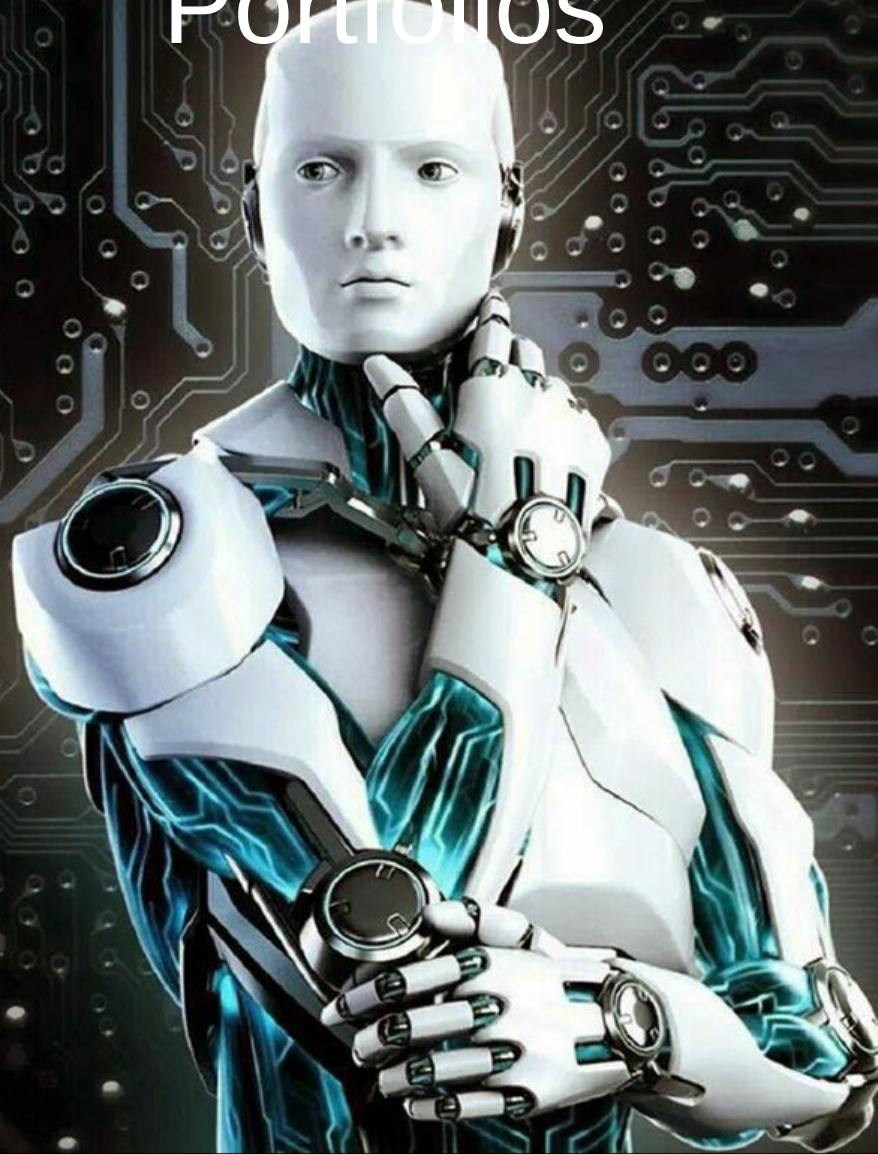


Automated Management of Financial Portfolios




DeepFinance



deepfinance.csd.auth.gr

SPEEDLAB

Automated Management of Financial Portfolios

Financial Portfolio

Structure & Construction

Performance and Risk Factors

Performance Metrics

Automated Management

Financial Portfolio Structure

Financial portfolio is a collection of financial assets such as equities, bonds, money market products and alternative products.

