$170 Million Multi-Asset Portfolio Analysis

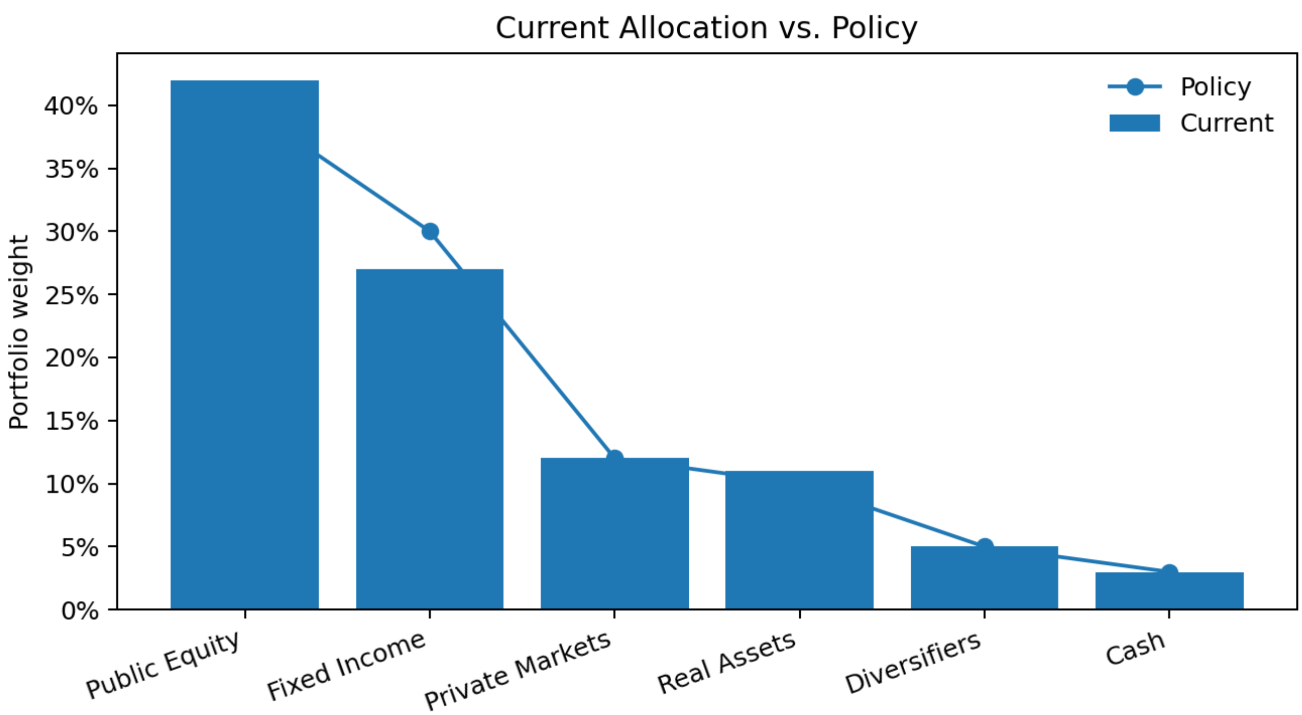
Representative, anonymized portfolio | Synthetic data | As of December 31, 2025

PORTFOLIO AUM	5-YEAR RETURN	SHARPE RATIO	MAX DRAWDOWN
$170.0M	6.4%	0.35	(10.6%)

Project objective. Build an institutional-style analytics framework for a representative $170 million multi-asset portfolio, evaluating allocation, benchmark-relative performance, risk-adjusted returns, downside exposure, concentration, fixed-income risk, scenario outcomes, and rebalancing opportunities.

Executive Conclusion

The representative portfolio generated a 6.4% annualized return versus 6.1% for the policy benchmark, with a 0.35 Sharpe ratio, 0.5% tracking error, and a 10.6% maximum drawdown. Public equity represents 42% of capital but remains the dominant risk contributor. The recommended rebalance trims $3.4 million of equity and $1.7 million of real assets while adding $5.1 million to high-quality fixed income.



