AlphaPredictor® Insights

Our latest AlphaPredictor® insights

Investment Association Sector: North American Equity
Forecast horizon: 3-month ahead forward-looking view
Base currency: U.S. Dollar
Date: April 2026

Key Takeaways

1. The Anatomy of Alpha: Selection vs. Navigation

The report distinguishes between **all-weather Alpha** (idiosyncratic security selection) and **time-varying Alpha** (portfolio positioning across the business cycle and navigating changing macroeconomic).

- **The Selection Powerhouse: VT De Lisle America Fund** is the standout in the top quartile, with the highest expected all-weather Alpha coming almost exclusively from security selection skills. *See page 3.*
- **The Adaptive Navigator: Artisan US Focus Fund** demonstrates positive security selection and macroeconomic positioning skills, making it "complete" performer for the current cycle. *See page 3.*

2. Expected Bottom Quartile Performance Driven by Poor Stock Picking and Business Cycle Misalignment

The primary drivers for the bottom quartile's lower expected returns is a lack of all-weather Alpha skills combined with a macro trend misalignment. *See pages 3 and 7*.

- **Poor Stock Picking:** All the expected bottom quartile funds have **below average all-weather Alpha**. *See page 3.*
- **Sensitivity Matters:** Most top-quartile funds have **negative sensitivity** to short-term interest rates and inflation. This has led to them generating time-varying Alpha as both rates and inflation have been on downward trends. *See page 7.*
- **The Bottom Quartile is Vulnerable:** Funds like **BA Beutel Goodman US Value** and **Polen Capital Focus U.S. Growth** maintain **positive sensitivities** to inflation and rates. If inflation continues to cool, these funds may see a persistent Alpha drag.

3. Commodity Price Spikes and Credit Risk

Expected top quartile funds appear better positioned to manage "tail risks" than their bottom quartile peers.

- **Commodity Price Spikes:** Expected top quartile funds like **BNY Mellon US Equity Income** and **Quilter Investors US Equity Income** may benefit if commodity prices remain elevated or spike unexpectedly.
- **Credit Risk:** We have all heard of the rising risk in private credit funds. While corporate bond investors remain sanguine, several expected top quartile funds exhibit positive sensitivity to **default spreads**, suggesting they may generate Alpha if financial system stress or credit risk increases.

4. Representative Expected Top versus Bottom Quartile Characteristics

Feature	Expected Top Quartile	Expected Bottom Quartile
Primary Alpha Source	Stronger selection or business cycle navigation skills than peer group	Mostly negative skills across both selection and timing
Inflation/Rate Sensitivity	Negative sensitivity: Alpha increases as interest rates or inflation fall	Positive sensitivity: Alpha decreases as interest rates or inflation fall
Commodity Positioning	Well-positioned for elevated or rising prices	Poorly positioned for commodity price spikes

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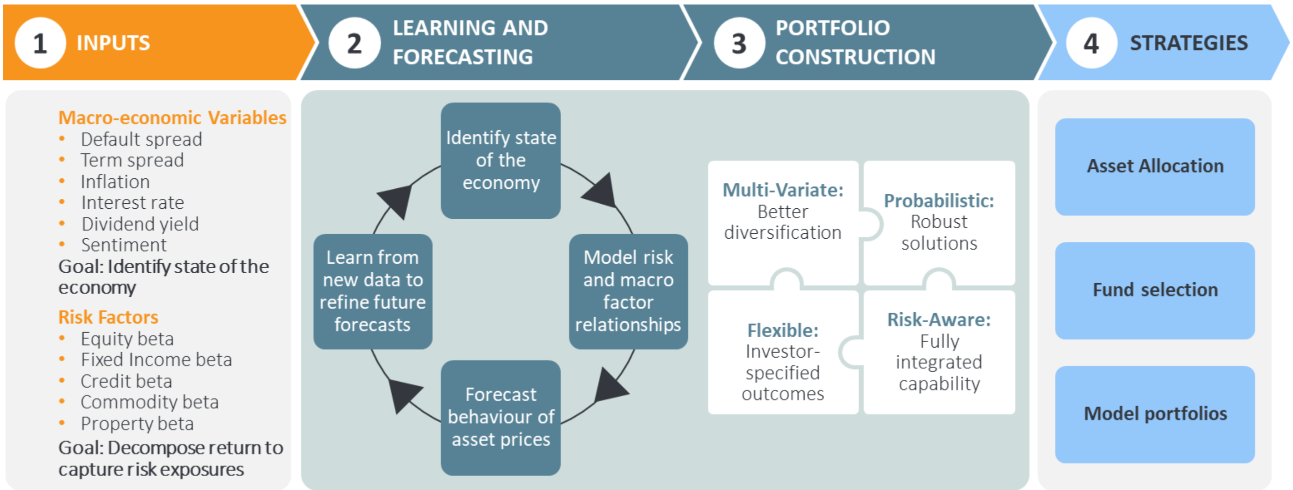
How were these funds selected?

