



## **MARCUARD FAMILY OFFICE UTILIZES MPI QUANTITATIVE ANALYTICS FOR INVESTMENT DECISION MAKING**

*-DYNAMIC STYLE ANALYSIS POWERS MANAGER SELECTION AND MONITORING*

Summit, New Jersey, USA – July 18 2012 – [Markov Processes International \(MPI\)](#), a provider of superior tools for investment research, analysis and reporting, today announced that [Marcuard Family Office](#) (Marcuard), one of the largest family offices in Europe, utilizes Dynamic Style Analysis (DSA), MPI's patented factor attribution analytics, for investment decision making. Marcuard, an 11 year client of MPI, has implemented DSA throughout its investment process, from manager search and selection, to ongoing monitoring and life cycle decisions.

The motivation behind Marcuard's decision originated from seeing [MPI's Madoff case study](#) that showed the powers of DSA's red flag-detection over traditional Returns-Based Style Analysis (RBSA). The determining reason, however, was closer to home; Marcuard employed DSA to analyze its own funds, of which the group had complete daily holdings information. The attributed factors, and their weightings, that the analysis portrayed utilizing just the funds' returns mirrored the actual exposures and holdings of the investment vehicles to a very high degree of accuracy.

"Our families expect us to utilize the industry's most advanced tools and technologies to support and enhance our investment process. With just a short stream of monthly returns figures, it is phenomenal what DSA can detect – even in dynamic shifting investment products. Armed with the intelligence of DSA, we have had more fruitful and enlightening discussions with the range of managers we invest client money with, from long-only to alternative managers. Our investment process and decisions are truly optimized with the extension of MPI's tools across our organization, best fulfilling our fiduciary duty to our clients and ensuring their portfolios are safer and synchronized with their investment goals," said Simon Minder, Chief Information Officer at Marcuard.

MPI created DSA to transcend the limitations of traditional RBSA – such as lag, overfitting, and inability to capture style drift and detect leverage – and give investors greater insight into their investment portfolios. DSA, patented in 2009, removes the constraint of rolling windows, therefore providing more precise measurement of an investment’s behavior and the market factors associated with its performance, resulting in greater predictive capabilities. MPI’s proprietary beta modeling engine is ideal for factor analysis of dynamic investments such as hedge funds, which may employ derivatives or hedging techniques, such as leverage and shorting, and where information besides monthly returns is typically scarce. DSA is available in MPI’s Flagship product, [Stylus Pro](#).

“Marcuard is known as one of the finest run family-offices and we are proud DSA is such an integral part of their rigorous investment process. Dynamic factor analysis has proven to be an invaluable method for fiduciaries in ensuring investments and portfolios are optimized and closely monitored. With DSA, MPI has been on the forefront in bringing the most advanced quantitative tools to the market and is committed to working with our elite clientele to see that they continue to differentiate themselves in highly competitive environments,” said Michael Markov, CEO of MPI.

“Marcuard is truly unique in the way they have integrated MPI Stylus Pro and DSA in their day-to-day investment processes, manager research functions and client reporting capabilities” adds Alexandre Dussaucy, Head of EMEA Sales and Professional Services at MPI.

For more information on DSA, please visit:

[http://www.markovprocesses.com/products/hf\\_analysis\\_software.htm](http://www.markovprocesses.com/products/hf_analysis_software.htm)

**About MPI:**

[Markov Processes International, LLC \(MPI\)](#) is a leading provider of solutions for investment research, analysis and reporting to the global wealth and investment management industry. Headquartered in Summit, New Jersey, with satellite offices in London, Paris, Moscow and Tokyo, MPI has more than 300 client organizations globally – including pensions and endowments, sovereign wealth funds, global wealth management firms, investment advisors and asset managers. MPI has three principal business lines; technology; enterprise solutions; and consulting services. Its [Stylus software](#) has over 2500 active users.

MPI's innovative approach to problem solving, is rooted in the principles of transparency, objectivity and efficiency. Seeing the applied benefits for investment selection and monitoring, MPI created the first commercial performance attribution tool based on the transformational idea of Returns-Based Style Analysis (RBSA). MPI's continuous innovation and recent patenting of advanced analytics and processes for dynamic factor analysis, asset allocation, investment risk management and reporting ensure clients have the tools to succeed in ever-crowded markets.

**About Marcuard Family Office:**

Marcuard Family Office is an independent multi-family office founded in 1998. The aim of the organisation is to provide family office services to a limited number of families with substantial investable assets. The organisation was able to growth significantly in the last 14 years and employs 24 people today (22.7 FTE), serves about 40 families and manages currently over CHF 3.8 billion in liquid assets.

The company strives to support their families with a wide range of services which go beyond traditional asset management. Families have their dedicated family office team within the organization and benefit from the advantages of a multifamily office. One advantage is the ability to build a platform, especially an IT platform in an integrated manner. This increases the efficiency of an organisation, but more importantly the quality, which allows the company to excel the competitors and satisfy the expectations of the clients.

The office is located in Zurich, Switzerland.

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