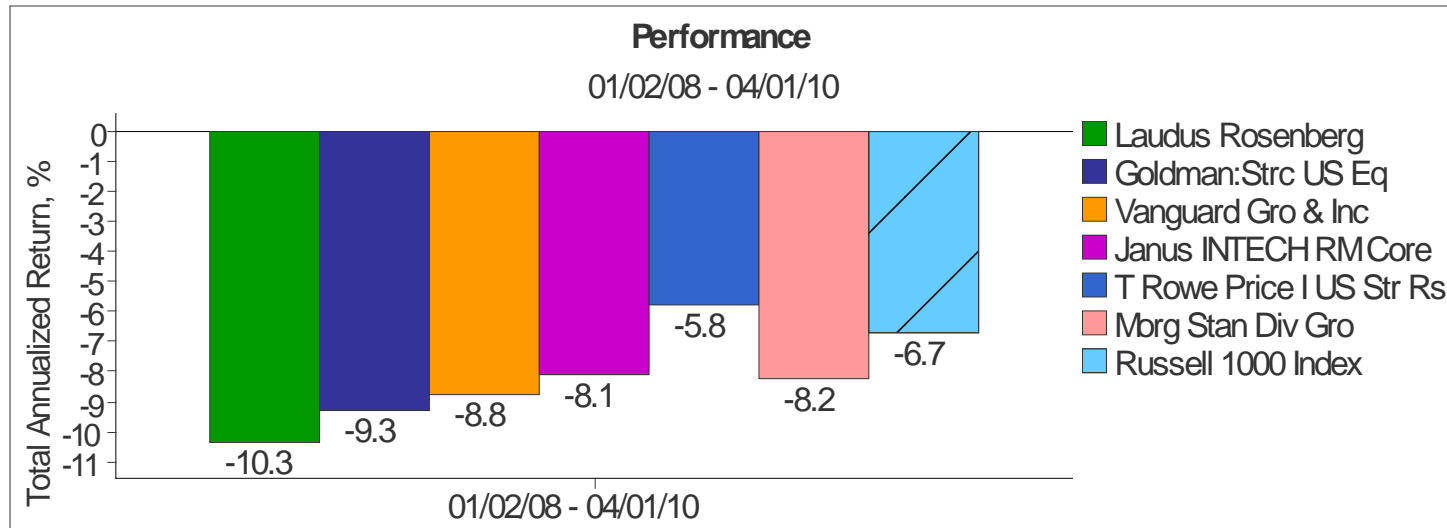




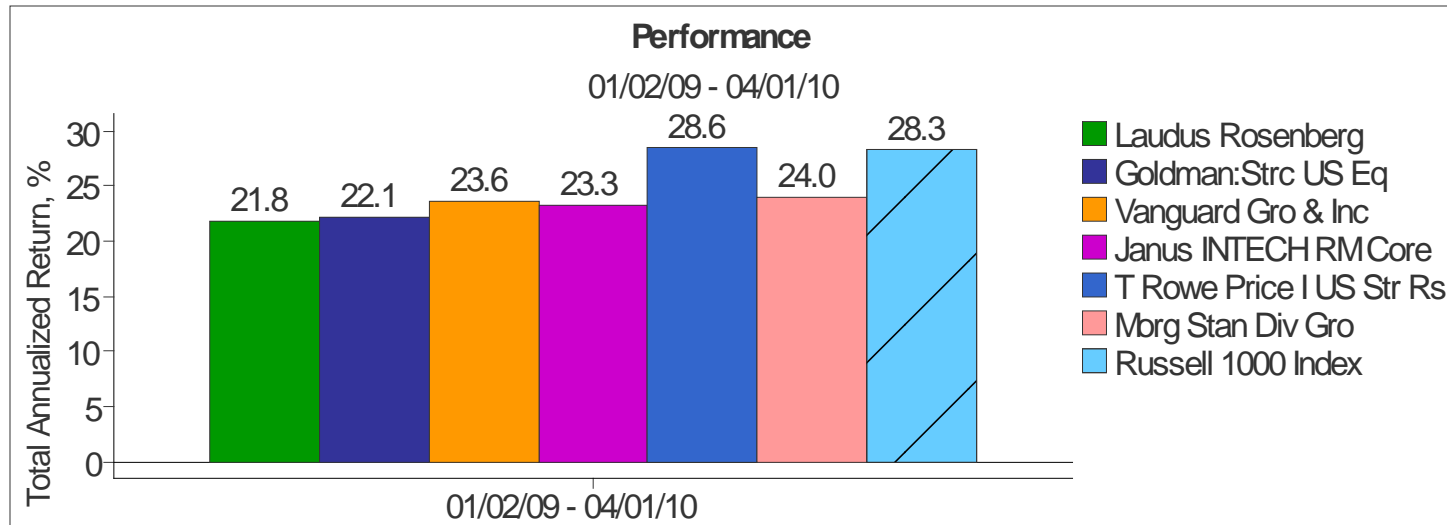
# A MATTER OF PERSPECTIVE: A CASE STUDY ON MONITORING FUND RISK