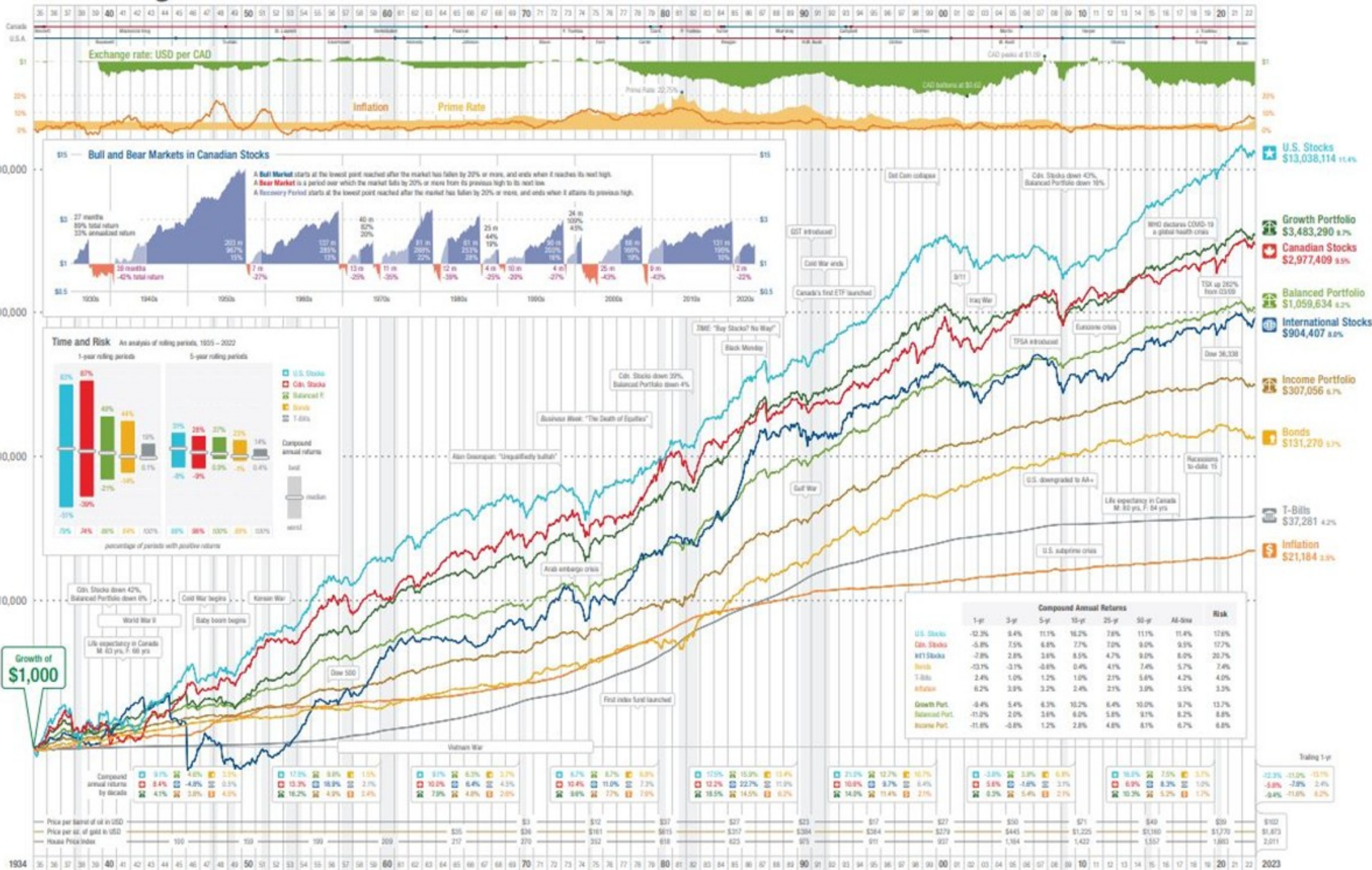
High risk >75% stocks and alts

Medium risk <50% stocks and alts

Low risk <25% stocks and alts

