



WILSHIRE'S IPMS

Leading in Global Performance Measurement

IPMS incorporates all of Wilshire Associates performance measurement and portfolio analytic technology into a cost effective, high-volume reporting service designed specifically to meet the needs of banks and trust organizations. In addition to calculating global returns with analytics and delivering customized reports, it provides extensive diagnostics, solves accounting system interface and security classification problems, and validates security prices and accounting information.

IPMS calculates exact rates of return by calculating the monthly internal rate (IRR) from daily cash flows. IPMS makes no simplifying assumptions about the timing of cash flows, and solves the equation iteratively. The returns for composites of any complexity may also be calculated. The methodology used is fully AIMR compliant.

Performance Measurement:

IPMS works directly with the transactions from your accounting system. As a result, it can correct and supplement accounting information in ways that no other performance system can. For example, IPMS can reclassify transactions, reclassify securities, create cash flows for free deliveries, circumvent posting date/trade date problems, and verify cash flows.

Because IPMS is actually a mini-accounting system itself, it can do things no other performance system can do. For example, it can calculate missing accruals, or reconcile ending positions to the bank's accounting system.

While processing transactions and calculating performance, IPMS does extensive diagnostic data testing. The diagnostics include: security classification, country code, price, transaction cash flow, performance benchmark comparison, performance cash flow impact, portfolio shares and market value reconciliation.

IPMS's segmentation capabilities are the most powerful of any performance system. The classification scheme is completely flexible, for example, securities may be grouped by asset class, region, country, sector, industry, quality, maturity, etc. in any order or combination. All segments are available in base and local currencies. Your initial classification scheme can easily be modified, and you can also customize it on a sponsor by sponsor basis.

"Canned" reports meet no one's needs. We customize IPMS reports for each client. Many different reporting styles are available, and reports can vary from very basic to extremely complex. Literally hundreds of indices may be incorporated into the reports. Reports may include graphics and be in color. Each sponsor can get a different report. The report production process is fully automated, and IPMS reports may be printed at your office (or branch offices), or printed and shipped from Wilshire's Santa Monica office. IPMS covers Personal Trust Reporting, After-Tax Reporting, Non-Discretionary Reporting, etc.

Wilshire's IPMS incorporates sophisticated portfolio analytics such as duration, beta, Sharpe ratio, R-squared, P/E, yield to maturity, etc. Equity Style Metrics are calculated for equity style mapping. Equity sector variance reports are available based on 9 economic sectors. An International Return Attribution Analysis report contains portfolio country returns compared to the benchmark country returns with stock selection and country weighting variance.

IPMS can create custom portfolio benchmarks based on actual asset allocation or policy asset allocation. Each sponsor can have his own target benchmarks for each asset class. Historical custom benchmarks are calculated when the appropriate historical performance and market values are available.

IPMS processing is remotely controlled through its on-line system. The on-line system is customized for each client; special "read-only" sponsor access is also available. A daily cash flow report is available that details the cash flows and market values used to calculate a return for the selected performance segment. The asset holdings reports can screen on sector and industry to display only tobacco stocks for

instance, with buy and hold returns for the stocks and segment noted.

Service is the main feature of Wilshire's IPMS. Wilshire staff members are available for an initial training visit, for regular on-site servicing visits and for unlimited telephone consultations.

Wilshire Associates has been providing financial technology and investment services since 1972. Wilshire has a history of innovation, including the first commercial equity betas, first comprehensive stock index (Wilshire 5000), first dedicated bond portfolios, the first equity style indexes, and the Trust Universe Comparison Service. Wilshire has been providing performance measurement services to banks and trust organizations since 1982.

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