

# VOR RISK PREMIA



FINANCIAL RISK  
GROUP

CLOUD-HOSTED PORTFOLIO MANAGEMENT SOLUTION

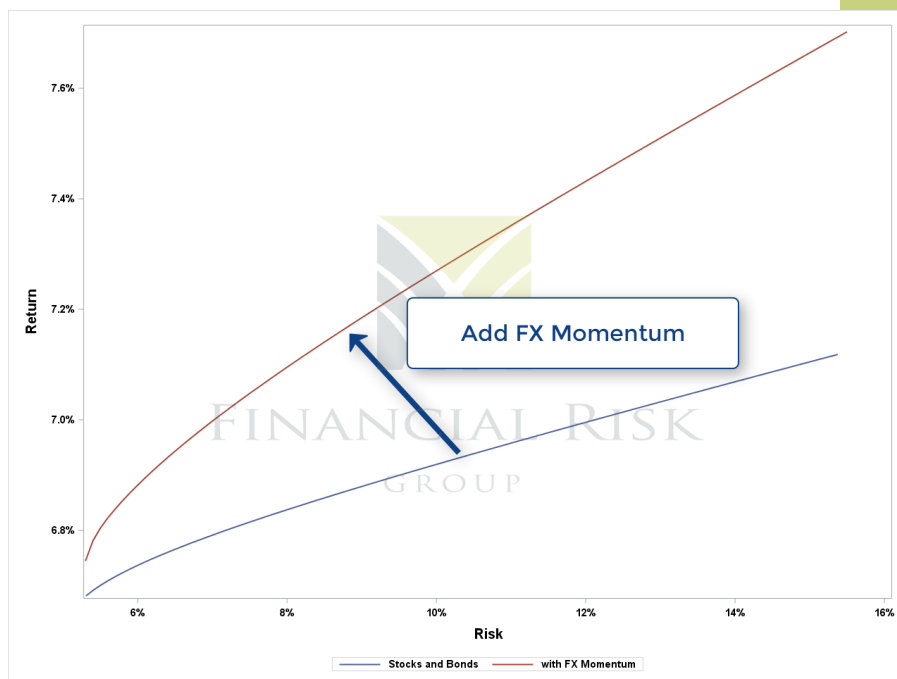
\$2  
BILLION

EXISTING CLIENTS RUN GREATER THAN \$2 BILLION IN RISK PREMIA STRATEGIES.

# RISK PREMIA

## PORTFOLIO MANAGEMENT TOOL

The VOR Risk Premia Module is a customizable tool that allows investment professionals to manage systematic portfolio strategies.



Improve portfolio dynamics and increase potential return opportunities. The addition of uncorrelated strategies to a traditional portfolio allows for better risk / return characteristics.