1. Portfolio Structure and Investment Objective

The representative portfolio is designed as a diversified, moderate-growth allocation for a long-horizon investor requiring capital appreciation, downside resilience, liquidity, and inflation sensitivity. The policy mix combines public equity, fixed income, private markets, real assets, diversifiers, and cash.

Asset Class	Current	Policy	Active	Market Value
Public Equity	42.0%	40.0%	+2.0%	$71.4M
Fixed Income	27.0%	30.0%	-3.0%	$45.9M
Private Markets	12.0%	12.0%	+0.0%	$20.4M
Real Assets	11.0%	10.0%	+1.0%	$18.7M
Diversifiers	5.0%	5.0%	+0.0%	$8.5M
Cash	3.0%	3.0%	+0.0%	$5.1M

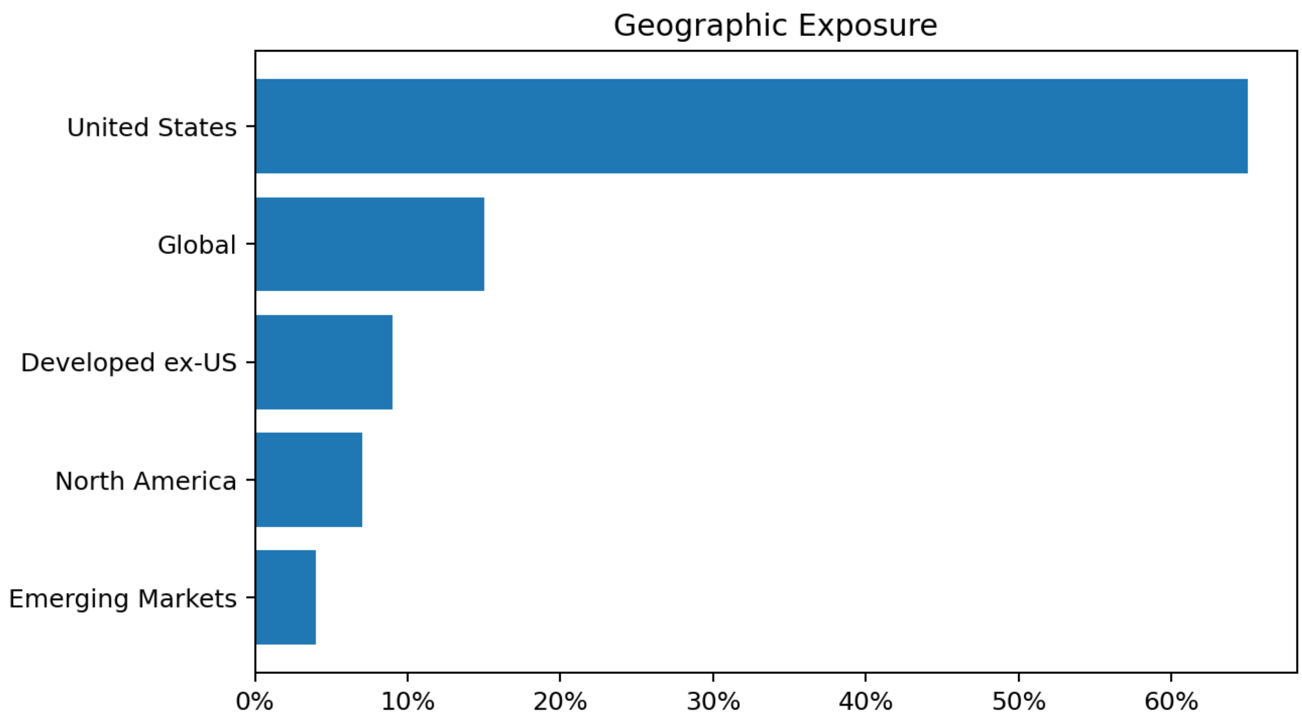
Portfolio design observations

• Public equity is diversified across US large cap, small cap value, developed international, emerging markets, and global quality.