The funds below are members of the North American Equity peer group. Five funds were selected to represent the top and bottom quartiles based on their 3-month expected return rankings, with a minimum fund size of at least £75 million and a historical ranking within one quartile of their forward-looking quartile ranking.

About the AlphaPredictor® Methodology

AlphaPredictor® is an advanced learning methodology collaboratively developed by leading academics and experienced practitioners. It forecasts investment asset behaviour across the business cycle and adapts rapidly to changing market conditions. In the case of actively managed funds, AlphaPredictor® can help identify the future “best” performers and avoid underperformers. The methodology is also used for asset allocation and portfolio construction to select the best combination of assets to hold at any point in the business cycle while diversifying against different economic outcomes.



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AlphaPredictor® expected return breakdown for each fund shown as monthly return contributions

Representative expected top quartile funds

Fund name	Expected return (%)	All-weather Alpha (%)	Time-varying Alpha (%)	Beta return (%)	Risk-free rate
Artisan US Focus Fund	0.30%	0.12%	0.29%	-0.42%	0.32%
BNY Mellon US Equity Income Fund	-0.09%	-0.07%	-0.12%	-0.22%	0.32%
Jupiter Merian North American Equity Fund	0.10%	0.08%	0.01%	-0.32%	0.32%
Quilter Investors US Equity Income Fund	-0.06%	-0.09%	-0.09%	-0.20%	0.32%
VT De Lisle America Fund	0.37%	0.36%	-0.10%	-0.21%	0.32%
Peer Group Average	**-0.35%**	**-0.15%**	**-0.16%**	**-0.37%**	**0.32%**

Expected return = Risk-free rate + All-weather Alpha contribution + Time-varying Alpha contribution + Beta contribution
Beta return contribution = Sum of the Beta factor exposures multiplied by the expected returns of each Beta factor
All-weather Alpha = Alpha component that is independent of business cycle changes and associated with security selection
Time-varying Alpha = Sum of the Alpha sensitivities to the macroeconomic variables multiplied by their (expected) changes

Comments

- All top quartile funds outperform the peer group average expected return with the strongest performers distinguished by their ability to generate persistent Alpha rather than relying on market Beta or macro timing.
- **Artisan US Focus Fund** delivers a high expected return, with both positive all-weather Alpha and time-varying Alpha. This combination signals a manager who excels at both security selection and adapting to changing macroeconomic conditions. The fund's expected Beta return is near the broad market and shows less factor tilts than its peers (see Beta factor exposures table on page 5).
- **VT De Lisle America Fund** stands out with the highest expected return, driven almost entirely by strong all-weather Alpha, indicating robust and persistent stock selection skill. Its negative time-varying Alpha suggests less effective macro navigation, but this is more than offset by its core process strength.
- **Jupiter Merian North American Equity Fund** achieves a positive expected return, supported by modest all-weather Alpha and a small positive time-varying Alpha. Although the fund's expected Beta return is low, its Alpha keeps it ahead of the peer group average.
- **BNY Mellon US Equity Income Fund** and **Quilter Investors US Equity Income Fund** both have slightly negative expected returns, with negative contributions from both all-weather and time-varying Alpha but both are still better than the peer group average. Their Beta expected returns are negative but less so than the broad market and peer average.