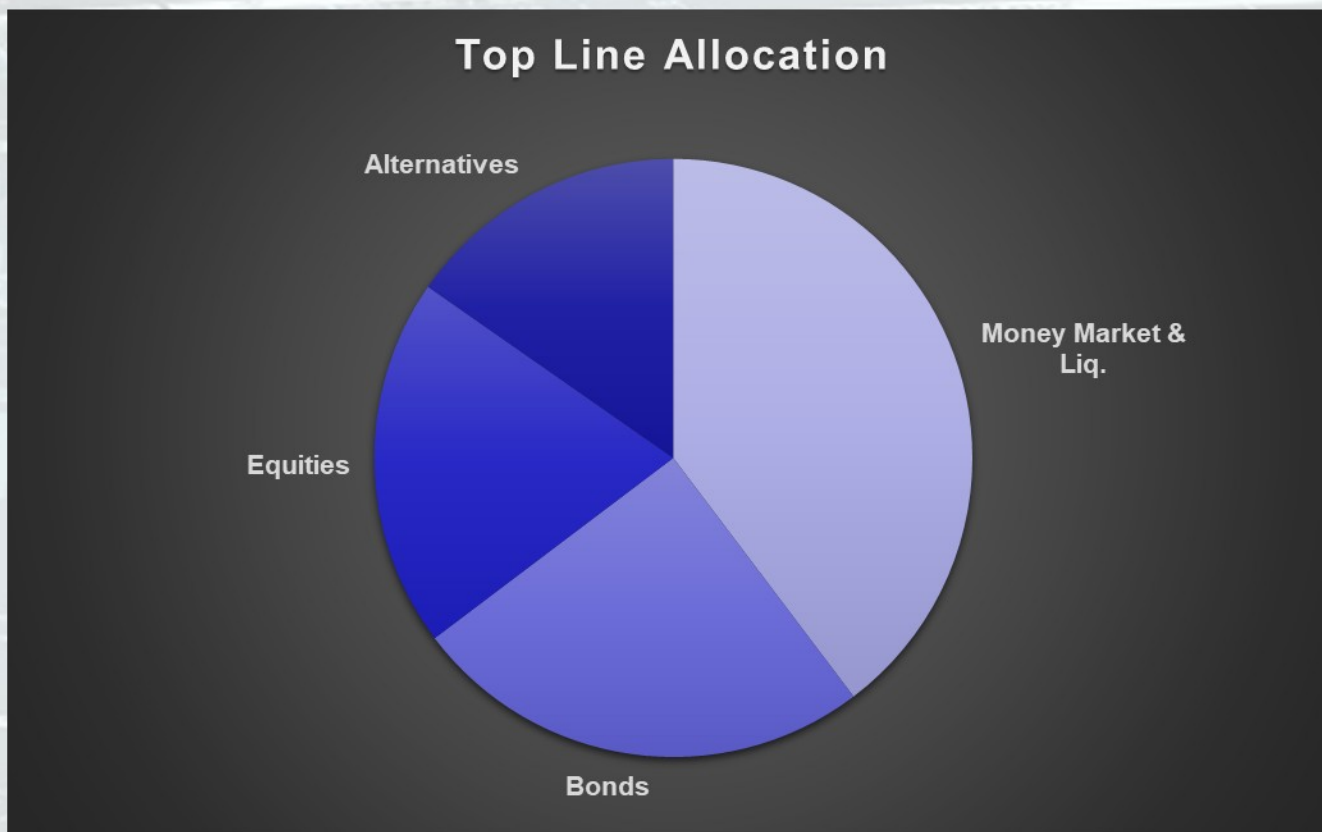
The assets are traded for profit making in exchanges where buyers and sellers are both present.