• Fixed income combines Treasuries, core bonds, short credit, municipal bonds, high yield, and TIPS.

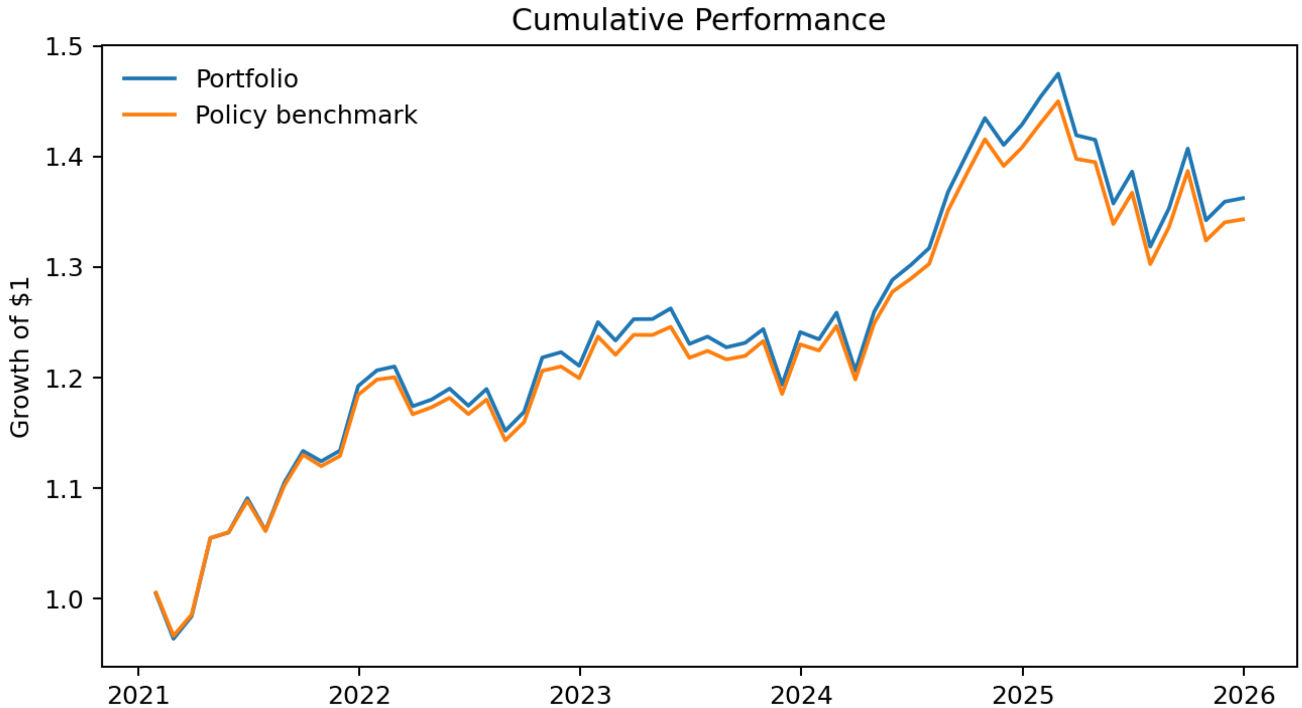
• Private credit, private equity, infrastructure, real estate, gold, and diversifiers provide differentiated return sources.

• Cash is maintained at 3% for liquidity and rebalancing flexibility.