Representative expected bottom quartile funds

Fund name	Expected return (%)	All-weather Alpha (%)	Time-varying Alpha (%)	Beta return (%)	Risk-free rate
AB SICAV I - Concentrated US Equity Portfolio	-0.84%	-0.32%	-0.36%	-0.48%	0.32%
BA Beutel Goodman US Value Fund	-1.05%	-0.47%	-0.72%	-0.18%	0.32%
Brown Advisory US Mid-Cap Growth Fund	-1.88%	-0.51%	-1.26%	-0.44%	0.32%
Polen Capital Focus U.S. Growth Fund	-1.93%	-0.56%	-1.09%	-0.60%	0.32%
SVS AllianceBernstein Concentrated US Equity Fund	-1.74%	-0.79%	-0.85%	-0.42%	0.32%

Comments

- **AB SICAV I – Concentrated US Equity Portfolio** has a negative expected return, driven by both weak all-weather Alpha and negative time-varying Alpha. This indicates that neither underlying stock selection nor macro positioning is expected to added value, while the negative Beta expected return is near broad market levels.
- **BA Beutel Goodman US Value Fund** delivers a low expected return, with negative all-weather and time-varying Alpha, implying both poor security selection and misalignment with prevailing macro conditions. The fund's expected Beta return is better than its peers with differentiated factor exposures (see page 6).
- **Brown Advisory US Mid-Cap Growth Fund** is among the weakest expected performers driven primarily by a large negative time-varying Alpha. This suggests significant mis-timing of the business cycle and compounded by negative all-weather Alpha.
- **Polen Capital Focus U.S. Growth Fund** has the lowest expected return in the group reflecting both poor persistent stock selection and substantial negative time-varying Alpha. The additional negative expected Beta return indicates the fund may have more aggressive factor exposures than its peers.
- **SVS AllianceBernstein Concentrated US Equity Fund** shows a deeply negative expected return, with the weakest all-weather Alpha among the bottom quartile funds. This highlights structural stock-selection challenges, while negative time-varying Alpha suggests that macro positioning may exacerbate underperformance rather than offset it.

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AlphaPredictor® Beta factor contributions to fund expected returns

Representative expected top quartile funds

Fund name	Total Beta return (%)	Equity Market Beta	Small Cap Premium	Value Premium	Momentum
Artisan US Focus Fund	-0.42%	-0.37%	-0.01%	-0.02%	-0.03%
BNY Mellon US Equity Income Fund	-0.22%	-0.40%	0.02%	0.13%	0.02%
Jupiter Merian North American Equity Fund	-0.32%	-0.38%	0.04%	-0.02%	0.05%
Quilter Investors US Equity Income Fund	-0.20%	-0.40%	0.03%	0.13%	0.05%
VT De Lisle America Fund	-0.21%	-0.36%	0.15%	0.06%	-0.05%
Peer Group Average	**-0.37%**	**-0.39%**	**0.02%**	**-0.01%**	**0.01%**

Comments

- **Artisan US Focus Fund** has the largest negative total Beta return, driven largely by broad market equity exposure. The absence of meaningful exposure to style premia such as small cap, value, or momentum suggests that the fund limits its factor tilts by design, leaving Alpha as the primary driver of relative performance.
- **BNY Mellon US Equity Income Fund** and **Quilter Investors US Equity Income Fund** benefit from positive exposure to value (see page 5). This factor profile is consistent with an income-oriented strategy.
- **Jupiter Merian North American Equity Fund** exhibits positive exposure to small caps and momentum (see page 5) which help to cushion the negative broad market exposure.
- **VT De Lisle America Fund** stands out for its strong expected performance from the Small Cap and Value Premiums which offset the negative expectations from its Equity Market Beta exposure. The fund's factor tilts are different than its peers which may be a by-product of running a concentrated portfolio and stock picking focus.
- Relative to the **peer group average**, four of the five representative top quartile funds have higher expected total Beta returns.

Representative expected bottom quartile funds

Fund name	Total Beta return (%)	Equity Market Beta	Small Cap Premium	Value Premium	Momentum
AB SICAV I - Concentrated US Equity Portfolio	-0.48%	-0.43%	0.01%	-0.01%	-0.05%
BA Beutel Goodman US Value Fund	-0.18%	-0.38%	0.03%	0.11%	0.06%
Brown Advisory US Mid-Cap Growth Fund	-0.44%	-0.40%	0.05%	-0.05%	-0.04%
Polen Capital Focus U.S. Growth Fund	-0.60%	-0.39%	0.00%	-0.10%	-0.11%
SVS AllianceBernstein Concentrated US Equity Fund	-0.42%	-0.37%	0.01%	-0.02%	-0.04%