**KUSHAL KSHIRSAGAR, PH.D.**  
**MAY 2010**

# ONE PERSPECTIVE...

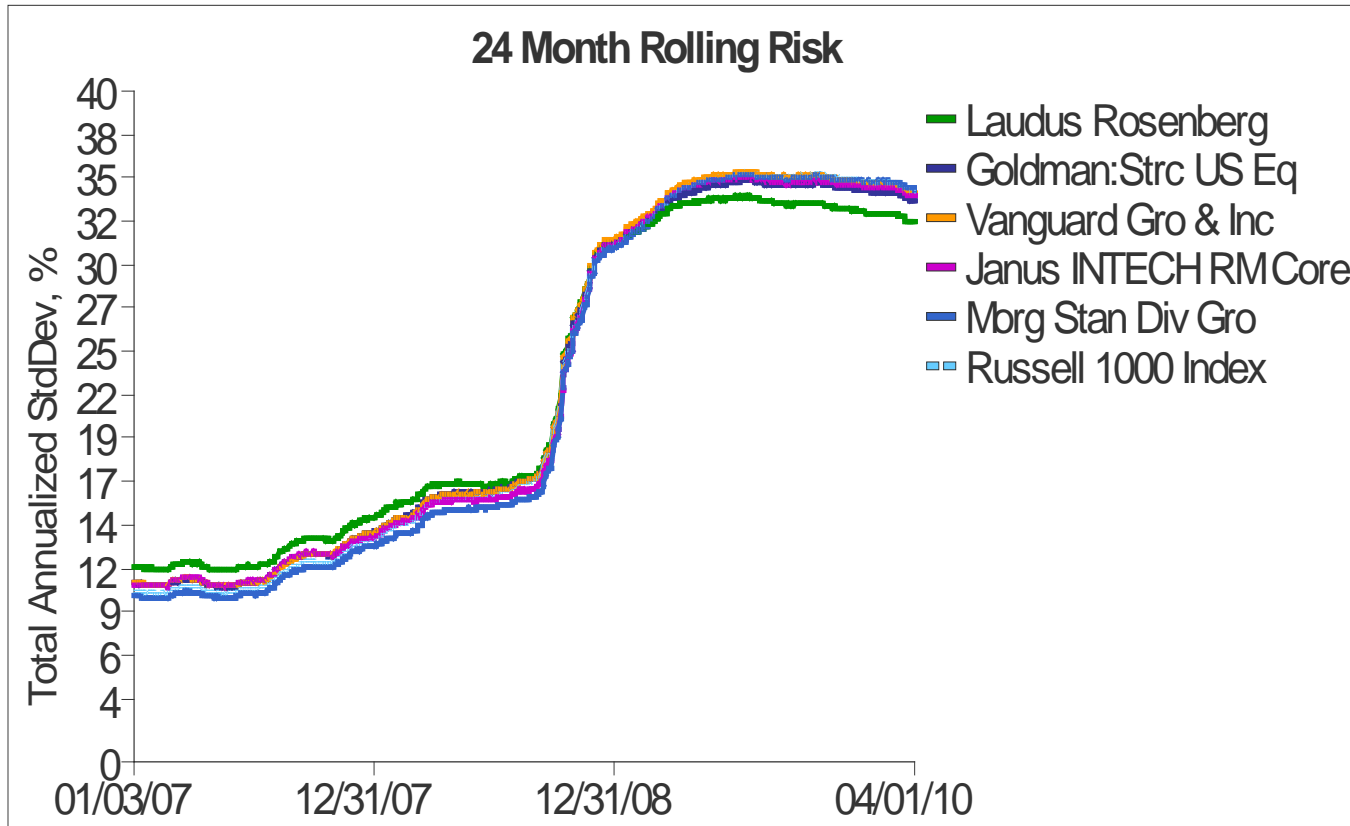


Created with mpi Stylus (Data: Lipper)