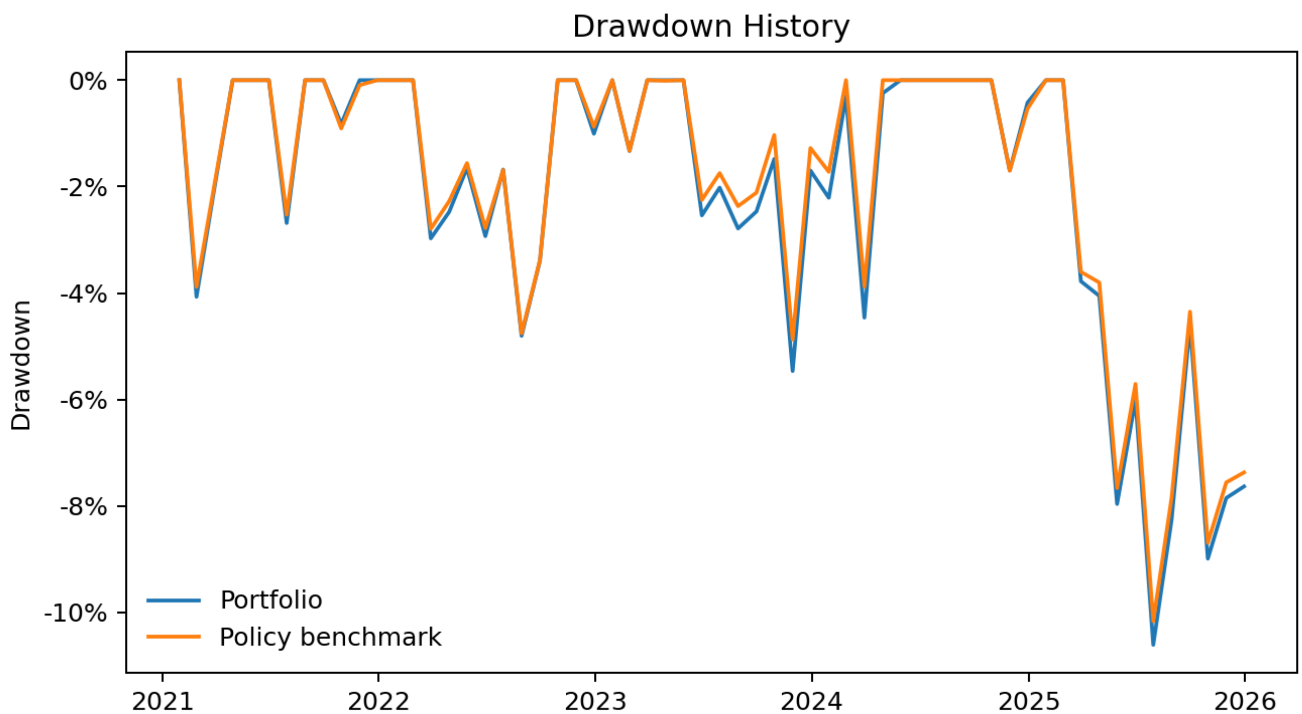
2. Performance Versus Policy Benchmark

Metric	Portfolio	Benchmark	Difference
Annualized Return	6.38%	6.08%	+0.30%
Annualized Volatility	9.18%	8.81%	+0.37%
Maximum Drawdown	-10.61%	-10.16%	-0.44%
Positive Months	68.3%	66.7%	+1.7%
Tracking Error	0.45%	-	-
Information Ratio	0.67	-	-



The synthetic portfolio's modest excess return is paired with slightly lower volatility and drawdown than the benchmark. The result is intentionally realistic: active risk is limited, and the portfolio's value proposition is diversification and downside management rather than aggressive benchmark deviation.

3. Risk-Adjusted Returns and Downside Analysis



Risk Measure	Result	Interpretation
Sharpe Ratio	0.35	Positive excess return per unit of total volatility.
Tracking Error	0.45%	Low active-risk budget relative to the policy benchmark.
Information Ratio	0.67	Positive benchmark-relative efficiency.
Maximum Drawdown	-10.61%	Peak-to-trough loss in the synthetic history.
Equity Risk Contribution	Dominant	Equity drives a larger share of risk than its capital weight.
Liquidity Risk	Moderate	Private assets require pacing and commitment management.

