JUPITER PRIME

Consulting • Training • Advisory

جوبيتر برايم للاستشارات والتدريب

COURSE BROCHURE

# Portfolio Return Measurement and Attribution Training Course

18 – 22 July 2027
Amman

**jupiterprime.uk**

info@jupiterprime.uk

Registered in the United Kingdom and Saudi Arabia

# Portfolio Return Measurement and Attribution Training Course

**Ref:** 3123_118562 **Date:** 18 – 22 July 2027 **Location:** Amman **Fees:** 3300 GBP

Portfolio Return Measurement and Attribution is a 1-week training course for investment performance analysts, portfolio managers and risk staff who calculate, explain and report the returns of managed portfolios, ending with a quarterly client performance report. Clients, trustees and investment committees now question not only what a portfolio earned but why, and against which yardstick. This course is delivered by Jupiter Prime Training.

## Why Portfolio Return Measurement and Attribution Matters Now

Three groups shape this subject today. Institutional clients and pension trustees compare managers more closely and expect returns to be calculated consistently across mandates. Investment committees want to separate the manager's decisions from movements of the market. Oversight functions ask that published figures be rebuilt from source records. A firm that measures and explains returns well keeps mandates and defends its fees; one that does not faces disputes over figures, lost trust and difficult committee meetings. The course rests on widely accepted industry principles for fair, consistent and complete performance presentation.

## Who Gains Most from Portfolio Return Measurement and Attribution

- Analysts who calculate daily, monthly and cumulative returns from holdings, prices and cash flows
- Portfolio managers who must explain active return to clients and committees
- Risk staff who produce volatility, tracking and drawdown figures alongside returns
- Client service specialists who prepare and present periodic performance packs
- Oversight staff who check that published figures reconcile with accounting records

An asset management or pension investment unit that sends its performance, portfolio and client teams together gains most.

## Portfolio Return Measurement and Attribution Capabilities

Participants move from raw valuations and flows to returns that can be explained decision by decision.

- Calculate time-weighted and money-weighted returns from valuations and external flows — for consistent mandate comparison
- Select and test a benchmark that reflects the mandate's universe and constraints — for the investment committee
- Decompose active return into allocation, selection and interaction effects — for portfolio managers
- Apply risk-adjusted measures that relate excess return to volatility and tracking — for trustees
- Reconcile performance figures with custody and accounting records — for oversight functions

- Communicate results through a clear, balanced client report — for clients and relationship managers

## Key Portfolio Return Measurement and Attribution Terms

- Time-weighted return — a return that removes the effect of client deposits and withdrawals, showing the manager's result alone.
- Money-weighted return — the internal rate of return on a portfolio's flows, reflecting the investor's actual experience including timing of cash.
- Benchmark — a reference portfolio or index against which a manager's return and risk are judged.
- Active return — the difference between the portfolio's return and its benchmark's return over the same period.
- Allocation effect — the part of active return produced by over- or under-weighting segments relative to the benchmark.
- Tracking error — the volatility of active return, showing how far and how often a portfolio departs from its benchmark.

## Portfolio Return Measurement and Attribution Day by Day

### Day 1: The Purpose of Performance Figures

- Performance Measurement Lifecycle — From Holdings Data To Published Client Figures
- Stakeholder Questions On Returns — What Clients, Trustees And Committees Ask
- Presentation Principles For Fair Reporting — Consistency, Completeness And Disclosure Choices
- Valuation And Pricing Sources — Effects Of Stale Or Illiquid Prices
- Cash Flow Recording — Timing Choices That Change Reported Returns

### Day 2: Calculating Returns

- Time-Weighted Return Methods — Daily Valuation Versus Approximation Between Flows
- Money-Weighted Return And Internal Rate — Investor Outcome Versus Manager Skill
- Geometric Linking Across Periods — Building Cumulative And Annualised Figures
- Fees, Taxes And Currency — Gross And Net Return Presentation
- Composite Construction For Similar Mandates — Avoiding Cherry-Picked Portfolios

### Day 3: Benchmarks and Attribution

- Benchmark Selection Tests — Investable, Specified In Advance And Mandate Aligned
- Custom And Blended Benchmarks — Matching Multi-Asset And Restricted Mandates
- Allocation, Selection And Interaction Effects — Explaining Equity Active Return
- Fixed Income Return Sources — Carry, Curve, Spread And Currency Effects
- Multi-Period Attribution Linking — Keeping Effects Additive Over Quarters

## Day 4: Risk-Adjusted Performance

- Volatility And Drawdown Measures — Describing The Path Behind A Return
- Excess Return Per Unit Of Risk — Comparing Managers With Different Volatility
- Tracking Error Analysis — Judging Consistency Of Active Return
- Downside Capture And Upside Capture — Behaviour In Falling And Rising Markets
- Performance Data Reconciliation — Matching Figures To Custody And Accounting Records

## Day 5: Practising the Client Performance Report

- Applying Return Calculations — Rebuilding A Sample Pension Mandate Quarter
- Applying Attribution — Explaining A Sample Equity Fund's Active Return
- Applying Risk-Adjusted Measures — Placing Return In Its Risk Context
- Commentary Writing For Clients — Balanced Narrative Of Gains And Shortfalls
- Client Performance Report — Final Pack For Committee Presentation

## Applying Portfolio Return Measurement and Attribution After the Course

- Rebuild one mandate's last quarter from holdings and flows and compare the results with the published figures.
- Review each mandate's benchmark against the selection tests and propose changes where it no longer fits.

## Portfolio Return Measurement and Attribution Questions FAQ

### What is portfolio return measurement and attribution and why does it matter now?

It is the calculation of what a portfolio earned and the explanation of which decisions produced that result. It matters now because clients and trustees compare managers closely and expect figures that are consistent, reconcilable and explained.

### Which roles gain most from portfolio return measurement and attribution training?

Performance analysts gain most, followed by portfolio managers who face clients, risk staff producing risk-adjusted figures and client service teams. Examples come from pension funds and asset managers.

### How does the portfolio return measurement and attribution course differ from an investment strategy course?

An investment strategy course teaches how to build portfolios and choose assets. This one works afterwards: measuring the result fairly, testing the benchmark, separating allocation from selection and presenting the outcome honestly to clients.

## What do you bring back from portfolio return measurement and attribution training?

You bring back a draft client performance report built on a sample mandate, with returns, attribution, risk-adjusted measures and commentary to adapt.

## Portfolio Return Measurement and Attribution: The Way Forward

The client performance report first informs the investment committee's decision on whether the manager's active decisions are adding value against the agreed benchmark. Performance analysts prepare it, portfolio managers defend it and relationship managers present it. After its first use, revisit the benchmark choice and the attribution segments, since client questions reveal unclear explanations.