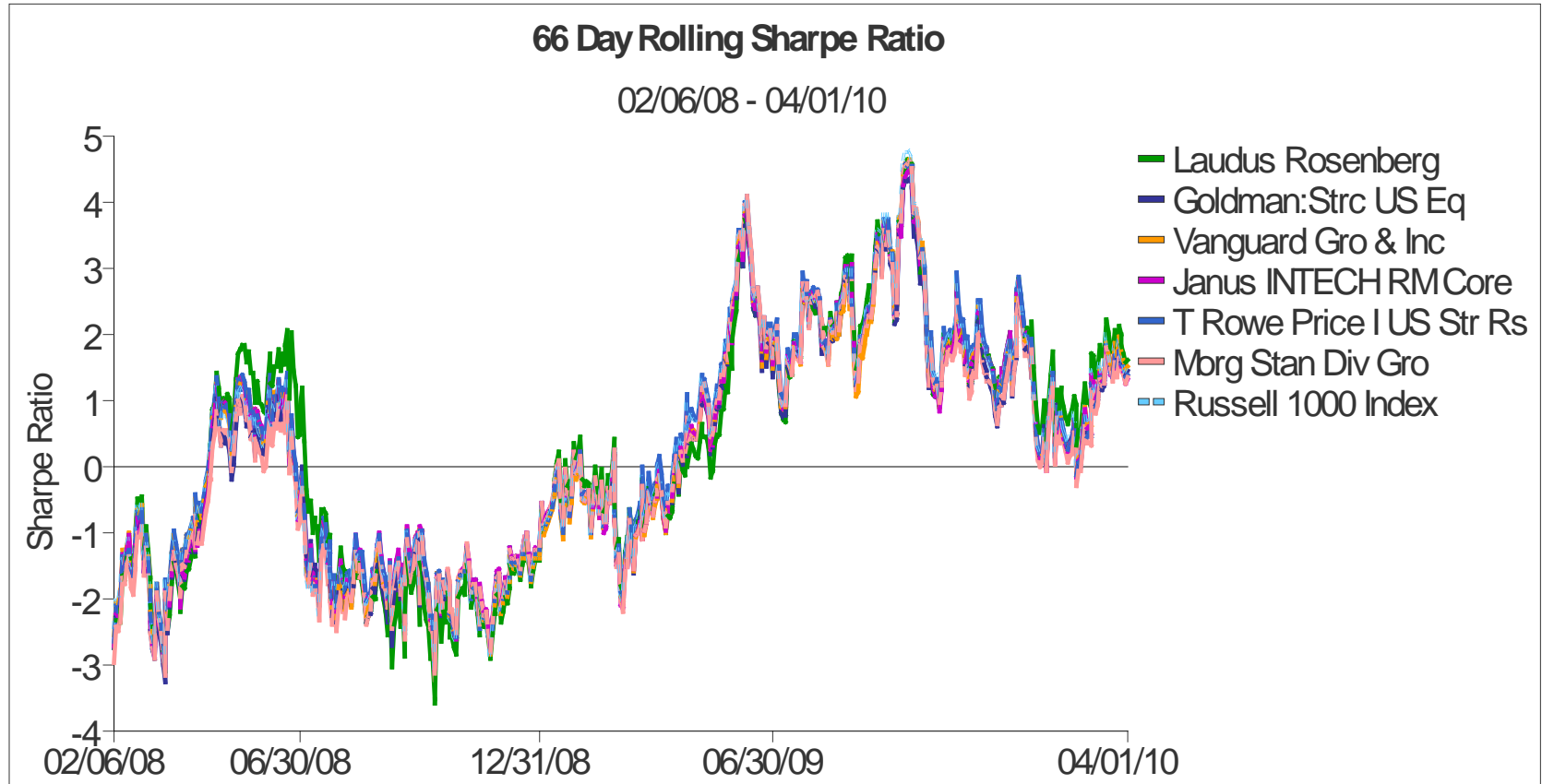
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# ONE PERSPECTIVE...CONTD.



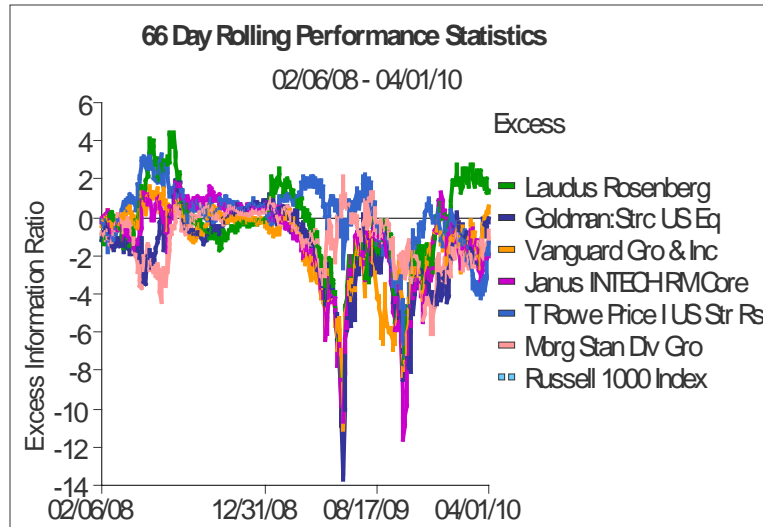
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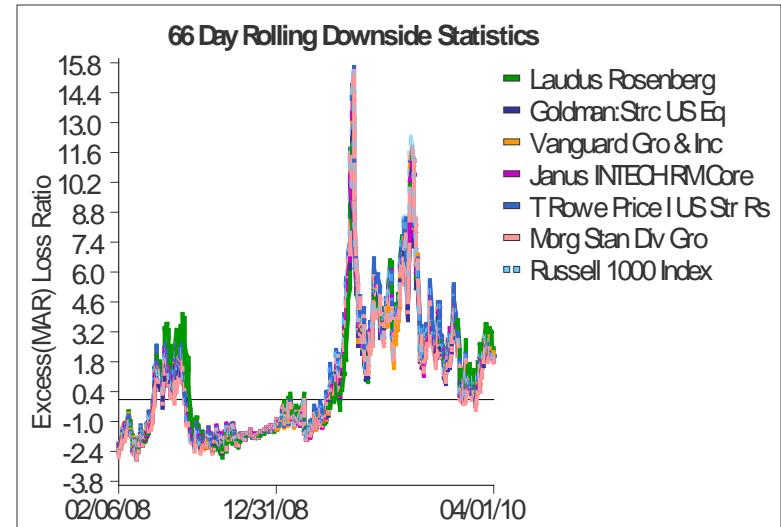