4. Fixed-Income Duration and Credit Quality

Holding	Value	Duration	YTM	Credit
US Treasury Ladder	$11.9M	5.2	4.3%	AAA
Core Aggregate Bond Fund	$13.6M	6.1	4.9%	A
Short Duration Credit Fund	$6.8M	2.4	5.6%	BBB
Municipal Bond Portfolio	$5.1M	5.6	4.1%	AA
High Yield Bond Fund	$5.1M	3.7	7.2%	BB
TIPS Portfolio	$3.4M	6.8	4.4%	AAA
Private Credit Fund A	$8.5M	2.1	10.2%	BB
Private Credit Fund B	$5.1M	2.5	9.8%	BB
Cash & Treasury Bills	$5.1M	0.2	4.1%	AAA
Weighted average / total	**$64.6M**	**4.1**	**6.0%**	**-**

Duration is moderate at approximately 4.1 years across the broader income sleeve. A parallel 100-basis-point increase in rates produces an estimated first-order price decline of roughly $3.9 million before carry and convexity, while a comparable decline in rates produces an estimated gain of similar magnitude.

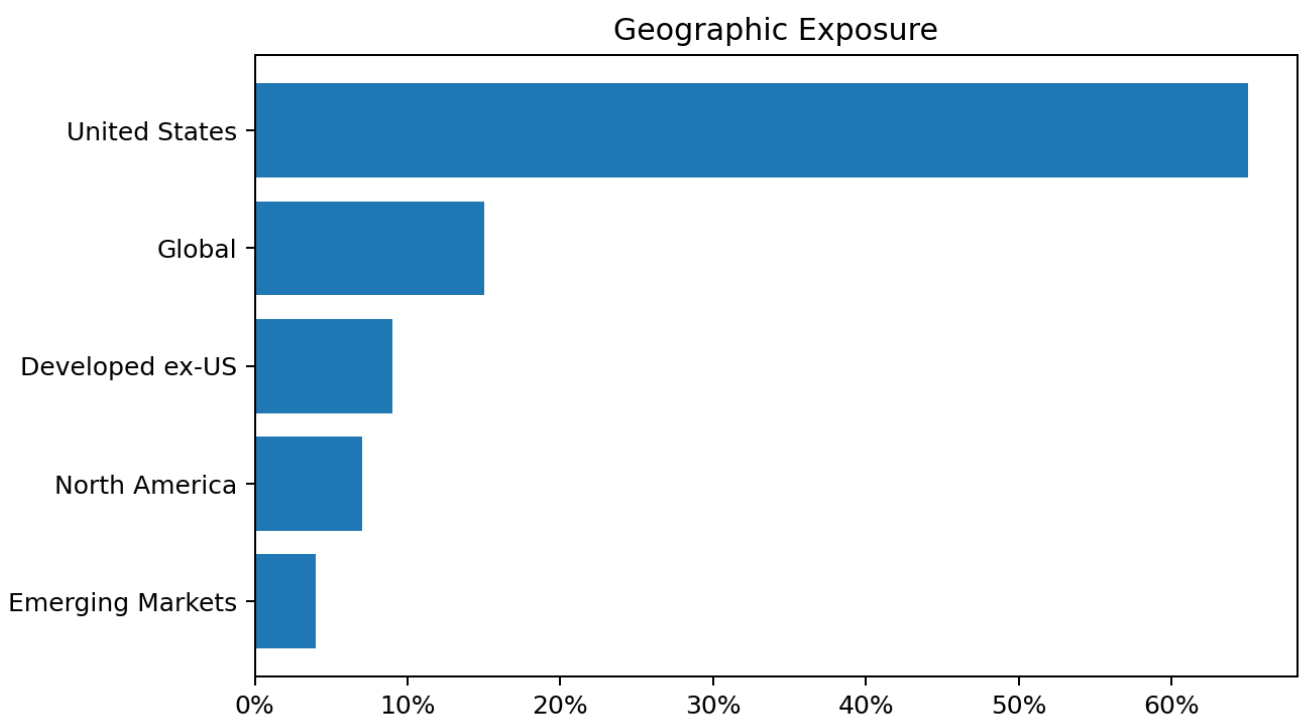
Credit-quality assessment

The liquid bond allocation is concentrated in government and investment-grade exposures, while higher-spread risk is primarily isolated within high yield and private credit. The recommendation is to add high-quality duration rather than expand below-investment-grade credit.

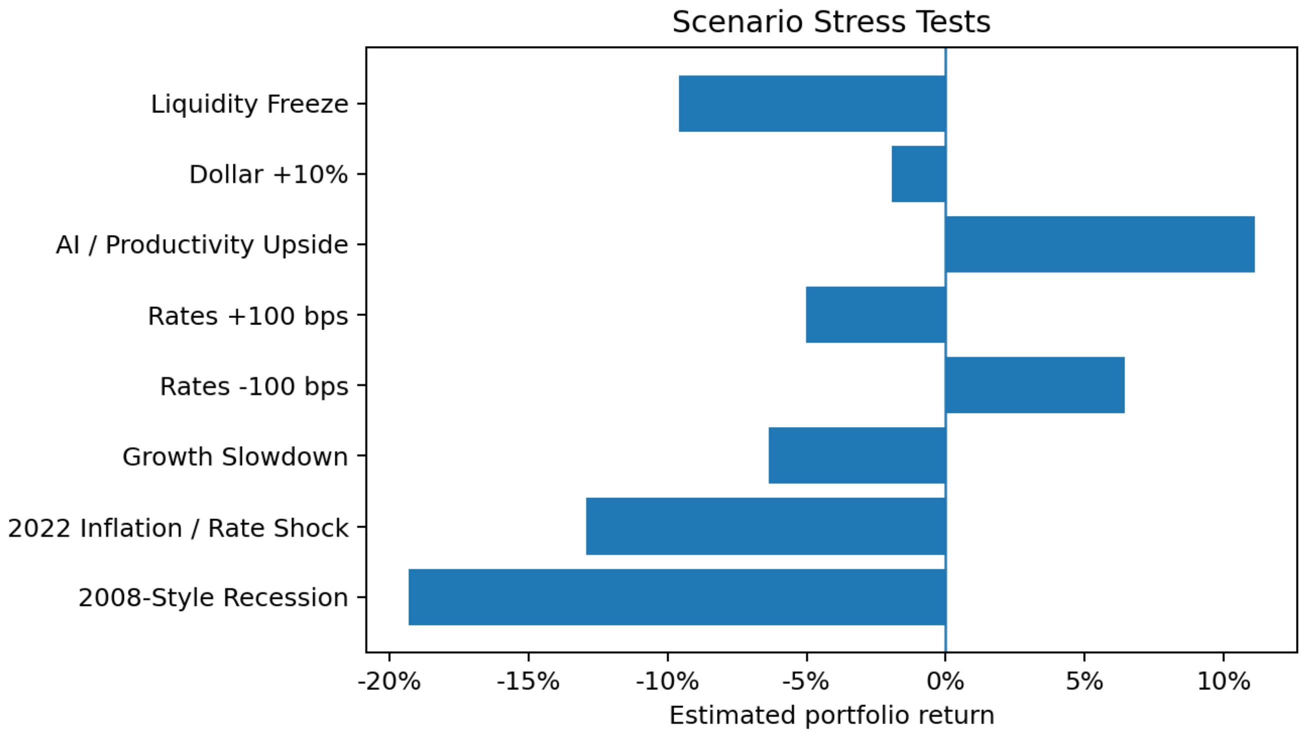
5. Concentration, Geographic, and Factor Exposure