Comments

- Across the expected bottom quartile group, the expected Total Beta return is lower than the **peer group average.**
- **AB SICAV I – Concentrated US Equity Portfolio** has a negative total Beta return driven primarily by broad market exposure and negligible expected returns from risk premium exposures.
- **BA Beutel Goodman US Value Fund** has the least negative expected total Beta return in the bottom quartile due to positive expected return contributions from its Small Cap, Value Premium and Momentum tilts. Despite this relatively supportive factor mix, weak Alpha dominates the fund's expected return profile (see page 3).
- **Brown Advisory US Mid-Cap Growth Fund** shows a materially negative total Beta return, reflecting a large negative market contribution combined with negative Value Premium and Momentum contributions. The positive expected return from small cap exposure is insufficient to offset the broader factor headwinds.
- **Polen Capital Focus U.S. Growth Fund** has the most negative total Beta return among the bottom quartile funds. This is driven by negative Equity Market Beta, Value Premium and Momentum factor return contributions. Concentrated growth factor positioning may leave the fund vulnerable in the current environment.
- **SVS AllianceBernstein Concentrated US Equity Fund** negative expected total Beta return is largely explained by market exposure which aligns with the **peer group average**. Limited expected return contributions from other factor exposures are likely an active risk control decision to focus on Alpha generation. Unfortunately expected all-weather and time-varying Alpha are strongly negative (see page 3).

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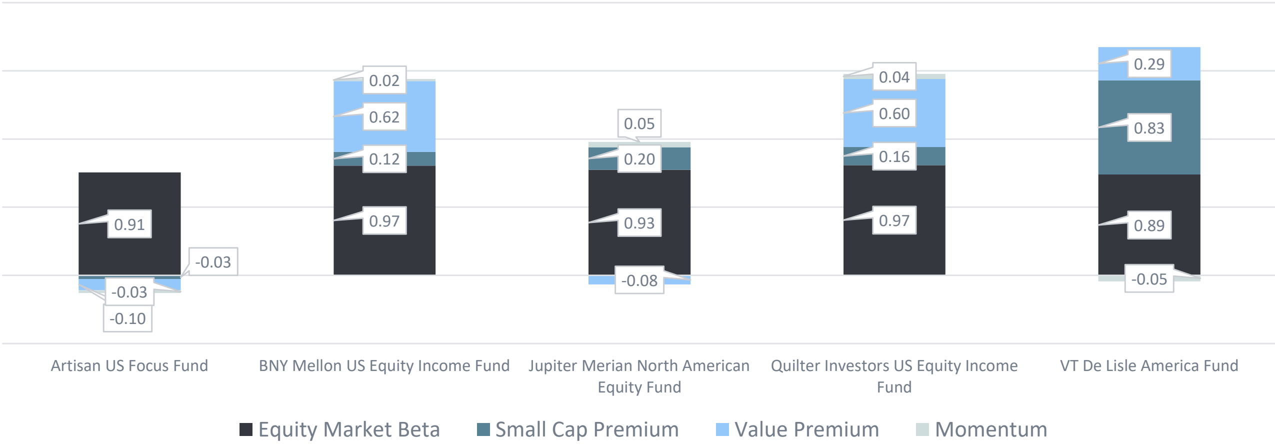
Fund Beta factor exposures

The charts show the Beta factor exposures that help explain each fund's performance. They are expressed as Beta sensitivities not as returns. A Beta of 1.0 indicates that the fund's performance tends to move in 1:1 tandem with the Beta factor. A negative Beta indicates that the fund's performance tends to move in the opposite direction of the Beta factor.

Representative expected top quartile funds Beta factor exposures



Comments

- **Artisan US Focus Fund** has a lower-than-average Equity Market Beta. Negative Small Cap and Value Premium exposures indicate a franchise focused stock selection. The negative Momentum exposure indicates longer than average holding periods.
- **BNY Mellon US Equity Income Fund** maintains near Equity Market Beta exposure with a strongly positive Value tilt. This is consistent with an income-oriented strategy focused on valuation discipline.
- **Jupiter Merian North American Equity Fund** combines a slightly defensive Equity Market Beta with positive Small Cap Premium exposure and a positive Momentum tilt. Together with the small negative value bias suggests a focus on smaller, faster-growing companies aiming to add value through stock selection.
- **Quilter Investors US Equity Income Fund** exhibits near Equity Market Beta and a pronounced Value tilt. This combination reflects a valuation-driven income strategy without relying heavily on Momentum as a return driver.
- **VT De Lisle America Fund** stands out with the lowest Equity Market Beta with a significant Small Cap and Value exposure. This indicates a concentrated, high-conviction, smaller-cap-oriented strategy that departs materially from the broad market. The negative Momentum exposure indicates longer holding periods.