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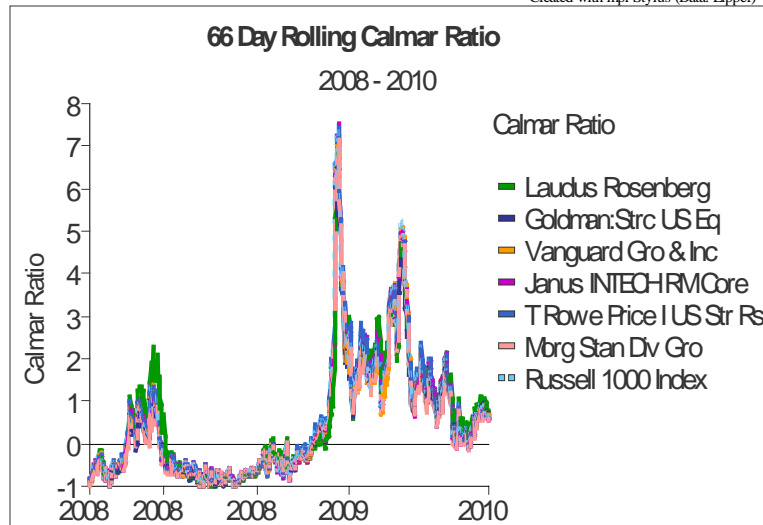
# ONE PERSPECTIVE...CONTD.



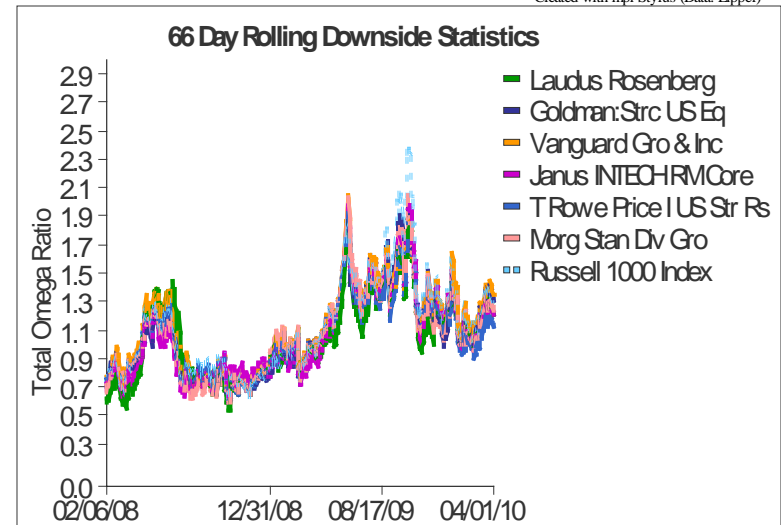
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Created with mpi Stylus (Data: Lipper)