2023 the Big Picture®



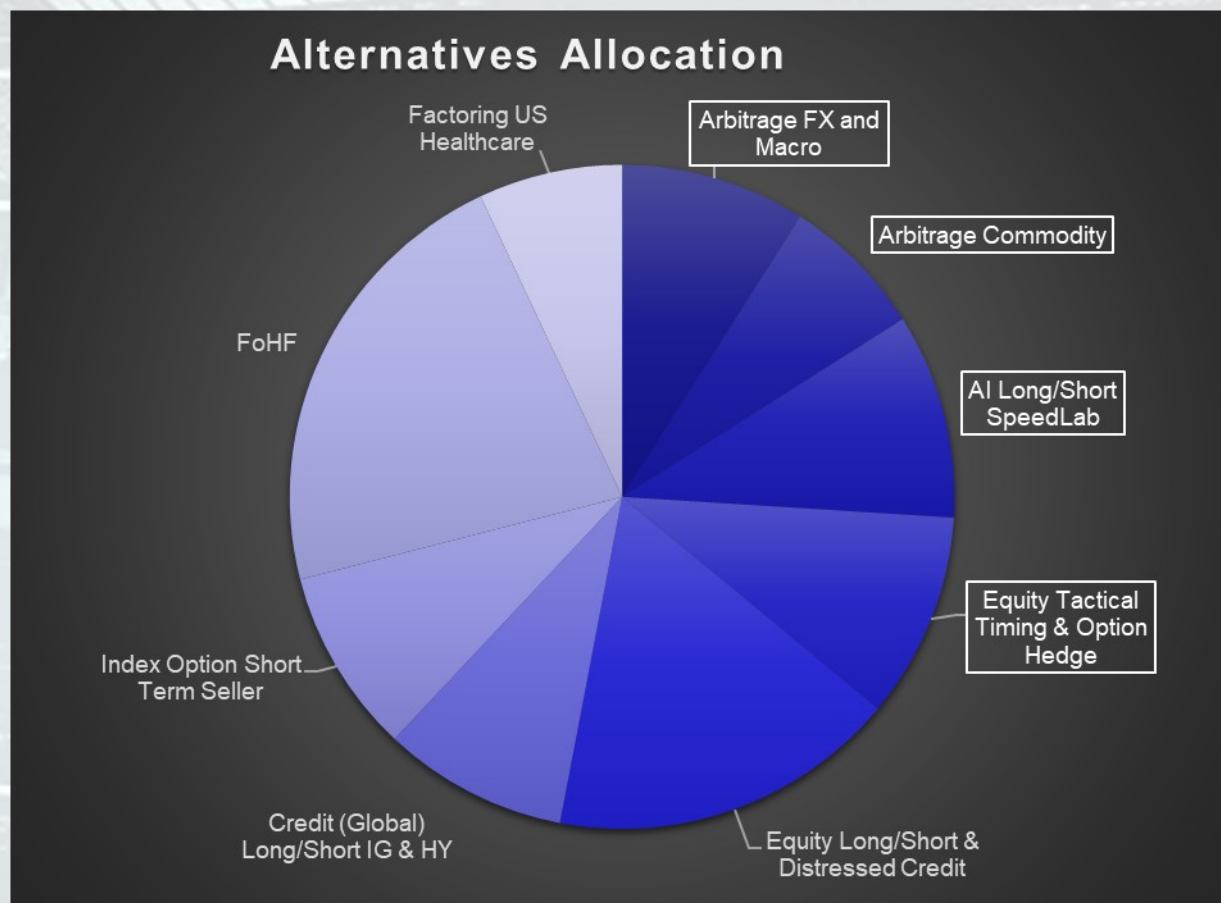
Financial Portfolio Construction

Top line allocation of capital to various asset classes (Medium Risk)



