

PRODUCT BROCHURE

# PERFORMANCE MANAGER

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As a performance analyst, you need to provide analysis and reporting across portfolios. With Performance Manager, you have a comprehensive tool for performance measurement and attribution, empowering you to add value to the investment decision-making process in your organization.

PERFORMANCE  
MANAGER

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# PERFORMANCE MANAGER: TACKLE PERFORMANCE MEASUREMENT AND ATTRIBUTION EXPERTLY

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As a performance analyst, you need to have a crystal-clear view of the drivers of portfolio performance. Performance measurement and attribution assume key value-adding importance, just as exercising control over consistent data and comparable results is a must. Performance Manager helps you to answer the one important question: what value has been added and by whom? It provides the essential support to help you assess performance for any grouping or classification – efficiently and expertly.

## MEASURE YOUR PERFORMANCE EVERY STEP OF THE WAY

With performance measurement required at every decision-making level of the investment process, Performance Manager equips you with an efficient performance reporting tool for both large institutional investment managers as well as client-servicing investment managers. The tool enables you to accurately map and measure the effect of all investment decisions undertaken, and to analyze and report on individual portfolios and sub-strategies as well as across portfolios.

The seamless integration of all functions around a core database greatly simplifies the practicalities of performance measurement and attribution. And Performance Manager empowers you to include the entire range of instruments in your performance measurement – from equities, fixed income, FX, and cash, to more complex instruments, such as OTC derivatives and structured products.

# PERFORMANCE MANAGER

## ALLOWS YOU TO REDUCE YOUR OPERATIONAL RISK WHILE IMPROVING OPERATIONAL EFFICIENCY

Its automated workflows eliminate manual errors and the single database design ensures that your data is always consistent with that used in your organization’s other functions. By using the same investment structures throughout the organization, Performance Manager makes sure you always have the correct holdings at your fingertips, along with the specified benchmark included in your analysis. These strengths enable you to provide accurate and consistent client reporting and facilitate better decision-making.



### SIMCORP DIMENSION MANAGERS, EXPLAINED

Our integrated system is made up of different components covering all functions in your front, middle, and back offices. We call these components 'Managers' because they refer to the relevant role they support within your company.

Throughout the investment management value chain, your operations are in the hands of different people in different roles, where each role has its unique requirements. This is why we've built SimCorp Dimension in a role-based manner so that all your roles (Managers) are covered, front-to-back.

# ADD VALUE TO THE INVESTMENT PROCESS

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Performance Manager allows you to conduct in-depth analysis at every decision-making level. With a single repository storing all financial figures and benchmarks, you can utilize consistent and fully transparent data. This frees you to spend more precious time adding value to the investment process and less on cleaning, calculating, aggregating, and verifying data.

## SINGLE DATABASE DESIGN

The single database integrates all your functionality and ensures that your performance calculations are consistent with other financial figures throughout the system. With the single database, you also minimize the need for data feeds between systems, which in turn reduces the operational risk and avoids valuable time being spent on reconciling data.

## BUILT-IN TRANSPARENCY AND FULL ACCESS

When you analyze performance results online, Performance Manager provides you with built-in transparency capabilities so you can drill back from any return to the market values and cash flows that underlie it. From this point, the tool enables you to access transaction data, as well as security data or market data in order to confirm all the inputs into the calculation.

## FULLY FLEXIBLE INVESTMENT STRUCTURE

With Performance Manager, you have a fully flexible investment structure to point the way to each and every investment strategy and ultimately to each and every holding. This makes your task of measuring performance at every decision-making step of the investment process all the easier. With mandates, you can quantify performance for a mandate by adding a specific system-wide benchmark defined at the strategy level.

## HOLISTIC RETURN AND PERFORMANCE CALCULATION

The investment structure is the cornerstone of performance measurements, and with Performance Manager you can calculate returns and performance key ratios across the entire structure, per mandate or aggregated across mandates. You can isolate and dissect any level within the structure, either per or across mandates, which allows you to capture the returns of all the different active decisions in the investment management process.

# ENHANCE CLIENT REPORTING AND ADD VALUE TO THE INVESTMENT PROCESS WITH **PERFORMANCE MANAGER**

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- Reduces operational risk as the single database design minimizes the need for data feeds between systems.
- Ensures consistency of reporting data between departments.
- Improves decision-making quality with full data transparency supporting drill-down to the holdings, transactions, and prices behind the returns.
- Increases operational efficiency as you leverage effective workflows for everyday tasks, leaving you more time for analyzing returns.
- Improves reporting as you have all data readily available and you can easily prepare reporting ingredients as analysis needs dictate.
- Increases usability as investment structures ensure you have the correct holdings, along with the specified benchmark included in the analysis.
- Facilitates scalability as effective workflows for everyday tasks allow you to measure and report performance as easily for a few as large number of mandates.
- Enables you to add a new strategy or mandate to the system without the corresponding cost.

