**ICICI CASE STUDY (OLD)**

**INTRODUCTION**

The growing competition, pressure, cost demand fund managers to actively search or ways the alpha or the outperformance can be generated. As a result, fund managers need insights beyond portfolio MIS or raw data to make investment decisions.

Performance Attribution as a technique to understand the drivers of performance has widely been accepted globally. It is because of this desire, ATISI PFUOBNTEHL, a leading AMC’s in the country was finding difficult to conduct performance attribution across various schemes in their AMC, PMS and Offshore Advisory business

**CHALLENGES**

1. Performance measurement was an ad hoc activity and performance attribution was not possible
2. Historical performance was not feasible with ad hoc process
3. Managing multiple data formats across various PMS, AMC and Offshore was unproductive

**WHAT WE DID**

1. Implemented data management with automated data process and created a single source of truth
2. Implemented performance attribution product to enable on the fly performance analysis for any historical period
3. Configured models as per portfolio philosophy like Brinson Fachler model with top down and bottom up approach; also standard models were enhanced to account for trades and derivative effect
4. Integrated with internal research and analyst estimates

**BENEFITS**

1. Zero manual intervention for data management leading to enhanced productivity
2. Comparison of performance for fund across benchmarks
3. Comprehensive attribution analysis as per portfolio philosophy with extended factors including trade timing and derivative effect
4. Integrated to provide a single view of portfolio holdings and stock recommendations

**TESTIMONIAL**

“We wanted to align our performance evaluation in line with Global best practices. As usual we had a choice of picking up on the shelf products available globally or do develop something on our own. Today the Attribution and Performance Measurement System, has become an integral part of our function. It is immensely useful to our fund managers and we proudly present our attribution analysis to our clients”