Deep Dive into Performance Attribution to Optimise Investment Decision-Making

Synopsis:

The investment community across Asia-Pacific are navigating an increasingly complex investment environment, where achieving transparency, aligning stakeholders, and measuring true value creation have become strategic imperatives.

Participants will gain insights into contemporary Performance and Attribution Measurement practices, including methodologies for identifying sources of return and value add from various investment decisions across multi-asset and multi-currency portfolios. Drawing on real-world experience working with eight Australian superannuation funds, together representing around 50% of total industry AUM, over engagements spanning since 2012, Ortec Finance will share how it supports asset owners and asset managers in establishing comprehensive attribution frameworks to enable better decision-making and stakeholder reporting.

This session aims to equip asset manager, asset owners, CIOs, performance teams, and risk professionals with practical frameworks and proven approaches to elevate performance measurement and attribution capabilities in a rapidly evolving investment landscape.

Key themes of the Masterclass:

- Use of various attributions models to establish a consistent attribution framework
- Decision Analysis covering:
    - Quantify value-add from various investment decisions made from a top-down perspective
    - Differentiate where the asset sits vs Who owns the real decision-making power
    - Quantify value-add from ESG decisions
- Currency hedging - incorporate analysis for hedging at the asset level/manager level and total fund level

Trainers:

- Michelle Li, CFA, CIPM, Head of Australia Investment Performance Solution, Ortec Finance
- Anh Tran, Consultant Investment Performance Solution, Ortec Finance

Lesson Plan:

No.	Details	Time Allocation
1.	**Introduction** Today's asset owners and asset managers operate in a landscape shaped by multi-asset portfolios, currency exposures, ESG mandates, and heightened transparency expectations. This session introduces why a robust attribution framework is critical for investment decision making.	10 min
2.	**Attribution Framework** Explores contemporary attribution methodologies used by asset owners and asset managers, including allocation, selection, interaction and multi-currency attribution. Highlights how a Performance Book of Records (PBOR) ensures consistent inputs and why attribution is critical for identifying true drivers of return and risk in multi-asset, global portfolios. **In this session you will:** 1. Various attribution models and how they can add value to a holistic attribution framework 2. Challenges and practical experience learned in establishing the framework	20 min
3.	**Decision Analysis & Value-Add Measurement** This segment focuses on how investment decisions at different levels, policy, SAA, TAA, manager selection and implementation, affect portfolio outcomes. It introduces high-level concepts of decision attribution, including ESG decision analysis and how decision ownership differs from asset placement. **In this session you will:**	20 min

	1. Gain an understanding of how decisions made across the investment hierarchy influence performance. 2. Recognise how decision analysis supports governance clarity and stakeholder communication. 3. Understand how ESG-related decisions can be incorporated into a performance measurement framework.	
	Break	5 min
4.	**Currency Hedging & Multi-Level FX Attribution** Provides a clear overview of how currency exposures and hedging strategies influence total-fund performance. Explains how to analyse currency effects at multiple levels, asset, manager and total-fund, and how PBOR enables consistent multi-level FX measurement. **In this session you will:** 1. Understand the role of currency exposure and hedging in fund performance. 2. Learn how to interpret hedging impact across multiple portfolio layers. 3. Gain insight into how FX attribution informs hedging policy and execution.	20 min
6.	Q&A and Closing	15 mins