

Equity Optimizer

About New Frontier Advisors

New Frontier Advisors is a global leader in the field of portfolio optimization and asset allocation. NFA provides custom investment advisory solutions as well as portfolio optimization and financial planning technology to many globally recognized consulting firms, investment management firms, and investment organizations. NFA provides innovative solutions for creating more effectively risk-managed portfolios.

Description

New Frontier Advisors' Equity Optimizer represents a new generation of effective investment technology for equity portfolio management. Based on NFA's patented processes of Resampled Efficiency™ Optimization and Rebalancing, it includes new methods for controlling estimation error in the optimization process and rigorous portfolio monitoring technology. The Equity Optimizer employs advanced statistical methods in order to consider the uncertainty of risk and return estimates, produces optimal portfolios from these estimates, and provides guidance on whether to trade. New Frontier supplements these patented processes with investment tools developed from modern statistics, investment experience, contemporary financial theory, and proprietary research. The NFA Equity Optimizer delivers a risk-adjusted, optimal stock portfolio for the targeted risk or return within the provided investment universe.

Additional Features

- proprietary methods for dealing with statistically insignificant assets
- long-short optimization
- adjustable Forecast Confidence™ levels
- alpha scaling tools
- easy importation of commercial risk models
- investability and liquidity options
- complete set of optimization constraints (transaction costs, turnover, etc.)
- alert if target risk exceeds the tracking error of maximum return portfolio

Considerations

The institutional portfolio manager provides the risk model and alpha forecasts, sets up the optimization, and implements the optimal portfolio. New Frontier Consulting Services are available for advanced training. The Equity Optimizer expert interface is implemented in Microsoft Excel, and the Equity Optimizer can be used in a variety of computer environments.

Fees

New Frontier Technology Solutions are offered at an annual fee that depends on the number of users and the assets under management.