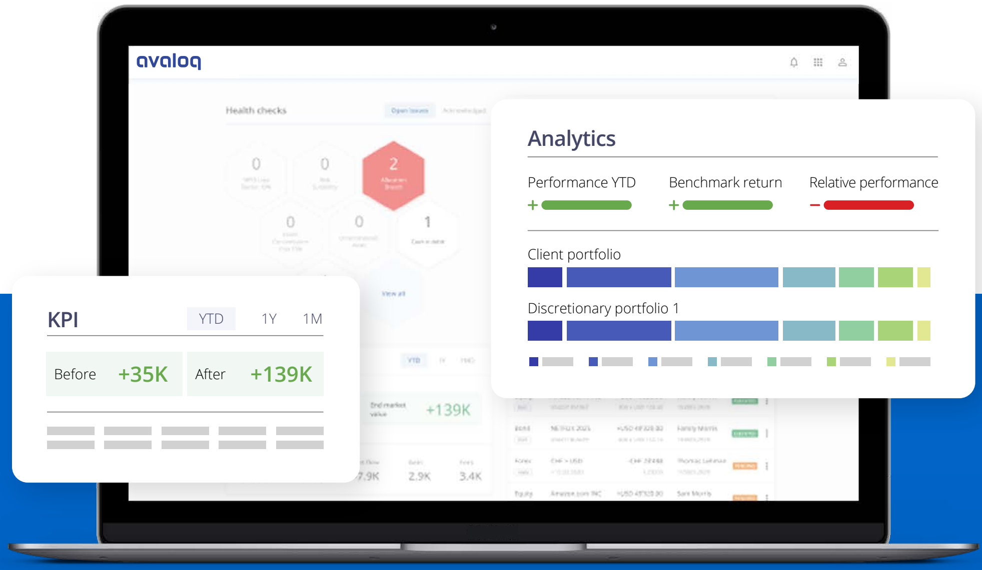
Discretionary Portfolio Management

AVALOQ WEALTH



Create, monitor and manage discretionary investment portfolios efficiently at scale

www.avaloq.com/wealth

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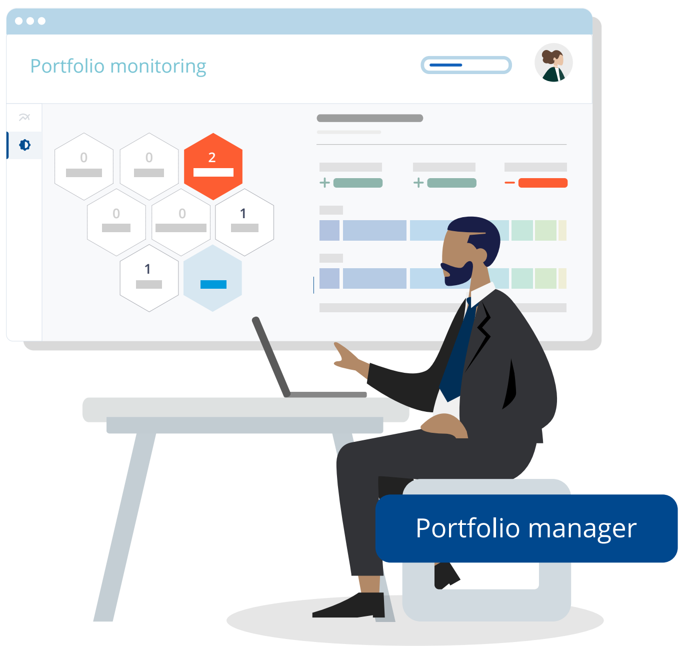
Portfolio managers are expected to serve more clients at scale and lower cost

Cost of advice

Over a third of investors would switch their adviser due to high costs or fees.

Source: Avaloq research



Operational efficiency

45% of investment management firms believe improving efficiency is the most important driver of digitization.