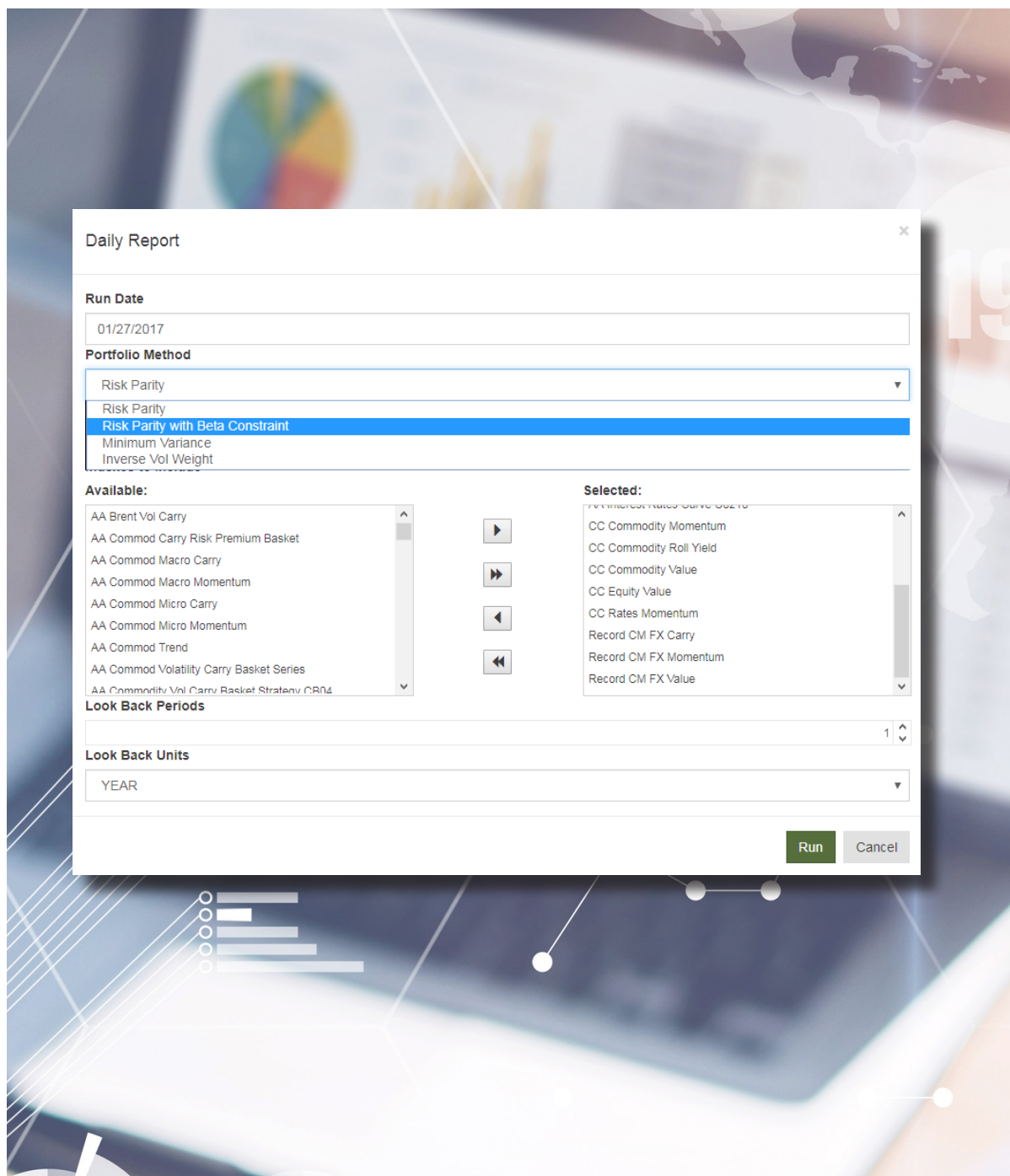
## Crisis Scenarios

TimePeriod	Statistic	Risk Premia	Benchmark
Global Financial Crisis	Total Return	26.95%	-37.25%
	Volatility	6.42%	15.27%
	Benchmark Correlation	-0.31	
Dot Com Crash	Total Return	27.24%	-20.13%
	Volatility	6.58%	10.56%
	Benchmark Correlation	-0.04	
31MAY2011 - 30SEP2011	Total Return	-2.35%	-8.81%
	Volatility	4.34%	6.87%
	Benchmark Correlation	0.77	1.00
30JUN2015 - 30SEP2015	Total Return	3.40%	-5.64%
	Volatility	2.71%	7.87%
	Benchmark Correlation	0.46	

## FEATURES

**Holds, monitors, and optimizes your portfolio based on your requirements.** Automated reports alert you when portfolio thresholds are breached. **Easily incorporate custom analytics and methodologies into the platform.**

**Captures, loads, and presents all relevant data from a single source.** Allows your staff to access risk premia data, portfolio management tools, and historical reports for any as-of date.



# FAQ

## WHAT IS A RISK PREMIUM?

A Risk Premium (or Risk Factor) is the excess compensation received for taking on a specific type of risk. A robust source of return, risk premia should be well-researched and justified by academic literature as either undiversifiable risk or behavioral in nature. Examples include value, momentum, and carry.

## WHY INVEST IN RISK PREMIA?

Risk Premia tend to have low correlation to each other as well as typical asset classes while carrying positive expected return. When implemented correctly, they represent a truly diversifying alternative source of return while maintaining the liquidity of traditional asset classes.

## HOW DO I ACCESS RISK PREMIA STRATEGIES?

Select a transparent, well-established, cost-efficient, and pure implementation of every premium, separated by asset class. Then combine into a cross-asset portfolio which has exactly the characteristics you desire.

## HOW DO I MANAGE A RISK PREMIA PORTFOLIO?

Start with a target strategy. Are you looking for your portfolio to be Beta Neutral? Do you desire equal risk contributions with a targeted volatility? Or do you seek something in-between? Step 1: decide on your rebalancing criteria. Step 2: implement a monitoring strategy to track the portfolio, which alerts you when the portfolio breaches certain targets, and that issues trading instructions.

## WHY VOR RISK PREMIA PORTFOLIO MANAGEMENT FROM FRG?

VOR Risk Premia Portfolio Management from FRG is a cloud based service that allows you to create, optimize, and track your risk premia portfolio. World class analytics power the system giving you powerful options to build your portfolio. The proven technology currently runs over \$2 billion in risk premia strategies.

# CONNECT

THE FINANCIAL RISK GROUP, INC.

## INFORMATION

For information on the VOR system,  
including details about individual modules  
and pricing plans, please contact us today.

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