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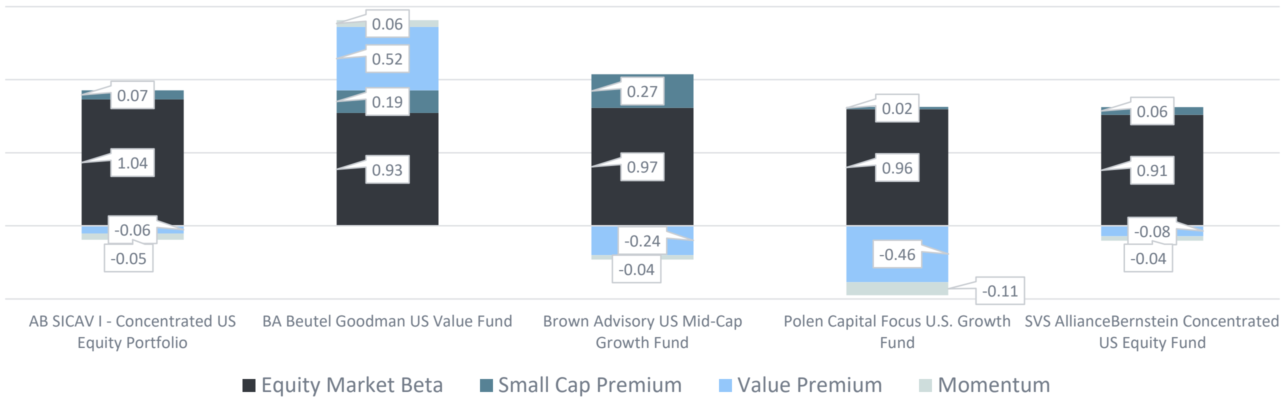
Representative expected bottom quartile funds Beta factor exposures



Comment

- **AB SICAV I – Concentrated US Equity Portfolio** has the highest Equity Market Beta in the group with market level sensitivity to broad equity movements. The fund has a positive Small Cap exposure and negative Value and Momentum tilts.
- **BA Beutel Goodman US Value Fund** exhibits a slightly defensive Equity Market Beta and a significant Value exposure which aligns with the fund's investment style.
- **Brown Advisory US Mid-Cap Growth Fund** maintains near Equity Market Beta exposure with a meaningful Small Cap tilt and negative Value exposure which is consistent with its investment style. The negative Momentum exposure indicates longer than average investment holdings periods.
- **Polen Capital Focus U.S. Growth Fund** stands out for its large negative Value and Momentum exposures. This factor profile is indicative of the fund's growth investment style bias with longer than average holding periods.
- **SVS AllianceBernstein Concentrated US Equity Fund** has a modestly defensive Equity Market Beta with a slight smaller cap bias and negative Value Premium exposure. The negative Momentum factor exposure indicates possibly longer than average investment holding periods.

Fund time-varying Alpha from navigating changes in the business cycle

The AlphaPredictor® methodology provides the unique ability to identify managers with skills which will perform well given different but plausible economic outcomes. Time-varying Alpha is manager skill associated with navigating changes in the business cycle and is often demonstrated by sector tilts or security selection within sectors. Macro Alpha sensitivities reflect the portion of a manager's skill which is correlated (positively or negatively) with important macroeconomic variables. By pairing macroeconomic variable changes with a fund's Macro Alpha sensitivities, you can gain insights about their Alpha generation in different environments. The table below shows the **macro Alpha return contributions** and **sensitivities** of each fund to changes in important macroeconomic variables. An arrow indicating the **trend in each macroeconomic variable** is also shown.

Understanding how a fund's Alpha might be impacted as the business cycle evolves can help a fund selector pick winners and avoid funds whose Alpha may deteriorate in specific environments. The AlphaPredictor® model is an advanced learning model, and it will learn over time as relationships between Alpha and macroeconomic variables evolve.