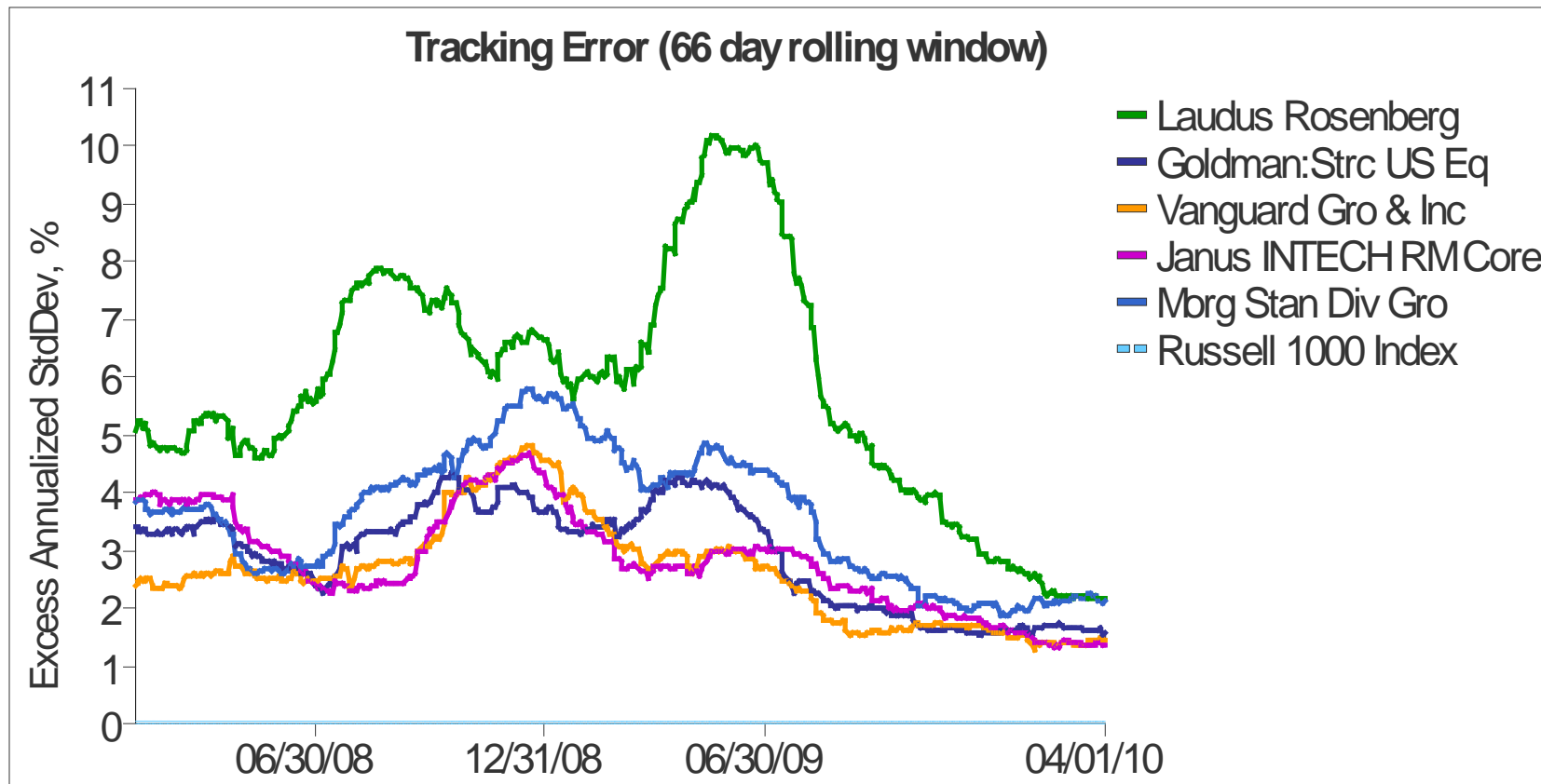


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# ANOTHER PERSPECTIVE...

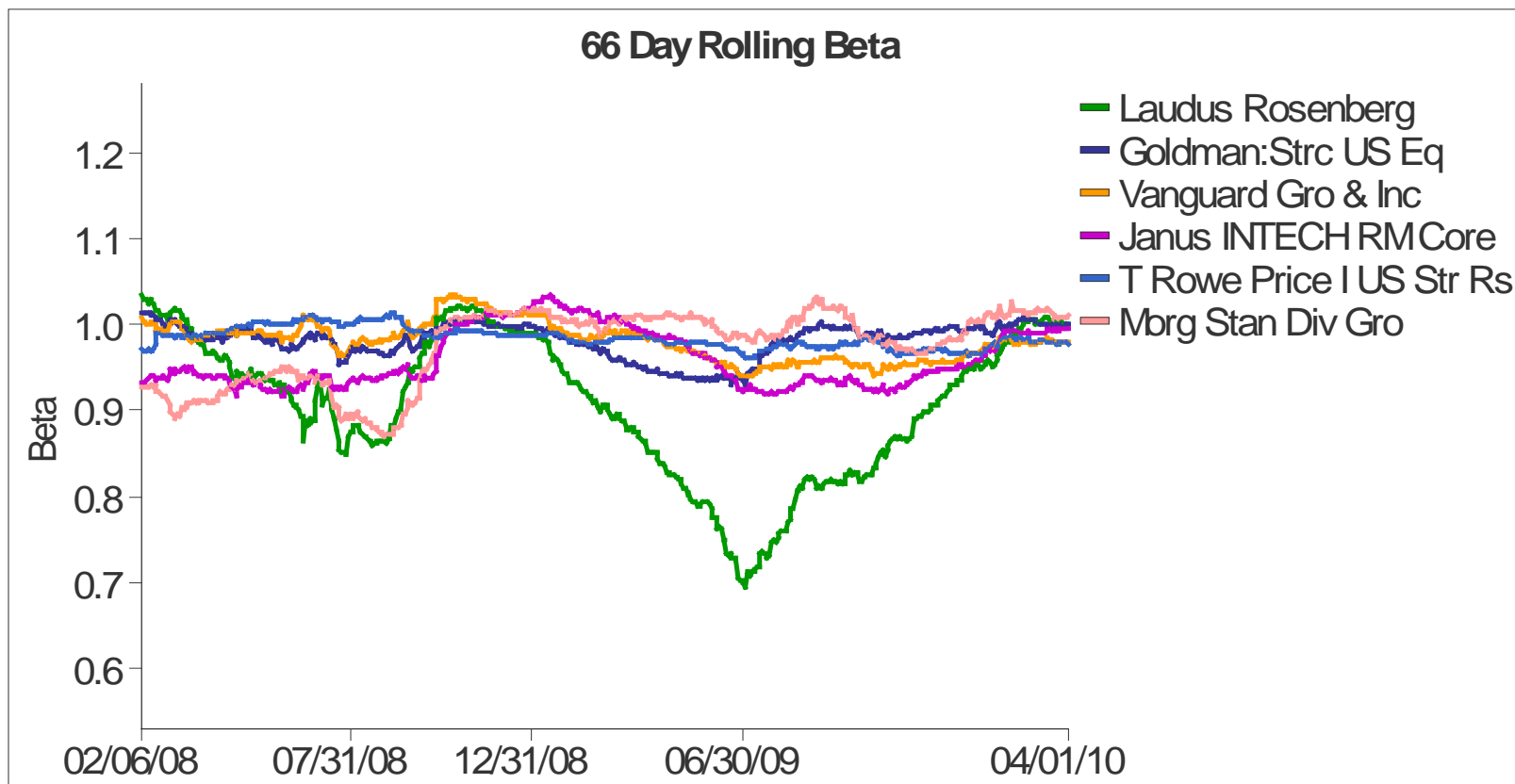
- Thoughtful peer analyses
- Less reliance on boilerplate ratios
- Identify factors that drive risk and return
  - Motivated by economic logic – not just data
  - Where do alphas come from?