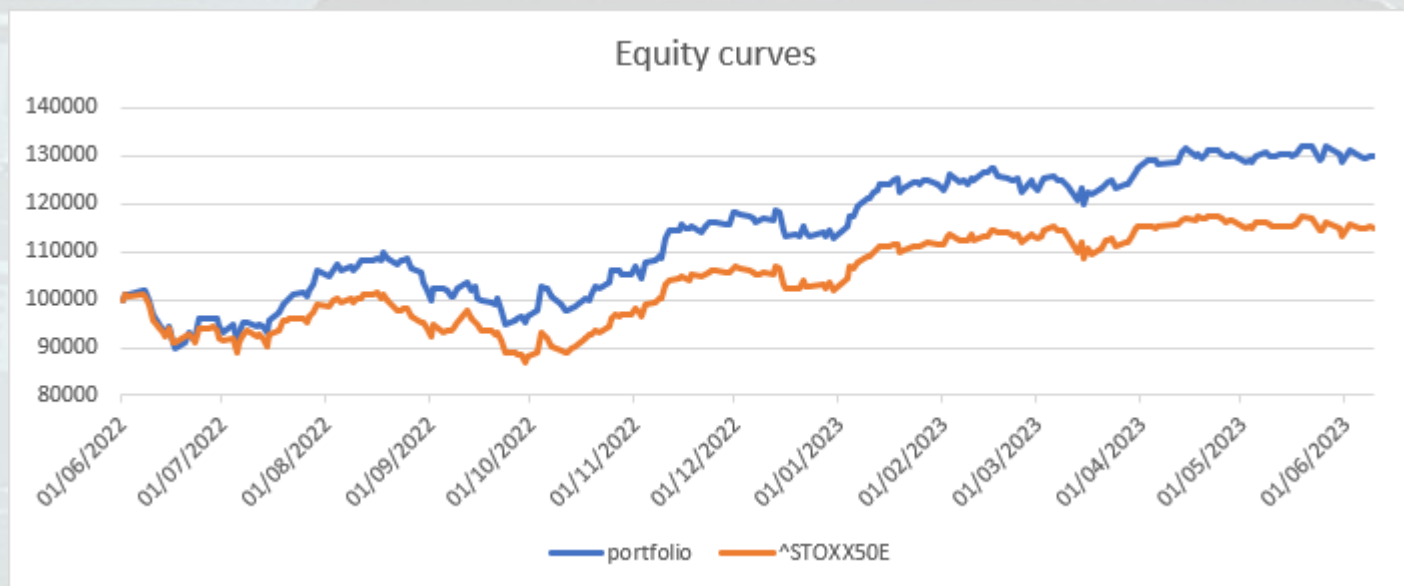
Financial Portfolio Construction

Allocation of capital inside each asset class



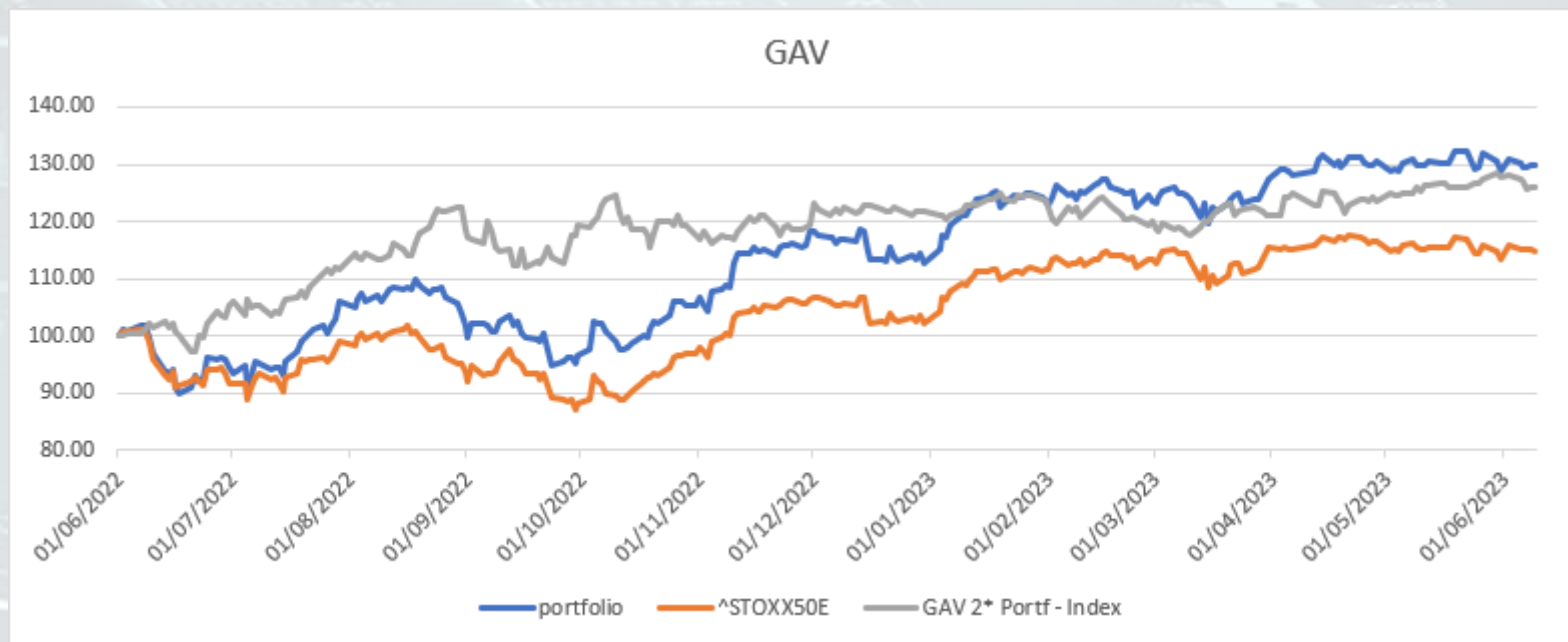
Performance objective 1

Outperform a relative market index.



Performance objective 2

Achieve a market neutral performance.



Portfolio Performance and Risk factors

Market Risk

Market cyclical behaviour
Market psychology

Currency risk

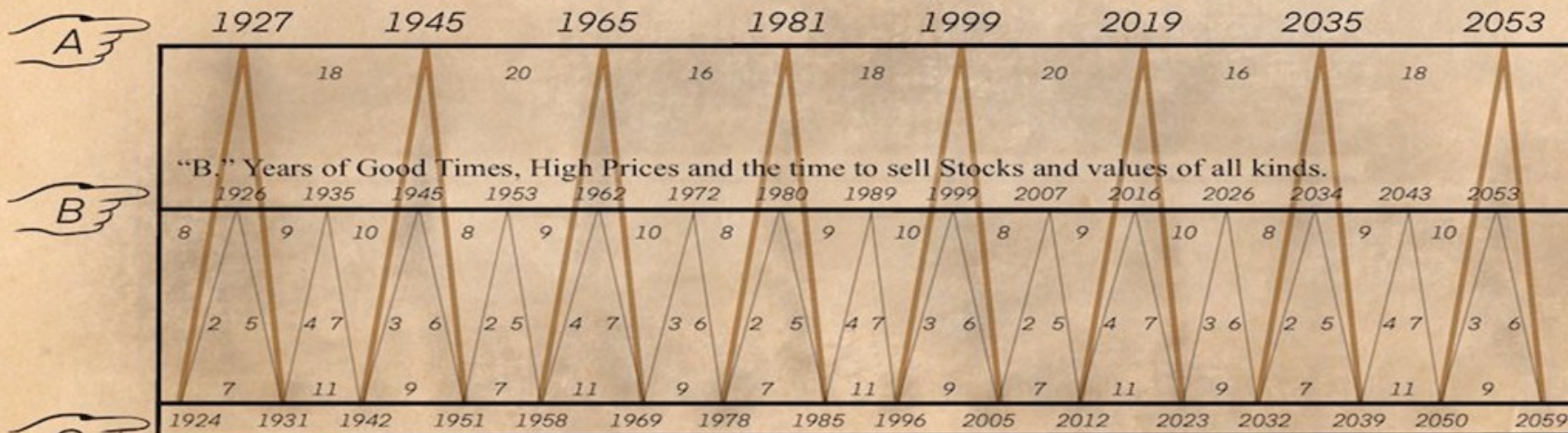
Monetary and fiscal policies

Liquidity risk

Market cyclical behavior

Periods When to Make Money

"A." Years in which panics have occurred and will occur again.

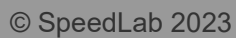


"C." Years of Hard Times, Low Prices, and a good time to buy Stocks, "Corner Lots," Goods, etc., and hold till the "Boom" reaches the years of good times; then unload.

"Sure thing." Save this card and watch it closely

*Samuel
Benner
1875*

Currency risk



Liquidity risk



News and announcements (real or fake)



Automated portfolio management

Monitoring and Rebalancing is done by Robo advisors.

Robo advisor developer applies technical analysis of the historical time series data of the financial instrument in order to extract rules that predict the future behaviour of the asset.

