



## Performance Reporting and Analytics

How Can ISC Improve Portfolio Planning and Decision Making

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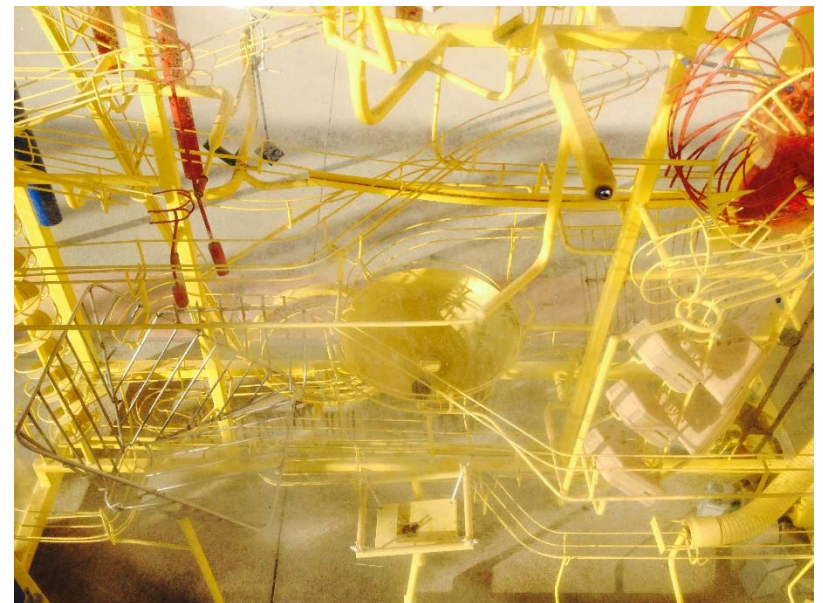
## Advantages of Partnering with ISC

Let us help you bridge the resource gap and navigate the hidden multiple perils of investment portfolio performance reporting and analytics. We have the qualifications, experience and technology to make sure decision makers have the information they need.

### ❖ If it were easy, everyone would do it...

At first glance, performance reports may appear to be simplistic. A series of lines and columns compared to benchmarks. How hard could it be? Don't you just press a button? Although performance on individual assets or accounts is not overly complex (depending on transactions), building and maintaining account composites which incorporate the universe of investment assets in your portfolio held by various custodians and fund sponsors is another matter. Building and maintaining a history using consistent best practice methodologies, is another matter yet.

Most investors want to see performance data for an extended period or from the inception of their portfolio. This data requires the historical aggregation of daily/monthly/quarterly calculations and weighted composites for portfolio groupings and benchmarks using a consistent methodology which incorporates industry best practices. It also requires the availability of benchmark pricing information and powerful technologies which can maintain historical performance data and produce useful risk analytics. Employees with various skill levels in your organization will evolve and rotate in and out of roles. Short of having a dedicated investment performance analyst role and material capital investments in technology, consistent maintenance of complex portfolio data over many years is nearly impossible. ISC analysts use state of the art technology and "fool proof" systems to create, reconcile and maintain performance data. We understand the data, the systems and the specific requirements of our Clients.



### ❖ Independent Reporting

ISC is a fee-only investment consultant; we do not have financial relationships with or sell investment or insurance products or earn commissions. Our analysts, therefore, are not conflicted by either financial benefits linked to investment or are focused 100% on the best interests of our clients. In addition to being best suited to provide independent reporting on investment results, we are also able to provide a candid assessment of the performance of your portfolio and collaborate with you in determining whether or not it is supporting your financial strategies.

### ❖ Consistent “Best-Practice” Methodologies

For reporting to be at all useful, it must represent current and historical data accumulated using consistent “best-practice” methodologies. The CFA Institute has published “Principles for Investment Reporting” and “Global Investment Performance Standards” which represent an industry standard for performance reporting by investment managers. As consultants, we cannot claim to be “GIPS compliant” (a description reserved for asset managers only). However, we look to these standards, especially those related to input data, calculations methodology and composite construction, for guidance in defining and maintaining our systematic approach to performance reporting. ISC methodologies are consistently maintained and do not deviate over time.

### ❖ Your time is valuable



Time is the most important resource you have...and there never seems to be enough. Why spend hours and hours accumulating data and pouring over spreadsheets which may contain inconsistent or erroneous results? By partnering with ISC, your time is spent doing what you do best. It is our job to make you shine.



## ISC Performance Reports:

Our base-line portfolio performance reports include the following fundamental components specifically formatted to the needs of your organization:

- ❖ Time weighted performance (TWRs) of each manager in the portfolio for the current period and other periods as defined by our Clients compared to custom or major market indices.
- ❖ The performance of our Client's portfolio in each sector or custom composite compared to custom sector or composite indices.
- ❖ The performance of the overall portfolio, measured against a custom or major market index.
- ❖ Customized comment on portfolio performance, highlighting where the portfolio is performing well and where there may be areas of concern; identifying areas where performance appears to be satisfactory but is actually worrisome, or where it appears to be worrisome but is in fact acceptable.
- ❖ Commentary on various market sectors, so that clients who have a more detailed interest in market events, momentum, and valuations including consensus views about where in the capital markets value seems to lie and where valuations have experienced significant moves.
- ❖ How the portfolio is positioned against its target asset allocation strategy.
- ❖ For clients with private equity and real estate investments, either manager provided or recomputed schedules showing various analytics as required. These may include: (a) original commitments, (b) takedowns to date, (c) distributions, (d) remaining commitments, and (e) an internal rate of return (IRR) for each investment.

## ISC Risk Measures, Market Data and Analytics:

Risk measures, market data and analytics are available to ISC Clients as either system produced (standard) reports where available or using customized models and methodologies.

- ❖ **Returns Based Analytics**
- ❖ **Exposures**
- ❖ **Economic and Consensus Market Data and Forecasts**
- ❖ **Global (Benchmark Relative) Attribution**
- ❖ **VAR**
- ❖ **Other Customized Analysis**