Ex-Ante - Basis of Illustration - Suitability

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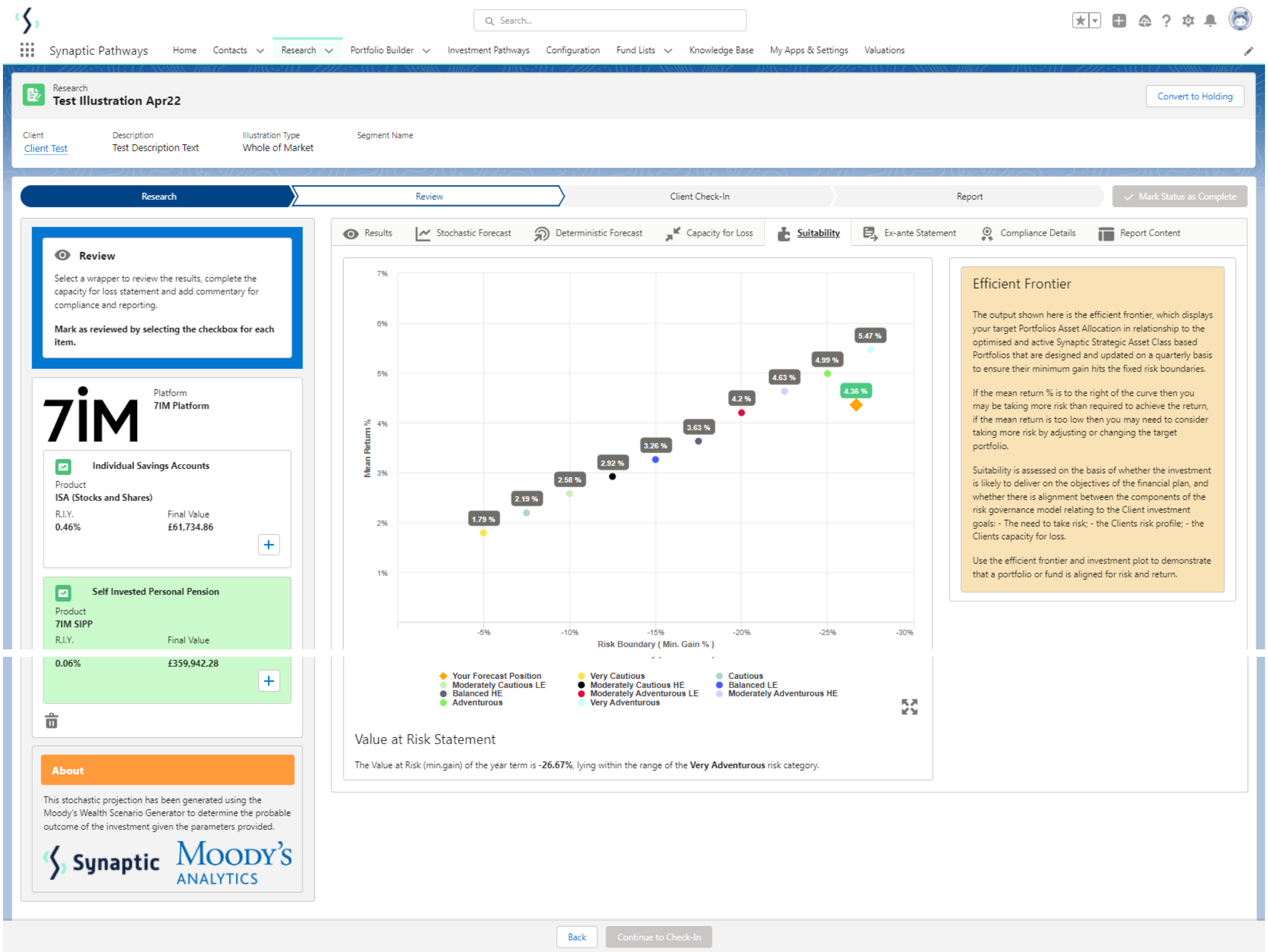
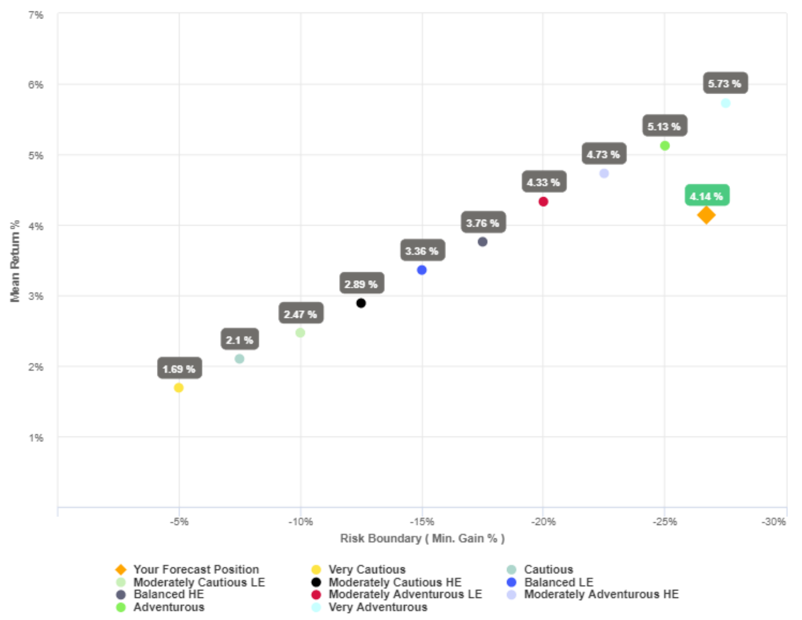
The **Suitability** tab will display an **Efficient Frontier** graph:



Included in this screen is a **Value at Risk Statement** at the bottom of the graph:



Value at Risk Statement

The Value at Risk (min.gain) of the year term is **-26.74%**, lying within the range of the **Very Adventurous** risk category.

Efficient Frontier

The output shown here is the efficient frontier, which displays your target Portfolios Asset Allocation in relationship to the optimised and active Synaptic Strategic Asset Class based Portfolios that are designed and updated on a quarterly basis to ensure their minimum gain hits the fixed risk boundaries.

If the mean return % is to the right of the curve then you may be taking more risk than required to achieve the return, if the mean return is too low then you may need to consider taking more risk by adjusting or changing the target portfolio.

Suitability is assessed on the basis of whether the investment is likely to deliver on the objectives of the financial plan, and whether there is alignment between the components of the risk governance model relating to the Client investment goals: - The need to take risk; - the Clients risk profile; - the Clients capacity for loss.

Use the efficient frontier and investment plot to demonstrate that a portfolio or fund is aligned for risk and return.

Next tab to review is the **Ex-Ante Statement.** See article Ex-Ante - Basis of Illustration - Ex-Ante Statement