

PORTFOLIO OPTIMISER

Quick start guide

Designed by the UK Structured Product Association ('UKSPA') specifically for UK advisers and wealth managers, Portfolio Optimiser offers an independent and objective assessment of structured products, using robust research from Future Value Consultants ('FVC').

It allows financial advisers and wealth managers to see how structured products can complement and enhance a wider investment portfolio of funds and ETFs, analysing the impact on expected risks and returns of your client's portfolio.



STRUCTURED
PRODUCTS
ASSOCIATION

Step 1: Select product

Step 2: Select portfolio

Step 3: Asset allocation

Step 4: Run analysis

Portfolio Optimiser allows you to select a structured product for analysis in a number of ways:

- Selecting a product that you have created previously, and which has been automatically saved to your account (option 1)
- Selecting a product that an UKSPA member firm has chosen to share with you, and which isn't publicly available to other users (option 2)
- Selecting a product that is currently open to subscription for UK retail investors via financial advisers (and currently listed on the FVC Structured Edge Research Service – option 3)
- Creating a product yourself, using our online forms (option 4)

The screenshot displays the 'Portfolio Optimiser' web application interface. At the top, the UKSPA logo and 'Structured Products Association' are visible, along with a 'Welcome UK SPA (UKSPA) LOGOUT' message and 'powered by FVC'. A navigation bar includes 'HOME', 'MANAGE DATA', 'VIEW REPORTS', 'HELP', and 'CONTACT'. The main heading is 'Portfolio Analysis', with a progress bar indicating 'Step 1: Select product' is active. Below this, the instruction reads: 'Step 1: Select or create a structured product using one of the options below'. Four options are listed: 'Select from products you have previously created', 'Select from products defined by a UKSPA member firm', 'Select from current products on FVC Structured Edge Research Service', and 'Create a new product to save on your account'. On the right, three dropdown menus are shown, each with a filter and a list of product samples. A 'Create a new product' modal form is open, showing fields for 'Product type', 'Product name', 'Strike date', 'Maturity (years)', 'Maturity (months)', 'Currency', 'Asset style', and 'Underlying(s)'. The 'Next' and 'Cancel' buttons are at the bottom right of the modal.

Creating a new product

Users can create their own structured product from a wide selection of structured product payoffs. A full list of payoffs, and further educational materials on how they work, can be viewed on the Product Code pages on the UKSPA website.

Step 1: Select product

Step 2: Select portfolio

Step 3: Asset allocation

Step 4: Run analysis

Portfolio Optimiser allows you to select a portfolio for analysis in a number of ways:

- Selecting a portfolio that you have created previously, and which has been automatically saved to your account (option 1)
- Selecting from our list of pre-defined model portfolios (option 2)
- Creating a new model portfolio or individual client portfolio yourself, using our online form (option 3)

The screenshot displays the 'Portfolio Optimiser' interface. At the top, the UK Structured Products Association logo is visible, along with the text 'Portfolio Optimiser' and 'powered by FVC'. A navigation bar includes 'HOME', 'MANAGE DATA', 'VIEW REPORTS', 'HELP', and 'CONTACT'. The main content area is titled 'Portfolio Analysis' and features a progress bar with four steps: 'Step 1: Select product', 'Step 2: Select portfolio' (highlighted), 'Step 3: Asset allocation', and 'Step 4: Run analysis'. Below the progress bar, the instruction 'Step 2: select or create your portfolio using one of the options below' is followed by three options: 'Select a portfolio you have previously created', 'Select a sample model portfolio', and 'Create a new portfolio to save on your account'. Three arrows point from these options to three overlapping pop-up windows. The top window is for selecting a previously created portfolio, the middle one is for selecting a sample model portfolio (showing 'FinaMetrica (PlanPlus Global) Very Conservative (1)'), and the bottom one is for creating a new portfolio, which includes a table for asset allocation.