# ANOTHER PERSPECTIVE...CONTD.



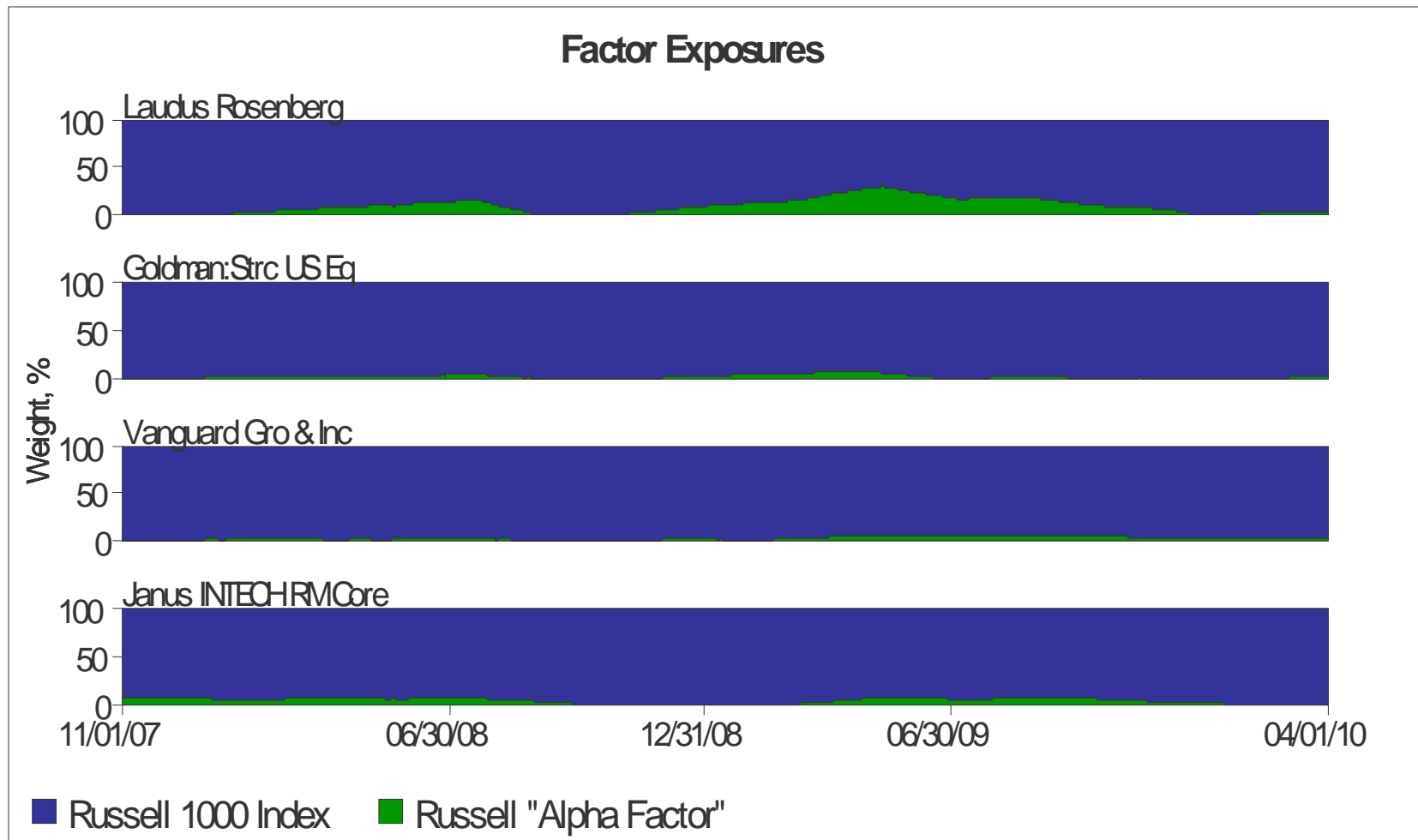
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# ANOTHER PERSPECTIVE...CONTD.



