

Let Your Best Thinking
Drive Every Investment Decision

MARS



MARS

Overview

As if the market itself weren't complex enough, creating a sustainable investment management process within your firm brings its own intricacies. When all your systems, from portfolio accounting to customer relationship management, are run in isolation your entire process slows and stagnates, making it impossible to deliver the best results every time to every client.

That's why Northfield created **MARS**: Managed Account Rebalancing Service. **MARS** can make your investment management firm operate like a high-performance production line, delivering your best thinking to every investment decision. Every time.

What MARS does

MARS automates key parts of the overall management process, creating a cohesive infrastructure, one that ties together separately managed databases. When systems like portfolio accounting, customer relationship management, risk modeling, tax optimization, and trade order management all operate as one seamless machine you are free to create the best results for your clients with incredible efficiency.

MARS has scalable, proven technology that applies the analytical rigor synonymous with Northfield risk models and its tax optimization service. Unlike other solutions, **MARS** considers risk/return and tax optimization to be crucial components of the rebalancing process.

Your Best Investment Strategy

MARS integrates each part of portfolio creation, weaving your unique investment strategy through each. First, **MARS** aggregates data from your portfolio accounting and customer relationship systems: holdings, tax lots/cost basis, buy lists, model portfolios, constraints, benchmarks, risk model data and more.

Then with this collection of data and analytics, your best investment strategies are leveraged consistently and automatically as **MARS** provides manager-driven output that ties directly into all the systems that comprise the wealth management workflow. Is your investment process centralized, decentralized or somewhere in between? It doesn't matter, you can configure **MARS** to limit the roles of each user based upon your policies.

Your Best Security and Compliance

MARS is an N-tier client server hosted service with web features. It provides application-level security to allow for user access controls and the monitoring of all user activity. Role-based permissioning granted to groups of users provides authorization levels to control access and functionality. You can also apply account specific restrictions as hard constraints during the rebalancing process.

Implementation & Customization

Your unique needs drive **MARS** configuration but database schema and end-user software is out of the box, which are very easy to install. From there, identify the data sources you want to use and then build the processes to move those data sources into **MARS** database.

Your Best Automation

Specifically, here is how **MARS** automates your portfolio management processes to deliver a cohesive, automated investment management environment.

Portfolio Construction and Tax Management

- Identify, measure and control risk before, during and after the rebalancing process
- Trade off the benefits of risk, return, and taxes across client portfolios using Northfield's Open Optimizer
- Capture and utilize client-specific tax information during the rebalancing of portfolios, including wash sales, short/long term tax rates, year-to-date realized gain/loss information (including non-managed assets) and maximum limits on capital gains
- Fulfill client-directed tax mandates efficiently with rebalancing templates that take client-specific restrictions into consideration
- Flexibly apply HIFO, LIFO, FIFO or best tax lot selection when re-balancing taxable portfolios
- Deliver tax-optimized portfolios by considering the tax implications in every trade
- Create "tax sensitivity" analysis using a portfolio transitioning template, creating multiple, optimal portfolios for the same account with different levels of risk

Risk Management

- Transform implicit assumptions into explicit decisions through detailed risk analysis to expose unintended bets within a single portfolio or across a group of portfolios
- Monitor and manage risk across multiple portfolios.
- Structure private wealth portfolios with Northfield's optional Everything Everywhere Risk Model, which includes security-level coverage for all asset classes: everything, everywhere.

Model Management

- Load, maintain and manage your own proprietary model portfolios with no limit on the number of models or holdings
- Automate the process of model portfolio loading or do it manually within the application
- Set model portfolios to load once a day or intra-day to reflect price changes
- Easily blend together single strategy models to create multi-style portfolios, with the option to apply position and sleeve level tolerances
- Link client portfolios on the fly with single or multi-strategy model portfolios, minimizing dispersion and drift among all managed accounts

Customized Reporting

- Run either the standard reports that come with **MARS** or build your own set of reports through the completely transparent information stored in the **MARS** database

Northfield

For more than three decades, Northfield has been modeling financial markets worldwide. Controlling billions of dollars, our clients are focused on getting the right answers to their most complex investment questions.

We embrace complexity. In fact, nothing is too big or too complicated for us. Our work is based on years of groundbreaking and heralded research that continues to fuel forward-thinking technology and broad, customized content offerings.

With decades of experience our team of experts is obsessed with providing detailed, comprehensive, and candid answers to the questions that will make you as successful as possible.

Learn More

Bring your best thinking to every investment decision — automatically throughout your firm. **MARS** from Northfield can enable you to do just that. Want to know more? Contact your Northfield representative or email sales@northinfo.com.

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Managed Account Rebalancing System, MARS, Video Introduction

MARS Conceptual Overview **Low Res** **High Res**

Portfolio Construction with MARS **Low Res** **High Res**

MARS User Scenario **Low Res** **High Res**