Representative expected top quartile funds macro Alphas and macro sensitivities

Fund name	Time-varying Alpha (%)	Default Spread ↓ current value minus 12-month moving average Alpha (%)	Default Spread ↓ Sensitivity	Term Spread ↑ current value minus 12-month moving average Alpha (%)	Term Spread ↑ Sensitivity	Short Rate ↓ current value minus 12-month moving average Alpha (%)	Short Rate ↓ Sensitivity	Dividend Yield ↑ current value minus 12-month moving average Alpha (%)	Dividend Yield ↑ Sensitivity	Inflation ↓ current value minus 3-month moving average Alpha (%)	Inflation ↓ Sensitivity	Commodity Prices ↑ 12-month log change Alpha (%)	Commodity Prices ↑ Sensitivity
Artisan US Focus Fund	0.29%	0.0%	-1.2	0.1%	0.3	0.1%	-0.3	0.0%	1.5	0.0%	-0.4	0.0%	0.0
BNY Mellon US Equity Income Fund	-0.12%	-0.1%	5.6	-0.5%	-1.1	0.2%	-0.5	-0.1%	-7.8	0.0%	-0.3	0.5%	0.0
Jupiter Merian North American Equity Fund	0.01%	0.0%	0.0	-0.1%	-0.2	0.1%	-0.2	0.0%	-0.4	0.0%	0.0	0.1%	0.0
Quilter Investors US Equity Income Fund	-0.09%	-0.1%	4.0	-0.5%	-1.1	0.2%	-0.6	-0.1%	-6.0	0.0%	-0.2	0.4%	0.0
VT De Lisle America Fund	-0.10%	0.0%	0.9	0.0%	0.1	0.0%	-0.1	0.0%	-2.7	0.0%	-0.5	-0.1%	0.0
Peer Group Average	**-0.16%**	**0.0%**	**0.7**	**-0.1%**	**-0.3**	**0.0%**	**-0.1**	**0.0%**	**-1.5**	**0.0%**	**0.0**	**0.0%**	**0.0**

Macro Alphas and Macro Sensitivities

Comments

- Relative to the peer group average, the representative expected top-quartile funds exhibit **higher expected time-varying Alpha** in the current environment, with **Artisan US Focus Fund** standing out most clearly.
- Most top-quartile funds have **negative sensitivities to short-term interest rates and inflation (CPI)**, which is supportive of Alpha generation when these macro variables are declining. In contrast, they are **better positioned than bottom-quartile funds** to benefit from rising commodity futures prices. CPI tracks consumer prices; commodity futures track input costs—different cycle stages, data, and frequencies.
- **Artisan US Focus Fund** has the highest expected time-varying Alpha. The fund is well positioned for an environment in which **term spreads are steepening, short-term interest rates are falling, and equity valuations are improving**.
- **BNY Mellon US Equity Income Fund** and **Quilter Investors US Equity Income Fund** have similar macroeconomic sensitivities and **negative expected time-varying Alpha**. The steepening term spread has detracted from Alpha due to their negative sensitivity to this factor. Both funds exhibit a **positive sensitivity to default spreads.** They are better positioned if credit risk increase and commodity prices remain elevated.
- **Jupiter Merian North American Equity Fund** does not appear to be generating Alpha through macroeconomic positioning at the current stage of the business cycle. The fund may instead be **constraining factor and sector exposures**, with value-add expected to come primarily from stock selection.
- **VT De Lisle America Fund** sector concentrations may lead to negative Alpha if **inflation or commodity prices spike**.

Representative expected bottom quartile funds macro Alpha funds macro sensitivities