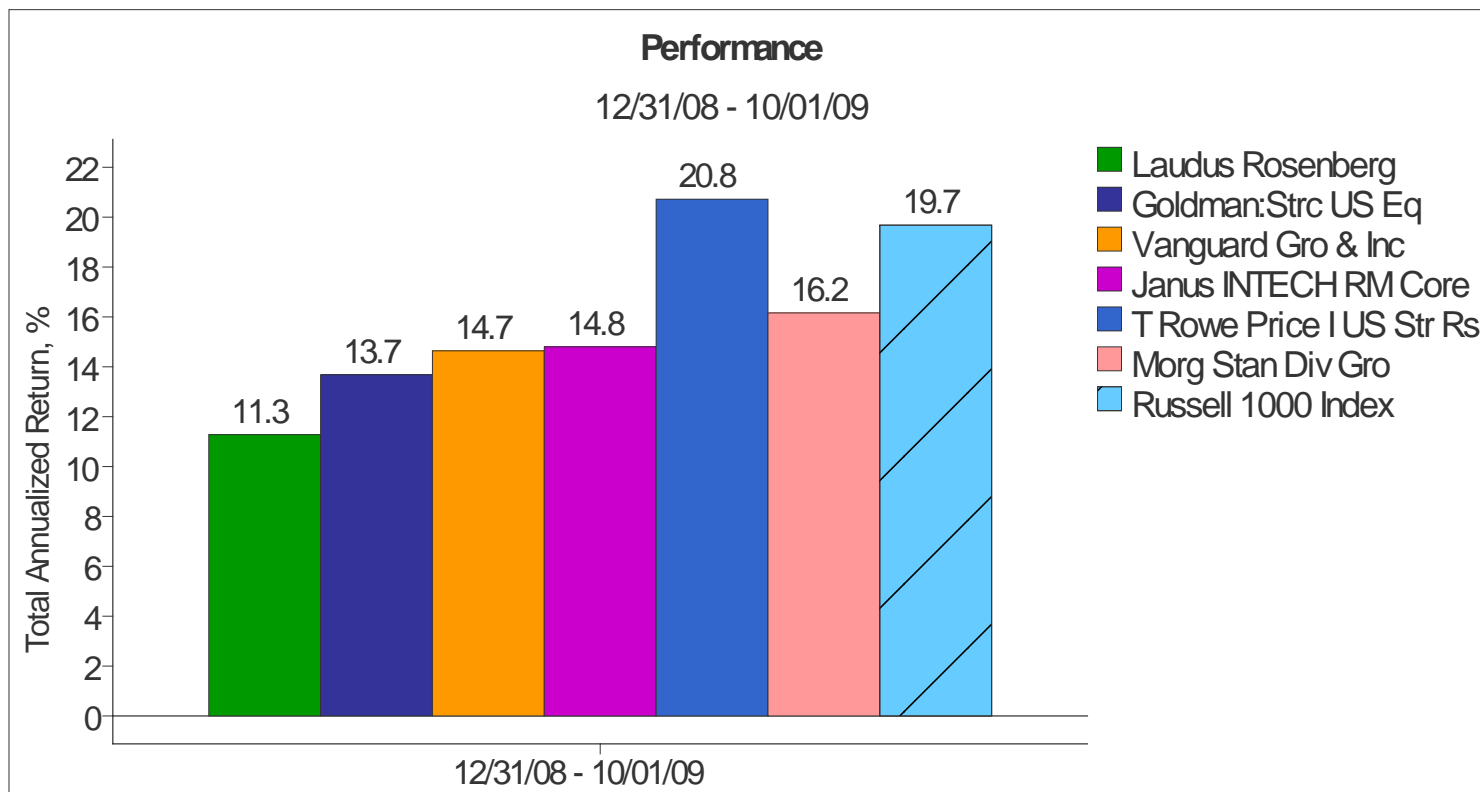
Created with mpi Stylus (Data: Lipper)

# ANOTHER PERSPECTIVE ... CONTD.



Created with mpi Stylus (Data: Lipper)

# ANOTHER PERSPECTIVE ... CONTD.

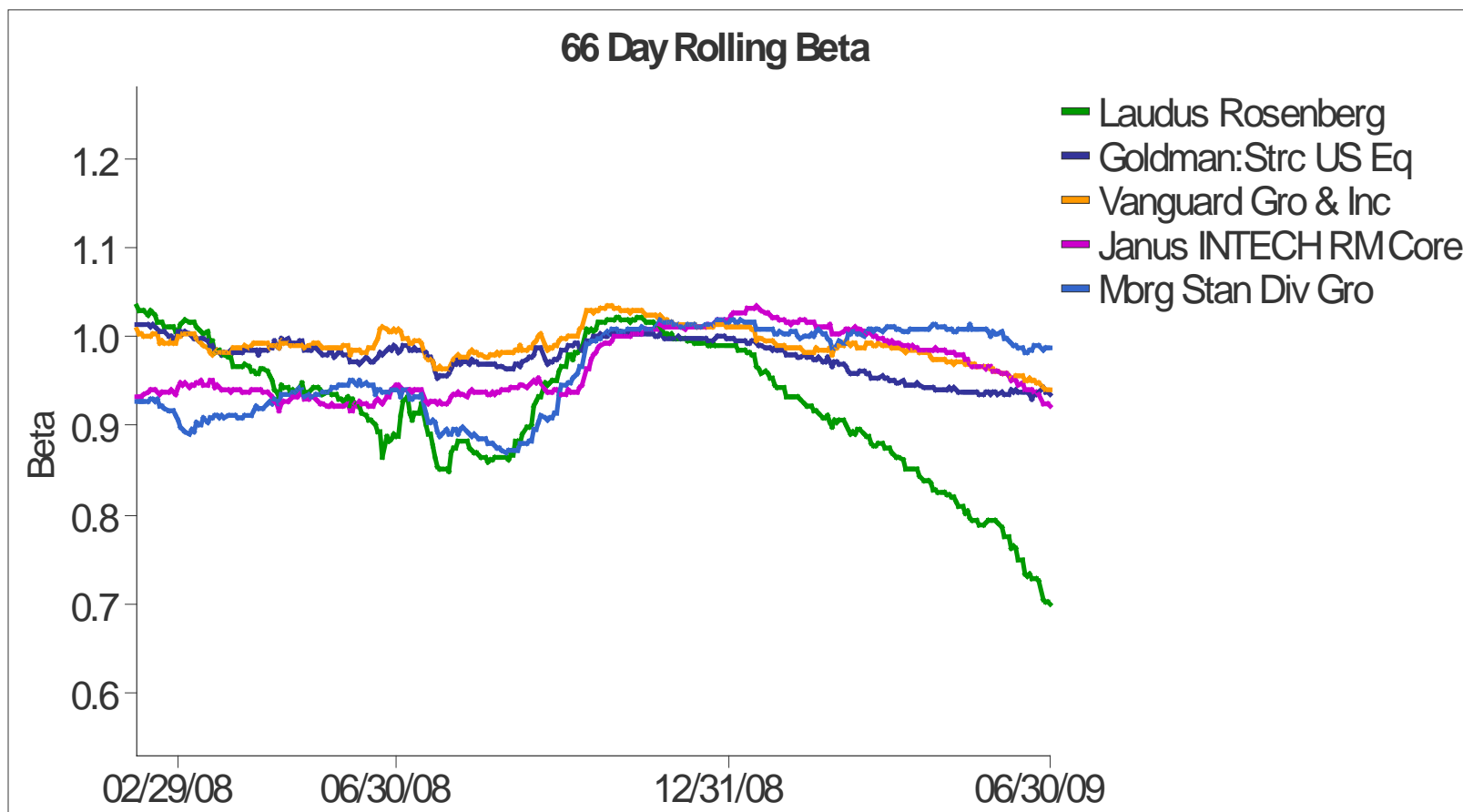


Created with mpi Stylus (Data: Lipper)