Representative Holding	Weight	Primary Exposure
US Large Cap Core Fund	12.0%	Multi-Sector
Developed Markets Equity Fund	9.0%	Multi-Sector
US Large Cap Growth Fund	8.0%	Technology
Core Aggregate Bond Fund	8.0%	Investment Grade
US Treasury Ladder	7.0%	AAA / Government
Global Quality Equity Fund	5.0%	Quality Factor
Private Credit Fund A	5.0%	Senior Secured
US Small Cap Value Fund	4.0%	Multi-Sector

No single representative holding exceeds the 10% review threshold, although combined US large-cap and technology exposure remains an important factor concentration. Geographic diversification is meaningful but still anchored in the United States, reflecting the domestic equity, bond, real-estate, and private-credit allocations.



6. Scenario and Stress Testing



Scenario	Portfolio Return	Estimated Dollar Impact
2008-Style Recession	-19.3%	$-32.8M
2022 Inflation / Rate Shock	-12.9%	$-21.9M
Growth Slowdown	-6.3%	$-10.8M
Rates -100 bps	6.5%	$11.0M
Rates +100 bps	-5.0%	$-8.5M
AI / Productivity Upside	11.1%	$18.9M
Dollar +10%	-1.9%	$-3.3M
Liquidity Freeze	-9.6%	$-16.3M

The largest modeled loss is a 2008-style recession at approximately 19.3%, or $32.8 million. The result is substantially less severe than the assumed public-equity shock because Treasuries, diversifiers, and cash offset a portion of the decline.

7. Rebalancing Recommendations

Asset Class	Current	Target	Trade	Action
Public Equity	42.0%	40.0%	($3.4M)	Sell
Fixed Income	27.0%	30.0%	$5.1M	Buy
Private Markets	12.0%	12.0%	-	Hold
Real Assets	11.0%	10.0%	($1.7M)	Sell
Diversifiers	5.0%	5.0%	-	Hold
Cash	3.0%	3.0%	-	Hold

1. Reduce equity concentration. Trim $3.4 million of public equity, prioritizing overlapping US large-cap exposure while preserving small-cap value and international diversification.

2. Increase defensive fixed income. Add $5.1 million to Treasuries and core aggregate bonds to increase recession protection, liquidity, and rebalancing capacity.

3. Normalize real assets. Trim $1.7 million from overlapping public real estate or commodity exposure while maintaining infrastructure and core real estate.

4. Preserve diversifiers. Maintain managed futures and market-neutral strategies because their role is downside diversification rather than benchmark outperformance.

5. Control illiquidity. Hold private-market weight at 12% and pace future commitments against expected distributions and cash needs.

8. Methodology, Website Use, and Disclosure

Website project description

$170 Million Multi-Asset Portfolio Analysis

Created an anonymized portfolio analytics dashboard evaluating asset allocation, benchmark-relative performance, concentration, downside risk, fixed-income characteristics, scenario outcomes, and rebalancing opportunities for a representative $170 million investment portfolio.

Suggested website highlights

• Built a formula-driven Excel dashboard covering 22 representative holdings and five years of synthetic monthly returns.

• Evaluated annualized return, volatility, Sharpe ratio, Sortino ratio, tracking error, information ratio, beta, correlation, and maximum drawdown.

• Analyzed fixed-income duration, yield, credit quality, and parallel-rate-shock sensitivity.

• Designed eight scenario tests and translated percentage outcomes into estimated dollar impacts.

• Developed a fully funded rebalancing recommendation that reconciles to the $170 million portfolio total.

Disclosure

This project uses entirely synthetic and representative data. It is not a client report, does not contain confidential or proprietary employer information, and does not imply that the author exercised unrestricted investment discretion over $170 million. It is an educational portfolio project and not investment advice.