT – KNOW-HOW-MAGAZIN ZUR KAPITALANLAGE

FONDS exklusiv

Die Presse – Die Presse.com

GodmodeTrader – Technische Analyse und Anlagestrategien

IPE Institutional INVESTMENT

WIENER ZEITUNG – Gut zu wissen.

Salzburger Nachrichten

DIE ZEIT

ABOUT PANTHERA SOLUTIONS

Panthera Solutions

Panthera Solutions is a Strategic Asset Allocation Consultancy in the Principality of Monaco.

Panthera adds value by serving European institutional and semi-institutional investors with independent solutions in the areas of:

- Strategic Asset Allocation Consulting
- Customized Product Development
- Customized Macro Research
- Education & Publication

Markus Schuller

Founder of Panthera Solutions.

Markus has over 12 years experience in trading, structuring and managing standard and alternative investment products. Previously to Panthera, Markus was Managing Director at Twelve Asset Management Inc., a **Long/Short Equity Hedge Fund** for which he developed the trading algorithm. He was one of the first in Europe to fit hedge fund strategies into **UCITS III** – compliant structures.

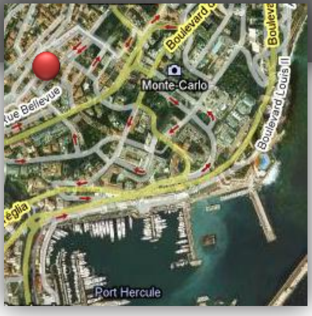
Markus started his career as **Equity and Options Trader** at the Austrian Volkskreditbank, followed by an engagement at the Hypo Landesbank as **Macro Analyst** for the Private Banking department in 2002.

Markus graduated from his **Master in Economics** at Joh. Kepler University (research stay at University of Pittsburgh). In 2005 he successfully graduated from his **MBA** (specialized in Corporate Finance and Wealth Mgmt) at the International University of Monaco (Top 35 worldwide) .

After receiving his **MSc in Financial Engineering** degree in 2006 from IUM, he joined the Alternative Investment Boutique ´Monaco Capital Partners´ where Markus signed responsible for structuring offshore Real Estate and Private Equity funds with an investment focus on Asia.

Since 2009 Markus is teaching **"Portfolio & Hedge Fund Strategies"** at the International University of Monaco and since 2011 the workshop "**Alternative Portfolio Management**" for the Vienna Stock Exchange Academy. Markus is a regular speaker at **international investment conferences** and commentator for **German and Austrian quality newspapers and journals.**

CONTACT US



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