# OPEN QUESTIONS

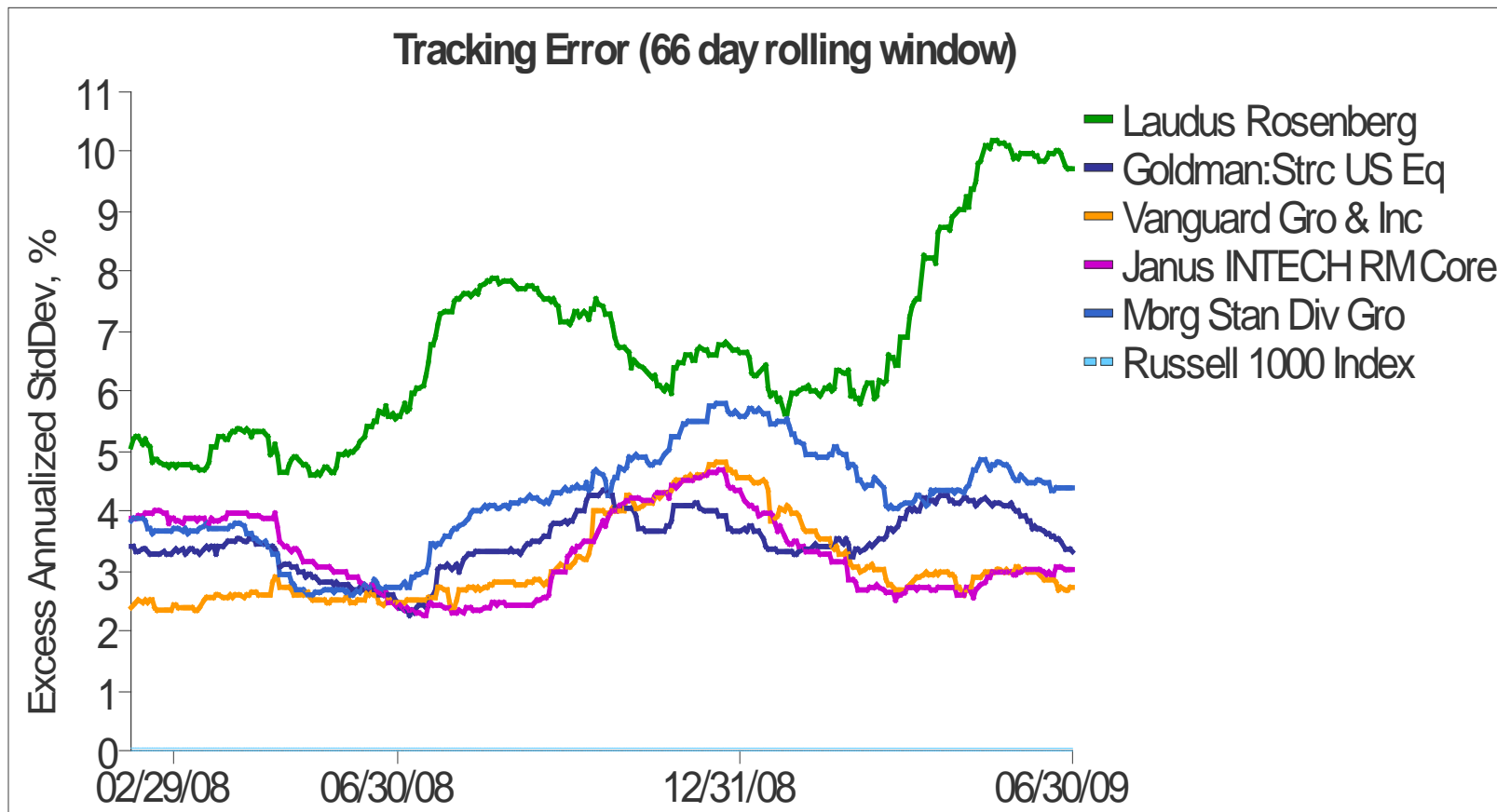
- Why did Tracking Error appear to spike in '08 and '09?
- Why did beta appear to spike down?
- Why did exposure to the alpha factor appear to increase?
- Did any of the above impact performance?
- Could the unusual risk profile have been detected 2009:Q3?

# ANOTHER PERSPECTIVE...CONTD.



Created with mpi Stylus (Data: Lipper)

# ANOTHER PERSPECTIVE...CONTD.



Created with mpi Stylus (Data: Lipper)



# Thank You

## **International Headquarters**

Markov Processes International, LLC (MPI)  
25 Maple Street, Suite 200  
Summit, New Jersey 07901  
U.S.A.

Tel: +1 908 608 1558  
info@markovprocesses.com  
[www.markovprocesses.com](http://www.markovprocesses.com)