Asset Class	Fund	ISIN	% to Portfolio
Global Equity Income	JPMORGAN GLOBAL EQUITY INCOME FUND CLASS 1	GB0033012024	0
UK Equity Income	JPMORGAN UK EQUITY INCOME FUND CLASS 1	GB0033012025	0
Total	JPMORGAN UK EQUITY INCOME FUND	GB0033012026	0

Users can create their own model portfolios, or even replicate individual investor portfolios, by selecting from the wide range of funds held on our database and setting their current allocations accordingly. Our database includes funds and etfs covering all of the Investment Association ('IA') sectors and main asset classes.

Selecting a fund with less than eight years' history may impact on the extent of analysis that we can provide (see the Technical Guide for more details), therefore these are marked with an asterisk, allowing you the chance to select longer-dated alternatives.

If you cannot find a particular fund in the list, go to 'manage data - funds' on the navigation bar, and click on the button that allows you to request a new fund to be added to the application.

Step 1: Select product

Step 2: Select portfolio

Step 3: Asset allocation

Step 4: Run analysis

This step allows you to modify the portfolio, by allocating a percentage of the overall portfolio holding to the structured product.

Welcome UK SPA (UKSPA) LOGOUT

STRUCTURED PRODUCTS ASSOCIATION

Portfolio Optimiser

powered by FVC

HOME | MANAGE DATA | VIEW REPORTS | HELP | CONTACT

Portfolio Analysis

Step 1: Select product | Step 2: Select portfolio | **Step 3: Asset allocation** | Step 4: Run analysis

Step 3: Specify asset allocation

Move the slider to change the allocation of the structured product in the modified portfolio. Lock entries for funds where the allocation should stay fixed or otherwise adjust fund weightings ensuring the total remains 100%

Allocation to structured product:

Investment type	Holding	ISIN	% In Original Portfolio	Lock	% In Modified Portfolio
Structured Product	SAMPLE: FTSE/STOXX Kick Out (1260) - 6Y Defensive with 60% protection barrier				<input type="text" value="20"/>
Sector	Global (ETF)		25		20
Fund	iShares Core MSCI World UCITS ETF	IE00B4L5Y983	25	<input type="checkbox"/>	<input type="text" value="20"/>
Sector	Global Bonds		50		40
Fund	Aberdeen Global Corporate Bond Tracker Fund*	GB00BF473024	25	<input type="checkbox"/>	<input type="text" value="20"/>
Fund	Aviva Investors Global High Yield Bond	LU0367993408	25	<input type="checkbox"/>	<input type="text" value="20"/>
Sector	UK Equity Income		25		20
Fund	Artemis Income Fund Class R units	GB0032567926	25	<input type="checkbox"/>	<input type="text" value="20"/>
Total					100

* Denotes a fund with less than eight years of data available.

Previous | Go to step 4

This can be done on a simple pro-rata basis, by using the slider bar at the top of the screen, or on a highly customised individual fund level basis.

Even if you are using the slide bar to allocate on a pro-rata basis across the portfolio, you can 'lock' your allocation to a particular sector or even an individual fund, simply by checking the tickbox on the relevant row. Doing so means that the allocation to that sector / fund will not change as the allocation to the structured product changes.

Step 1: Select product

Step 2: Select portfolio

Step 3: Asset allocation

Step 4: Run analysis

Proceeding to step 4 will generate a detailed online and PDF report, showing the impact on expected risk and returns of adding the selected structured product into the selected portfolio.



The analysis is based on robust data and modelling, and provided by FVC, a research and analytics consultancy specialising in structured product research. FVC has been supplying market-leading analysis for 20 years and today their suite of services is relied upon by thousands of investment professionals in the UK, USA and elsewhere.

For more information on the content of the reports, including a detailed description of how the analysis is generated, please view 'Portfolio Optimiser: A Technical Guide', which is available to download under the 'help' section of the website.

All reports can be saved on your account for future reference (you can view your historical reports at any time by clicking on 'view reports' on the navigation bar). What's more, Portfolio Optimiser will also save an excel download of the historical time series for both the original and modified portfolio, allowing you to conduct further analysis if you wish.

©2020 UKSPA, all rights reserved

UK Structured Products Association,
Argyll House,
1A All Saints Passage,
London SW18 1EP

info@ukspassociation.com
www.ukspassociation.co.uk