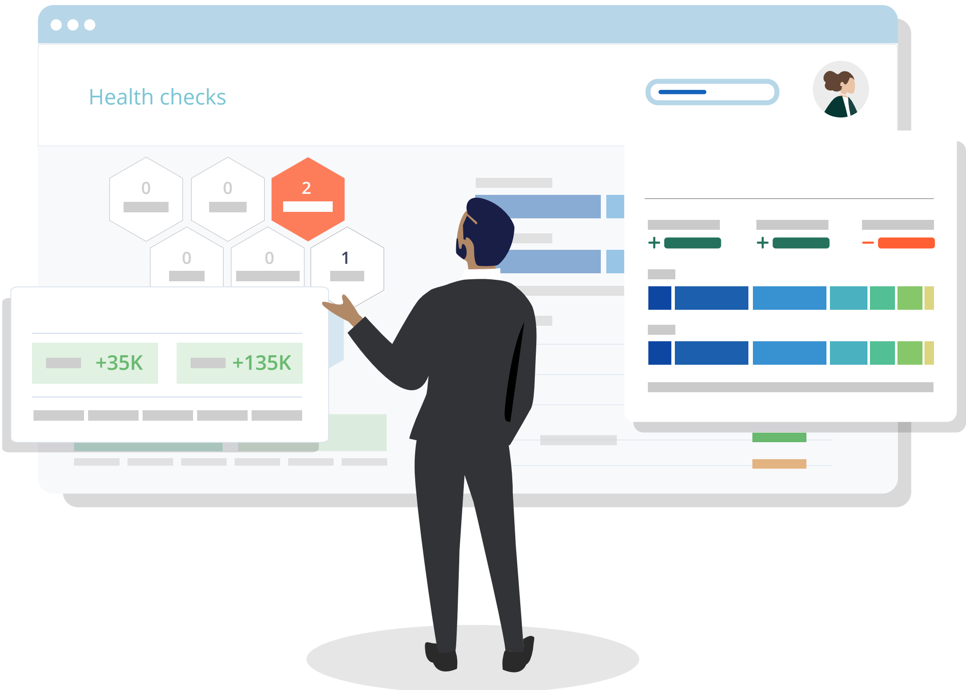
Source: Deloitte

Technology advances enable wealth managers to offer personalized services while optimizing costs.

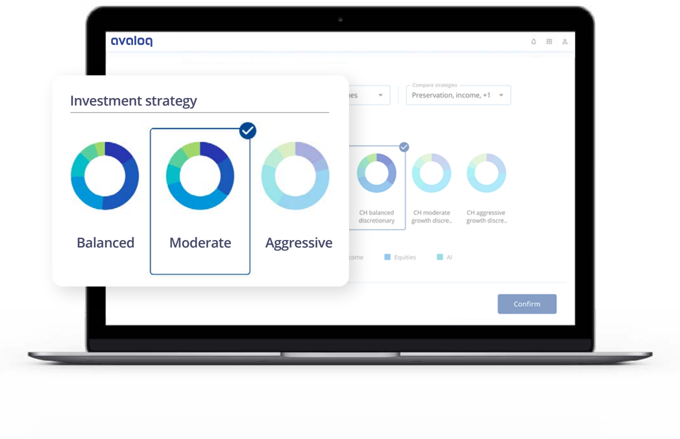
Source: CapGemini

Significantly reduce time-consuming and complex portfolio management tasks

Introduce automation throughout your discretionary portfolio management processes. Whether your business runs standardized model portfolios or individualized investment mandates, the Discretionary Portfolio Management product can help you to lower the cost to manage client portfolios. Capture client profiles with an easy-to-use and configurable questionnaire tool and launch bespoke investment mandates for clients. The product matches your clients' preferences with your products and ensures their exposures do not exceed their risk appetite. Everyone in your investment office and throughout the value chain works from the same digital product, reducing handovers and eliminating manual errors. The product automatically carries out regulatory checks throughout the process to save time and reduce operational risk.



Product highlights

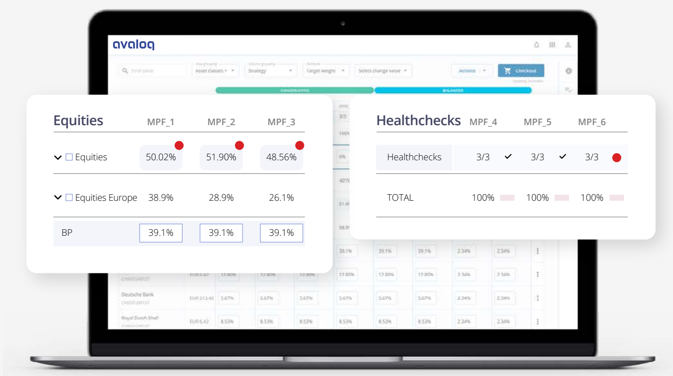


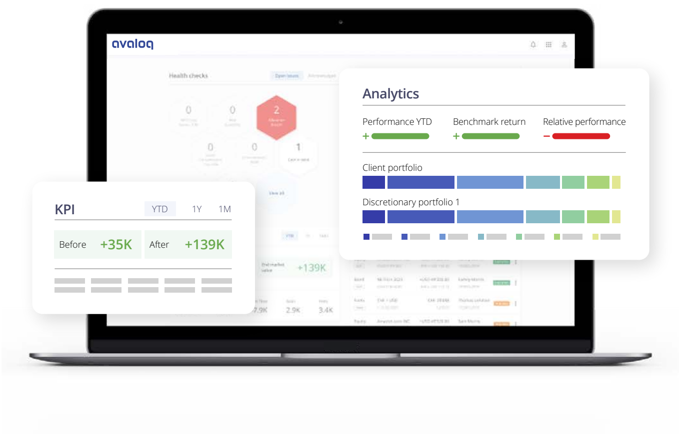
Investment strategies

- Model portfolios and benchmarks, mandate builder for discretionary portfolios
- Investment strategies based on building block approach including portfolio comparison function
- Real-time access to: CIO investment research content; strategic and tactical asset allocations
- Integration of ESG preferences into investment strategies

