



CompositeBuilder®

Simplify and automate composite management

Integrates seamlessly with Axys®, APX®, Black Diamond®, Tamarac® Advisor View, and PortfolioCenter®

End-to-end, rule-driven automation of composite creation and maintenance

- Automatically adjust assignments due to:
 - Significant cash flow
 - Minimum size violation
 - Cash or margin weights
 - Weight of client-directed or restricted positions
 - Position size
 - Assignment delay after inception or strategy change
 - Variance from a model
 - Models can be multi-level: asset class, sector, or individual securities.
- Actively monitor changes to data fields in your portfolio system to trigger strategy / assignment changes in CompositeBuilder.
- Apply rules on a monthly or quarterly basis.
- Run rules in validation mode to see the impact without committing the changes.

Critical functions

- Composite calculations are saved in a permanent result set that includes each account's monthly values, returns, and cash flows, providing a full and transparent audit of the return calculation.
- When returns are re-calculated for a prior period, a compare process identifies ANY changes in the underlying set of assigned portfolios, values of the portfolios, returns, or cash flows from the prior calculation.
- Finalized results sets can be locked down to prevent deletion or overwriting.
- Model fees may be used at the composite level, account level, or in combination.
- Front to back checks for missing data.
- Composite weighting may be based on beginning of month account value or beginning of month value plus all pro-rated weighted cash flows.
- One click "un-do" rollback of all rule changes to put a composite in its previous state.

Comprehensive tools

- Display outliers within a composite, for any period, monthly, quarterly, or annually.
- Quickly see any eligible portfolios that are not included in a composite for any period.
- Classify all accounts using critical GIPS attributes: discretionary, fee-paying, bundled fee, etc.
- Track all periods when accounts are non-discretionary or non-managed (including periods when accounts are excluded for rule violations).
- Full audit trail of all data with user annotations.
- Easy import of miscellaneous exception periods that should be excluded from composites.
- Pull index / benchmark data from your portfolio system or import benchmark data directly into CompositeBuilder.
- Construct custom blended benchmarks

Full carve-out functionality

- Create asset class carve outs with allocated or actual cash.
- Composite presentations for carve-outs include a section for the stand-alone composite of the same strategy.

Simplify the verification process

- Save days of work with a one-click verification extract to provide all required data by your verification firm.
- Reduce back and forth with your verification firm by identifying and resolving outliers, missing accounts, and other issues and errors up front.

Comprehensive, built-in reporting

- Create annual compliant presentations with all required columns and disclosures.
- Monthly, quarterly, and multi-year reporting options available.
- Includes a broad universe of ex-post return and risk analytics.
- Import historical composite returns to include on reports with ongoing returns calculated by CompositeBuilder

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Descriptive statistics

- Composite return
- Benchmark return (up to 4 benchmarks)
- Risk free benchmark return
- Number of portfolios in composite, end of year
- Number of portfolios in composite for entire year
- Number of portfolios in composite, beginning of year
- Standard deviation of portfolio returns within composite
- Total composite assets
- Total firm assets
- Percentage of Firm Assets represented by a composite
- High portfolio return within composite
- Low portfolio return within composite
- Range of portfolio returns within composite
- Percent non-fee-paying assets in composite, end of year
- Percent bundled-fee assets in composite, end of year
- Equal weighted mean return of portfolios in composite for the full year
- Equal weighted median return of portfolios in composite for the full year
- Mean monthly composite return
- Median monthly composite return
- Mean monthly composite absolute deviation
- Variance, monthly composite returns
- Standard deviation, monthly composite returns
- Mean monthly benchmark return
- Median monthly benchmark return
- Mean monthly benchmark absolute deviation
- Variance of monthly benchmark returns
- Standard deviation, monthly benchmark returns
- Skewness, monthly composite returns
- Kurtosis, monthly composite returns
- Excess kurtosis, monthly composite returns
- Bera-Jarque statistic, monthly composite returns
- Skewness, monthly benchmark returns.
- Kurtosis, monthly benchmark returns
- Excess kurtosis, monthly benchmark returns
- Bera-Jarque statistic, monthly benchmark returns
- Covariance
- Correlation
- Up capture indicator
- Down capture indicator
- Up number ratio
- Down number ratio
- Up percentage ratio
- Down percentage ratio
- Percentage gain ratio
- Composite Hurst index
- Benchmark Hurst index
- Composite bias ratio
- Benchmark bias ratio

Risk Measures

- Sharpe Ratio (geometric or arithmetic)
- Alternative Sharpe ratio
- Adjusted Sharpe ratio
- Revised Sharpe ratio
- Tracking error (geometric or arithmetic)
- Excess return (geometric or arithmetic)
- Information ratio (geometric or arithmetic)
- Adjusted information ratio (geometric or arithmetic)
- Relative Hurst index (geometric or arithmetic)

Regression statistics

- Regression beta
- Regression alpha
- CAPM Beta
- Jensen's alpha
- R-Square
- Specific Risk
- Systematic risk
- Total risk
- Treynor ratio – geometric or arithmetic

Extreme Risk

- Ex-post VaR 95% confidence (historical)
- Ex-post VaR 95% confidence (parametric)
- Ex-post VaR 99% confidence (parametric)
- Modified Ex-post VaR 95% confidence (parametric)
- Modified Ex-post VaR 99% confidence (parametric)

Drawdown

- Number of Drawdowns
- Maximum Drawdown
- Largest Individual Drawdown
- Average Drawdown (top 3)
- Average Drawdown (top 5)
- Average Drawdown (all)
- Average Annual Maximum Drawdown
- Pain Index
- Ulcer Index

Partial Moments

- Downside potential
- Downside risk
- Upside potential
- Upside risk
- Semi-variance
- Semi-deviation
- Omega ratio
- Minimum target return
- Sortino ratio
- Upside potential ratio
- Variability skewness

Risk Adjusted return

- M-squared
- M squared excess return (geometric or arithmetic)
- Differential return

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