# THE TOOLS YOU NEED TO **ENHANCE** **YOUR PERFORMANCE** **MEASUREMENT**

Performance Manager empowers you to combine performance measurement results with those from other areas of your organization, i.e. risk and accounting, to form a complete reporting package for clients and internal management. In addition, you can build and maintain composites to comply with GIPS.<sup>®</sup>

## **ATTRIBUTION**

With Performance Manager, you have a tool to calculate performance attribution in performance measurement using geometric models as well as arithmetic attribution models. Covering different variants of the Brinson-Fachler and Brinson-Hood-Beebower attribution families, you can for example configure if currency allocation should be singled out or built into the other effects.

## **FIPA**

This tool enables you to calculate fixed-income performance attribution (FIPA) in performance measurement using a key ratio-based model that attributes fixed-income portfolio returns to broader market movements. The key ratio-based model is also well suited for client reporting. Our additional revaluation-based model uses a different set of market factors, enhancing your analytical powers in the fixed-income decision process. You can compound single-period effects over time to produce multi-period effects without introducing a residual.

## **GIPS SUPPORT**

In order to comply with Global Investment Performance Standards (GIPS<sup>®</sup>), a composite report must include certain performance results (e.g. annual returns, dispersion, etc.) and a range of disclosures. To ease your maintenance of the required disclosures across a range of GIPS composites, Performance Manager enables you to report return data and key ratio figures across composites and languages, and you can define and maintain each individual disclosure as a reporting note linking it to the relevant composites. Also, you can import and subsequently include historical composite performance figures, previously calculated by other systems, in the composite performance reports.

## **INDICES AND BENCHMARKS**

The benchmark functionality available in the Business Foundation enables you to use benchmarks constructed from indices represented at index or constituent level in your front office analysis, limit, risk, and performance calculations. You can replicate major equity

indices and fixed income indices from security level with a minimum of effort. As the replication test is automated and based on imported information from external providers, the operational risk of manual replication is reduced and less manual effort is required.

The benchmark functionality also provides you with a comprehensive set of weighting methods available for the definition of benchmarks. You can weigh benchmark construction indices with relative weights, index market cap, or portfolio market value. In addition, you can apply currency hedging at either the index or benchmark level. The shared use of indices and benchmarks in front- and middleoffice analytics equips you with a powerful index and benchmark tool that mitigates operational risk and reduces costs, while forming a solid basis for the investment decision-making process, investment controlling, and reporting.

### **PERIOD CLOSURE IN PERFORMANCE**

Closing periods in performance measurement have several benefits, notably achieving consistency with accounting figures and eliminating the noise in historical performance results that may arise from backdated transactions. Our solution for period closure is rooted in the accounting frameworks of SimCorp Dimension and achieves both these benefits. You will facilitate your reporting process and save costs by avoiding hand-held corrections due to backdated changes to transactions in your portfolios.

# READY, SET, GROW

Performance Manager belongs to SimCorp’s portfolio of integrated front-to-back solutions for business process automation in investment management. Efficient workflows seamlessly integrate your organization and provide accurate and up-to-date information when you need it, empowering you and your business to mitigate risk, reduce cost, and enable growth.

SimCorp’s flexible and scalable solutions allow you to capitalize on opportunities as they arise and swiftly adapt to changes in business requirements. Leading investment management institutions worldwide rely on SimCorp solutions to provide optimal business conditions and secure competitive advantage. Get ready for growth with SimCorp.

Explore SimCorp’s solutions at [www.simcorp.com](http://www.simcorp.com)

## INTEGRATED SYSTEM SOLUTIONS



## ABOUT SIMCORP

SimCorp provides integrated, best-in-class investment management solutions to the world's leading asset managers, fund managers, asset servicers, pension and insurance funds, wealth managers and sovereign wealth funds. Whether deployed on premise or as an ASP solution, its core system, SimCorp Dimension<sup>®</sup>, supports the entire investment value chain and range of instruments, all based on a market-leading IBOR. SimCorp invests more than 20% of its annual revenue in R&D, helping clients develop their business and stay ahead of ever-changing industry demands. Listed on NASDAQ Copenhagen, SimCorp is a global company, regionally covering all of Europe, North America, and Asia Pacific.

For more information, please visit [www.simcorp.com](http://www.simcorp.com).

## ONE SYSTEM FOR A COMPLEX WORLD



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