Model portfolio construction

- Portfolio construction for both tailor-made discretionary mandates and model portfolios
- Customization of user-specific portfolio views on multiple breakdown structure
- Ex-ante and ex-post risk analysis including simulations and historic stress tests
- Order entry and record keeping of portfolio changes and investment rationales





Portfolio management and monitoring

- Real-time health checks including client-specific investment guidelines
- Quick filter for dashboards and analytics pages according to specific scope
- Performance attribution and contribution, sensitivity analysis
- Comprehensive fund look-through options enable refined asset monitoring and risk management

Discretionary Portfolio Management in numbers

30% lower production costs for discretionary advice

Transform the discretionary process with smart discretionary portfolio management. The Discretionary Portfolio Management product lowers the cost of creating, monitoring and managing portfolios at scale with features like mass-rebalancing and mass-monitoring. Using advanced data analytics in wealth management can reduce operating expenses by as much as 40% and service costs by as much as 20% (BCG), representing a significant reduction in cost of advice and unlocking potential new markets for discretionary advice such as mass affluent clients.

Single source of truth

Run the complete discretionary portfolio management process from one product, saving time for your investment office. The Discretionary Portfolio Management product operates as a single point of access for your investment office. Your portfolio management teams work from one source of data, minimizing manual errors and eliminating wasted time from manual interventions. Avoid switching between multiple tools or Excel sheets during the portfolio management process, maximizing efficiency and reducing cost to serve clients with advice.

Intuitive and easy to learn

Select a powerful, user-friendly product for your portfolio managers. Remove the need to compromise on user experience or functionality with a product that gives your investment office the best of both worlds. Avaloq has leveraged over 200 wealth management experts with years of experience to design and test our software. The user interface follows the latest and most recognizable design patterns from Google Material Design, making the Discretionary Portfolio Management product easy to learn and reducing the need for training.

Technology principles

Core-agnostic

The Discretionary Portfolio Management product operates on any core banking system or out of the box with Avaloq Core Banking. Our product is built on the Avaloq Wealth platform, which uses a clear, unified data model and interfaces that are designed for communication with any core banking system.

Modular

The Discretionary Portfolio Management product functions on its own but is especially powerful when used alongside other Avaloq Wealth products. All Avaloq Wealth products can be deployed independently as standalone products or as a whole product line covering the entire wealth value chain.

Flexible

Deploy Avaloq products as SaaS in public cloud (AWS) or in our own Avaloq cloud, or purchase a licence and manage our products yourself, on-premises or in the cloud. Select the deployment set-up that works best for your business and the regulatory environment you operate in.

Scalable

Avaloq Wealth products come with a high degree of horizontal scalability as standard. Capacity can be easily adjusted from day one to meet increasing demand from our clients, supported by industry standard containerization technology from OpenShift and Kubernetes.

Open

The Discretionary Portfolio Management product supports the integration of third-party services and uses open-source components where possible. The integration layer, composed of APIs and SPIs, allows you to seamlessly share data between Avaloq products and with third-party products and services.

Iterative

Updates to the Discretionary Portfolio Management product are released every two months. These short release cycles enable Avaloq to be more flexible with client needs, while clients can react faster to market developments and reduce time to market for new features.

Automate your offering with Avaloq Wealth products

Client Service

Investment Advisory

Discretionary Portfolio Management

Avaloq Wealth enables banks and financial institutions to manage the full client journey from prospect to a trusted relationship. Avaloq is the only provider that covers the full scope of client and investment management in one integrated solution. Our 35+ years of experience in financial services and our focus on software and services for wealth management places us in a unique position to serve our clients with innovative products and services from front to back office.

"Avaloq Wealth is a premier product in the marketplace servicing the front-middle office. It is a wide-ranging and robust offering that enables a scalable delivery of investment advice. One of the core differentiators of Avaloq's investment and relationship management solution is complete coverage of the holistic investment process, enabling a 360-degree client view on a single platform. This view is combined with data analytics and client–adviser engagement tools which offer a fully integrated and seamless user experience."

Ashley Longabaugh
Senior analyst, Celent

Book a demo

If you would like to find out more visit avaloq.com/contact-us.

About Avaloq

Avaloq is a global leader in digital banking solutions. Its core banking platform and wealth management technology are delivered through Software as a Service (SaaS) and on-premises models. Avaloq's Business Process as a Service (BPaaS) offers a high degree of automation to boost back-office efficiency. More than 150 banks and wealth managers worldwide trust Avaloq for its innovative products and reliable services.

150+

clients in 35 countries

CHF 4tr

client assets managed

17 offices

in 10 countries

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