



*New Frontier Advisors, LLC*

For Immediate Release

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**NEW FRONTIER INTRODUCES AN IMPORTANT ADVANCE  
IN ASSET ALLOCATION TECHNOLOGY SOFTWARE**

- Version 3.5 gives advisors and their clients a compute-efficient, financially rigorous method for converting an optimized portfolio into an investable one -

BOSTON, June 4, 2003 – New Frontier Advisors (NFA), a research and investment advisory firm specializing in the development of leading-edge asset management products, has recently released Version 3.5 of its desktop and server based software incorporating a major advance in asset allocation and portfolio management technology.

“Our research is devoted to developing ways that improve the investment performance of optimized asset allocation and equity portfolios yet make it easier and convenient for advisors, managers, and consultants to use,” stated Richard O. Michaud, president of New Frontier Advisors. “This new release of our asset allocation software represents a major advance in both areas.”

New Frontier has developed a new, compute-efficient, financially rigorous, yet convenient method for converting an optimized portfolio into an investable one. A complete range of investability options are available. This new technology uses a two step process to convert Michaud resampled optimal portfolios into economically desirable investable portfolios. This new level of functionality and compute-efficiency allows many managers, advisors, and consultants to automate a large part of their asset management and consulting process.

Michaud said, “Optimized portfolios are not investable. The asset weights are not in convenient investment units or are too small to be economically meaningful. The process of managing an optimal portfolio so that it is investable is often tedious and ad hoc and the end result may not have desirable optimal portfolio characteristics.

“Computer methods current in the investment community for solving the investability problem, such as mixed integer programming, are often impractically slow, inconsistent with theoretical efficiency, and may wreak havoc with the post-performance investment benefits of a well-defined resampled optimized portfolio. The new post-optimization algorithm addresses all these problems by providing a practical yet financially rigorous solution for investors and their advisors,” Michaud added.

Version 3.5 of NFA’s software incorporates additional functionality enhancements. For example, NFA’s financial planning “LifeCycle” module now includes multiple case comparisons, expanded cash flow assumptions, and allows consideration of management fees.

NFA’s post optimization technology features important enhancements over all methods currently available to financial planners, asset managers, and investment consultants. NFA will be commenting extensively on this important innovation in future newsletters, research papers, and in conferences.

**About New Frontier Advisors, LLC**

New Frontier Advisors specializes in developing and applying leading edge investment technology in the financial sector. The firm offers financial institutions and their technology partners innovative solutions for delivering asset allocation and portfolio optimization investment strategies in a variety of computer platforms.

Based in Boston, New Frontier LLC received the first-ever patent for a broad-based mathematical process designed to identify optimal allocation strategies for real or hypothetical portfolios containing a range of asset classes in March 2000. This patented process provides the basis for Michaud Resampled Efficiency. More information about NFA can be found at [www.newfrontieradvisors.com](http://www.newfrontieradvisors.com).

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