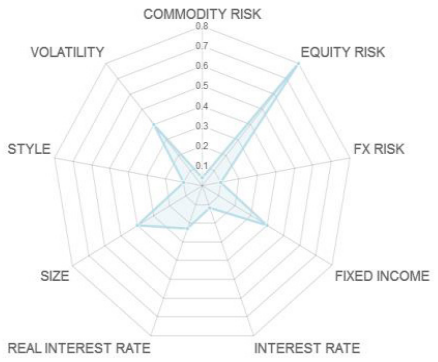
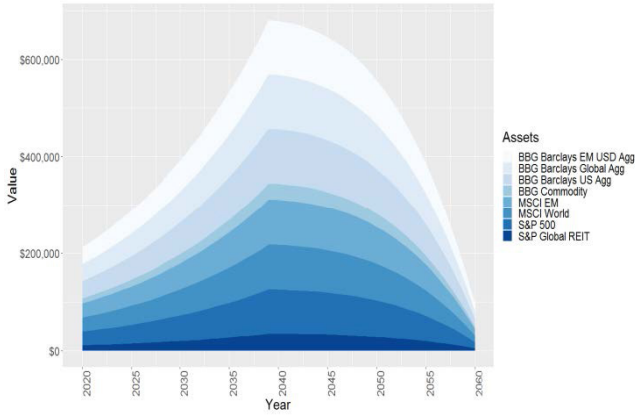
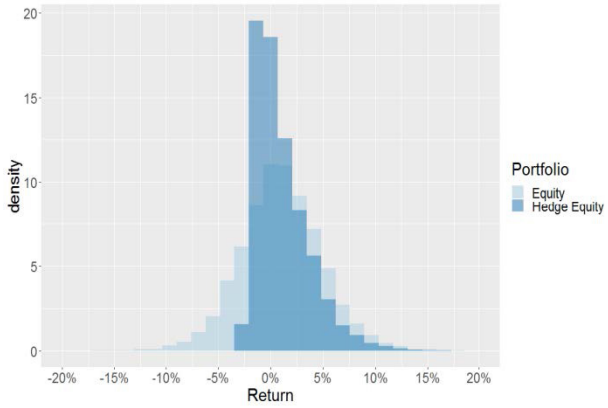
FACTSET

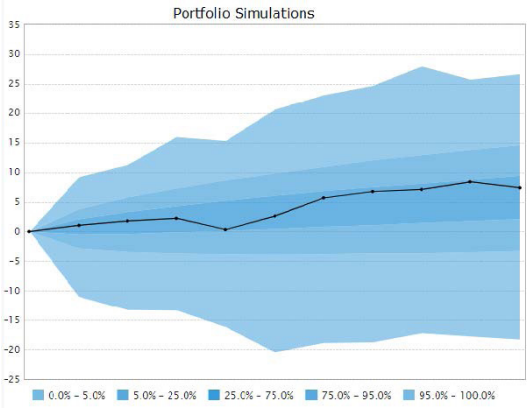
FactSet's Meta Optimizer

Meet your clients' investment objectives with Cognity's multi-asset class optimizer. Construct optimal portfolios using fat-tail methodology, multi-period optimization, and real-world predictive power.









CONSTRUCT OPTIMAL MULTI-ASSET CLASS PORTFOLIOS

Leverage the market's only true multi-asset class optimizer that is based on full-repricing Monte Carlo simulations. Cognity's Meta Optimizer is fully integrated within FactSet's risk framework and offers:

- Unique fat-tailed methodology as its basis.
- Mean-Variance optimization and optimization based on Expected Tail Loss (ETL).
- Advanced multi-period optimization with flexible multi-period objectives and constraints to allow for dynamic risk-return preferences and cash-flows.
- Proven real-world predictive power to build resilient top-performing strategies on a risk-adjusted basis.
- Stress test objectives or constraints, drawdown optimization, and flexible tail-loss constraints to minimize or limit losses in case of extremes and stress scenarios.
- Powerful, integrated reporting capabilities that allow you to share analysis with other FactSet applications, or export results to other teams.

MULTI-PERIOD OPTIMIZATION

Leverage flexible constraints and objective settings to generate optimal portfolios.

- Maximize probability of achieving long-term reward while minimizing short-term risk at any intermediate reallocation step.
- Maximize the plan's surplus and minimize the risk that the funded status would fall below 100 percent over the next five years.
- Maximize the probability that the total value of all assets will exceed the liabilities of the fund at each decision moment, while minimizing the contribution rate by sponsors and active employees.
- Maximize expected terminal wealth net of penalty costs on cash flows, goals, and more.
- Maximize expected utility of trading revenue, where utility is measured as a certainty equivalent equal to the expected cost of trading plus a constant times the variance of the cost.
- Minimize tracking error and market impact across several stages.
- Minimize Drawdown for factor-tilted portfolios (smart-beta).

INDEX CONSTRUCTION WITH FACTSET'S META OPTIMIZER

Tail-risk-based Portfolio Construction brings significant improvement of risk-adjusted returns and lower drawdowns.

- Build efficient portfolios.
- Outperform the benchmark on a risk-adjusted return basis.
- Capture market sentiment and bridge the gap between quantitative and behavioral finance.