Fund name	Time-varying Alpha (%)	Default Spread ↓ current value minus 12-month moving average Alpha (%)	Default Spread ↓ Sensitivity	Term Spread ↑ current value minus 12-month moving average Alpha (%)	Term Spread ↑ Sensitivity	Short Rate ↓ current value minus 12-month moving average Alpha (%)	Short Rate ↓ Sensitivity	Dividend Yield ↑ current value minus 12-month moving average Alpha (%)	Dividend Yield ↑ Sensitivity	Inflation ↓ current value minus 3-month moving average Alpha (%)	Inflation ↓ Sensitivity	Commodity Prices ↑ 12-month log change Alpha (%)	Commodity Prices ↑ Sensitivity
AB SICAV I - Concentrated US Equity Portfolio	-0.36%	0.0%	0.8	-0.2%	-0.5	0.0%	-0.1	0.0%	-1.1	0.0%	0.4	-0.1%	0.0
BA Beutel Goodman US Value Fund	-0.72%	0.1%	-2.5	0.4%	0.9	-0.5%	1.4	0.0%	2.1	-0.1%	0.8	-0.7%	0.0
Brown Advisory US Mid-Cap Growth Fund	-1.26%	-0.1%	4.6	0.3%	0.7	-0.3%	0.9	-0.1%	-4.3	0.0%	0.4	-1.1%	0.0
Polen Capital Focus U.S. Growth Fund	-1.09%	-0.1%	2.3	0.0%	0.1	-0.2%	0.5	-0.1%	-3.7	0.0%	0.7	-0.8%	0.0
SVS AllianceBernstein Concentrated US Equity Fund	-0.85%	-0.1%	4.1	-0.1%	-0.2	-0.1%	0.4	-0.1%	-6.4	0.0%	0.6	-0.4%	0.0

Macro Alphas and Macro Sensitivities

Comments

- The representative expected bottom-quartile funds exhibit **materially negative expected time-varying Alpha** in the current environment, reflecting **poor alignment with prevailing macroeconomic conditions**.
- Most bottom-quartile funds have **positive sensitivity to short-term interest rates and inflation**, which has been a drag on Alpha as both variables have been declining. They are **poorly positioned for rising commodity prices**.
- **AB SICAV I – Concentrated US Equity Portfolio** expected time-varying Alpha is the **least poor** relative to the other expected bottom quartile funds, but it is still below the **peer group average**. The fund has muted macro sensitivities compared to its peers.
- **BA Beutel Goodman US Value Fund** stands out within the bottom quartile due to its **positive sensitivity to short-term rates and inflation**, leaving it particularly exposed as these variables have fallen. The fund has also been negatively impacted by commodity price dynamics, further weighing on Alpha generation.
- **Brown Advisory US Mid-Cap Growth Fund** and **Polen Capital Focus U.S. Growth Fund** have the most negative expected time-varying Alphas. While both have **benefited from a steepening term spread due to positive sensitivity**, this has been more than offset by adverse exposures elsewhere, particularly **positive sensitivity to short-term interest rates and inflation**, which have detracted from Alpha as these variables have been declining.
- **SVS AllianceBernstein Concentrated US Equity Fund** has negative expected Alpha contributions across most macroeconomic variables indicate it is poorly positioned for the current environment.

GLOSSARY

Beta risk factors

- Equity Market Beta – S&P 500 Index
- Small Cap Premium – Russell 2000 Index returns minus Russell 1000 Index returns
- Value Premium – Russell 3000 Value Index returns minus the Russell 3000 Growth Index returns
- Momentum - The top 3 S&P 500 sector returns minus the bottom 3 S&P 500 sector returns over rolling12-month periods

Alpha

- All-weather Alpha –Fund manager security selection skill which is independent from the business cycle.
- Time-varying Alpha – Fund manager skill from dynamically timing industries and sectors over the business cycle.
- Macroeconomic state variables such as the default spread, term spread, short interest rate, dividend yield, inflation, and economic sentiment can be used to identify funds likely to generate superior performance.

Macroeconomic state variables

- Default spread – The difference between the yield on Moody's US Baa and US Aaa corporate yields. It is a measure of credit risk and stresses in the financial system. It is counter-cyclical tending to widen in recessions and shrink in expansions.
- Term spread – The difference between U.S. Treasury10-year and 3-month yields. Academic research has found it to be a predictor of economic growth as well as turning points in the economy.
- Short rate – The yield on 3-month U.S. Treasury Bills. Short term interest rates are linked to monetary policy. Falling short term interest rates have been associated with rising stock and bond markets in subsequent periods. Higher short rates may signal reduced capital investment by firms as well as lower consumption in the economy.
- Dividend yield – The dividend yield on a broad index of U.S. equities. A measure of relative equity valuations. It is counter-cyclical tending to widen in recessions and shrink in expansions.
- Inflation – The U.S. Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of approximately 80,000 consumer goods and services.
- Commodity prices – The S&P GSCI Index represents the global commodities market. It is a production-weighted index covering twenty-four exchange-traded physical commodity futures across energy, agriculture, metals, and livestock.

