MFO Premium

Webinar
4 January 2018

Agenda

- **Site updates since August 2017 webinar**

- **On-line demonstrations of newest features**

- **Planned improvements**

- **Q & A … break often**

- Origin and motivation behind MFO Premium search tools

- Underlying database, methodology, and limitations

Highlight unique insights that MFO search tools provide individual investors and financial advisers … and the attendant benefits to themselves and their clients

Zoom Web Conferencing	Session Recorded … Will Post
Host Cam, Participants Voice Only	Questions via Chat
VoIP & Phone Enabled	Participants on Mute Initially

Updates

- **Added Rolling Averages**
  - Insight into best and worst returns for selected rolling periods of interest
  - Each period overlaps the next, separated by one month, across life of fund
  - Rolling periods are 1, 3, 5, 10 and 20 years, as applicable

- **Added WatchLists**
  - Save up to 25 Symbols in up to 10 Watchlists for later use
  - Can create, edit, delete and run MultiSearch from new Portfolios page

- **Redesigned Commentary Page**
  - Now uses WordPress commentary format like that of MFO main site

- **New Metrics and Parameters**
  - Category Average of Monthly Returns; R vs Peer, vs SP500, vs USBond, vs ACIxUS; Fund of Funds; Include Averages, Include Indexes; Trust, Share Class, Full Name

- **Site Improvements**
  - Sliding displays make appearance more compact, especially text background
  - Definitions added to MultiSearch headers, views on hover
  - Consistency in format across tools, button labels, etc.

Planned Improvements

- **Lipper's more modern datafeed**
  - Holdings data
  - Benchmarks
- **Portfolio storage**
  - Assignable holdings allocation
  - Risk & performance metrics at portfolio level
- **Search criteria storage**
- **Multi-period MultiSearch display**
- **Other metrics …**
  - Fund Flows, Trend, Up/Down Capture, Additional Periods
- **Plotting**
  - Evaluating AnyChart, Flot, KoolChart

Highly Responsive To Subscriber Suggestions!

Background

- Internal research to identify funds that minimized downside performance across full market cycles
  - MAXDD, Ulcer Index, Martin Ratio, Recovery Time
  - Evaluation periods of interest, like from November 2007 to present … or from August 2000 to October 2007
- Not readily available from tradition services, like Morningstar
- So, we created the tools ourselves
- Continue to find other metrics/ratings not readily available
  - Three Alarm Funds, Fund Family Scorecard, Correlation
  - Several beta testers help enhance … Thank you!
- Realized such tools may be of interest to other investors and financial advisers

Premium Pages

- **MultiSearch**
  - Main tool with nearly 70 search criteria, across 21 evaluation periods
  - Pre-set Screens, Risk Profile, Correlation Matrix, Rolling Averages
- **Score Card**
  - Fund family ratings based on absolute return vs peers
- **Three Alarm**
  - Legacy site Fund Alarm ratings (Three Alarm and Honor Roll)
  - Based on absolute return vs peers
- **Great Owls**
  - Based on risk-adjusted return vs peers
- **Definitions**

- **Portfolios**
  - Up to 10 WatchList of up to 25 funds
- **Dashboard**
  - Quick look summary of 120 funds profiled by David, mostly
- **Commentary**
  - Expands upon and previews our monthly main site
- **Averages**
  - Summary of 155 category risk and return averages across 10 periods
- **Welcome**
  - Summary or latest updates and samples of site contents
- **Login/Account**

Implementation

- Lipper Data Feed Service (LDFS) for U.S. Open End funds
  - Updated monthly on 4th business day
  - 10,000 funds (29,000 all share class), including 2,000 ETFs, across 155 investment categories, plus 5,000 indexes
  - Database begins January 1960, surviving funds only
- All performance and risk metrics computed internally from monthly total return data
  - 2000 parameters for each fund … always growing!
- Site maintained using standard web languages
  - DataTables output and Select2 styling (Open source MIT license)
  - UserBase by Encodable provides login/account manager
  - SiteGround is web host
  - Optimized for Chrome, but AOK on IE, Edge, Firefox, Safari … iPad/iPhone

Qualifications

- Screeners are quantitative only
  - MultiSearch, ThreeAlarm, HonorRoll, Great Owls, Fund Family Ratings
  - Only "David's Take" from main site profiles are qualitative
- Metrics based strictly on historical fund performance
  - Backward looking, past performance
- No accounting for surviorship bias
- No accounting for style drift
- No accounting for management or strategy changes

The performance data quoted represents past performance and does not guarantee future results.