



MFO Premium

Webinar Briefing

15 January 2019

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Agenda

- Site updates since August 2018 webinar
- Brad Ferguson demonstrates using MultiSearch to build his watch list
- 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



Ferguson Metrics Demo

- [Introducing Ferguson Metrics](#)
 - Article in August 2018 issue of Mutual Fund Observer
 - Help identify consistent outperformers ... “funds you can live with”
- [Halter Ferguson Financial](#)
 - A fee-only independent financial advisor based in Indianapolis
- **Three key metrics across 3, 5, and 10 year periods**
 - Outperformance Metric (FOM)
 - Consistency Metric (FCI)
 - Hurdle Rate (FHR)
- **Uses MultiSearch plus Analysis tool**
 - Calendar year Returns and Returns vs Peers
 - Exports three outputs to custom spreadsheet

Getting to a watch list of 100 potential funds from the 10,000 available



Updates

- **Lightning Fast MultiSearch**
 - Database preloaded to selected Display Period
 - Screening criteria and selected Display Period retained throughout session
 - Form clear, expand/collapse toggles, change dashes & scroll without reload
- **Much Expanded Evaluation (“Display”) Periods**
 - YTD ... 1, 2, 3, 6, 9, 10 month
 - 1, 1.5, 2, 2.5, 3, 5, 7, 10, 12, 15, 20, 25, 30, 40, 50 year
 - 5 full, 5 up, 5 down market cycles
- **Rolling Period Ratings and Return Thresholds**
 - 1, 3, 5, 10, 20 year rolling averages across selected Display Period
- **Trend Metrics**
 - Current performance relative to 3 and 10 month Simple Moving Averages
- **Added Info**
 - Benchmarks (Manager, Peer, Lipper), Mgmt Co Website, CUSIP, Interval Funds



Planned Improvements

- **Revamped Risk Profile Tool**
 - View multiple periods on same window
 - Printer Friendly
- **Vertical View Fund Comparison Tool**
- **Considering a “MultiSearch Lite” Tool**
- **Holdings Data**
 - Top 10, Alpha, Tracking Error, Active Share ...
- **Portfolio storage**
 - Assignable holdings allocation
 - Risk & performance metrics at portfolio level
- **Fund Flows**
- **Plotting**
 - Evaluating AnyChart, Flot, KoolChart

Highly Responsive To Subscriber Suggestions!



Refence Only



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 70 search criteria, across 38 evaluation periods
- Pre-set Screens, Risk Profile, Correlation Matrix, Rolling Averages, Trend, Ferguson Metrics, Calendar Year and Period Performance

- **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

- **Portfolios**

- Up to 10 WatchList of up to 25 funds

- **Dashboard**

- Quick look summary of 122 funds profiled by David, mostly

- **Commentary**

- Expands upon and previews main site

- **Averages**

- Summary of 168 category risk and return averages across 10 periods

- **Welcome**

- Summary or latest updates and samples of site contents

- **Definitions**

- **Login/Account**



Implementation

- Lipper Global Data Feed Service (LGDF) for U.S. Funds
 - Pull full data monthly on first Saturday of month, then incremental data through 4-5 business days to get all month ending performance
 - 12,470 funds (33,440 all share class), including 550 CEFs, 2235 ETFs, 2130 Insurance Funds, across 168 investment categories, plus 1560 indexes
 - Database begins January 1960, surviving funds only
- All performance and risk metrics computed internally from monthly total return data
 - 6465 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 Firefox, but AOK on Chrome, Opera, Edge, 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 survivorship 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.***