Artemis risk profiled investments with Dynamic Planner

How Distribution Technology does risk profiling – an overview

The Distribution Technology (DT) Asset & Risk Modelling team generates Capital Market Assumptions; these are estimates of how a wide range of asset classes are expected to behave over the long-term with respect to returns, volatility and correlations. To produce these assumptions, DT conducts a thorough analysis of historic data, current market yields and estimates of risk premiums, as well as other factors such as, current corporate debt default rates and inflation.

Using the Capital Market Assumptions, DT produces a spectrum of ten asset allocations that gradually increase in risk from levels 1 to 10. The methodology for deriving an efficient set of portfolios is based on Modern Portfolio Theory techniques, which maximise expected returns for any given degree of risk and when plotted collectively, form an efficient frontier. The portfolios target the centre of the ten DT risk profile boundaries at the onset and therefore provide a match to a client's risk preference as assessed by Dynamic Planner's attitude to risk questionnaire.

DT's Fund Risk Profiling service

To risk profile funds, DT looks at a combination of the following attributes and uses the Capital Market Assumptions to assess the level of risk expected within the fund:

- The volatility derived from each fund's strategic allocation, where appropriate
- Historical data of each fund's tactical asset allocation positions
- The volatility of the actual performance achieved by each fund

DT then maps the results against the spectrum of ten risk profiles.

Dynamic Planner Risk Profile	1	2	3	4	5	6	7	8	9	10
Dynamic Planner Descriptor	Lowest risk	Very low risk	Low risk	Lowest medium risk	Low medium risk	High medium risk	Highest medium risk	High risk	Very high risk	Highest risk

The risk profile scores for Artemis

	DYNAMIC PLANNER® PROFILED 4	DYNAMIC PLANNER® PROFILED 5
ARTEMIS The PROFIT Hunter	Artemis Strategic Bond Fund	Artemis High Income Fund Artemis Monthly Distribution Fund

DYNAMIC PLANNER®