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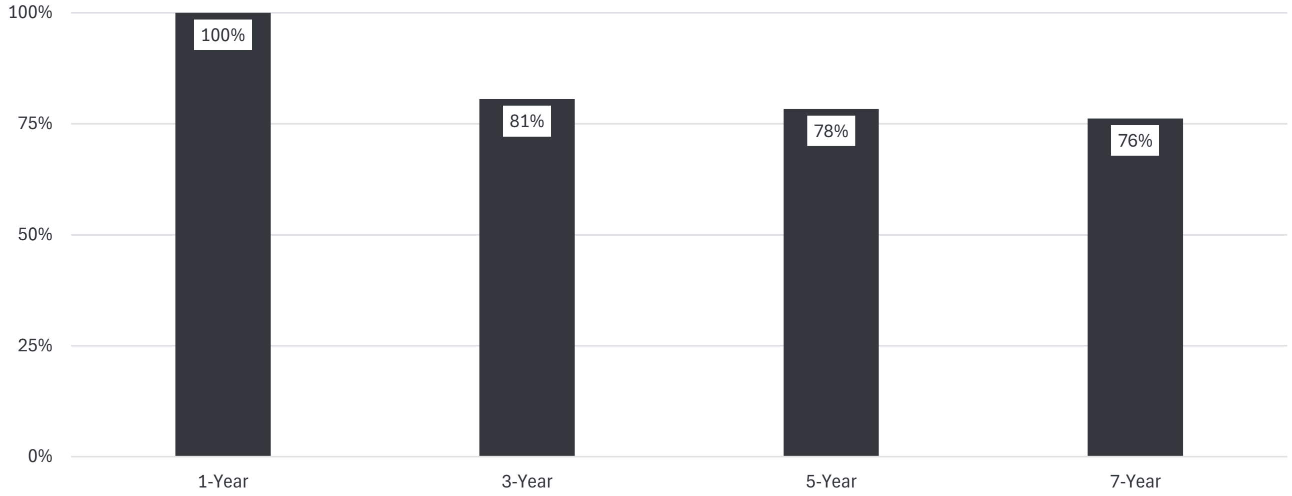
Quantifying the Predictive power of the AlphaPredictor® forward-looking rankings for the North American Equity Peer Group

We calculated the performance of the top quartile predicted 3-month ahead funds versus the bottom quartile predicted funds over the last seven years ending March 2026 and then looked at the consistency of the outperformance of the top versus bottom quartile funds ranked by 3-month expected returns. The chart below shows the frequency of outperformance over 1-, 3-, 5-, 7-year periods.

Percentage of times that the top quartile predicted funds outperformed bottom quartile predicted funds



How to use the AlphaPredictor® Insights report

The report highlights five funds from the top and bottom quartile of expected Alpha funds over the coming 3-months for a specific peer group. It breaks down the key drivers of each fund’s performance due to important risk factor exposures including Market Beta, Small Cap Premium, Value Premium, and Alpha. An important differentiator of AlphaPredictor® is its ability to breakdown each fund’s Alpha generating capabilities into all-weather (idiosyncratic) skills associated with security selection and time-varying skills associated with navigating changes in the business cycle and often exhibited through sector tilts. Time-varying skills are correlated with important macroeconomic variables and understanding which stage of the business cycle we are in and how skilful a manager is given current or future economic conditions can provide key insights into understanding how a manager and fund are likely to perform.

The Alphapredictor® Insights report provides advisers with a view about which funds are likely to perform well or poorly in the current environment. If advisers already recommend or use these funds, it can help explain how the fund selection truly adds value to the end investors. Otherwise, advisers can consider whether they want to switch funds – especially since different fund manager skills may work better given the changes in business cycle or specific economic conditions.

Subscription services

Advisers can also subscribe to the AlphaPredictor® as a service and get more:

- Detailed report on the Alpha and Beta contributions to expected performance of specific fund(s), including how changes in macroeconomic variables will affect them. This can be a health check on current funds in the clients’ portfolios or to find new funds.
- Cost effective tools that help advisers and wealth managers to build fund buy-list objectively, together with other fund research tools if needed.

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