Design challenges:

Inherent random behaviour of market movement makes prediction based on past patterns less effective.

Over training in historical data results in performance degradation in live trading.

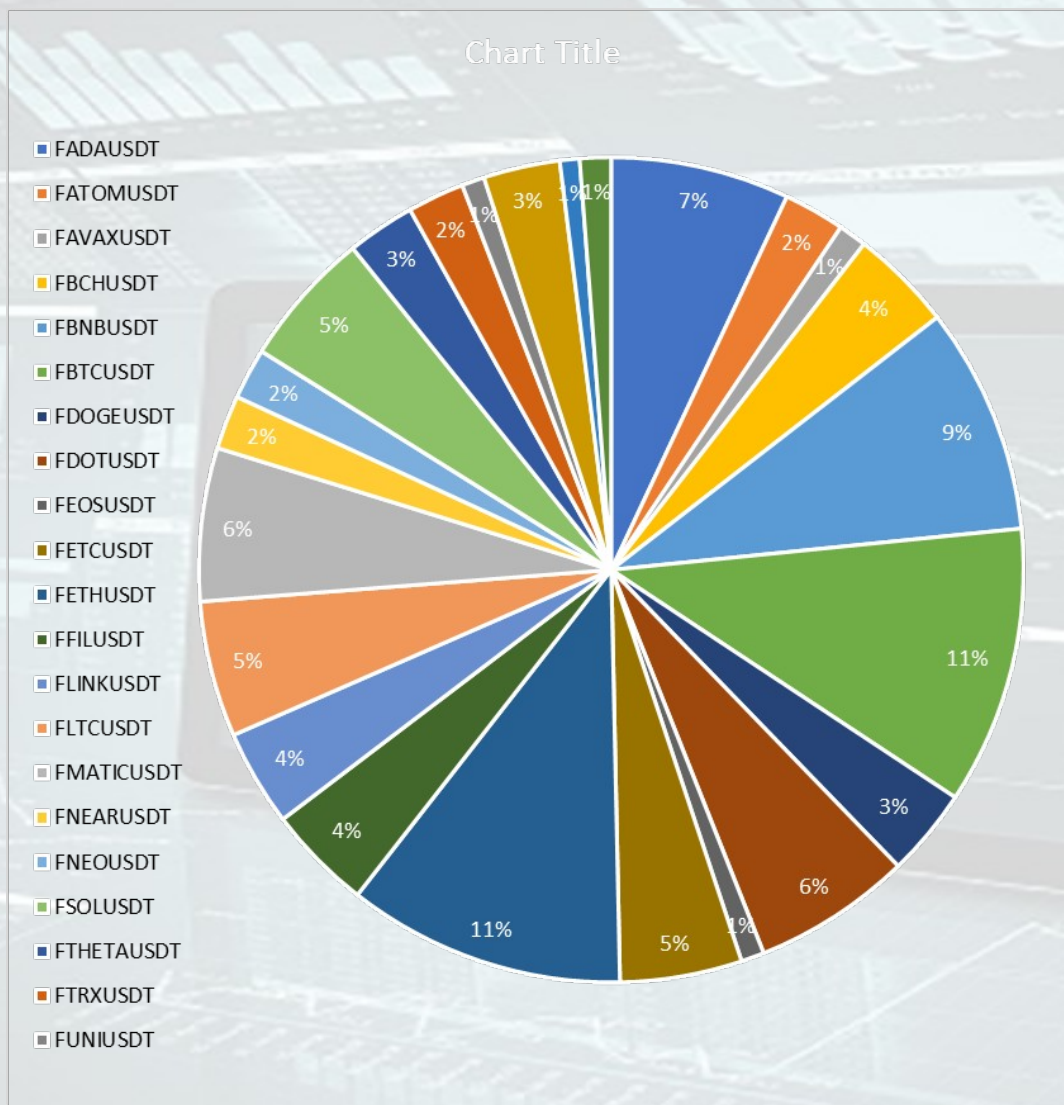
Limited availability of historical time series data hamper the training and evaluation process.

DeepFinance development

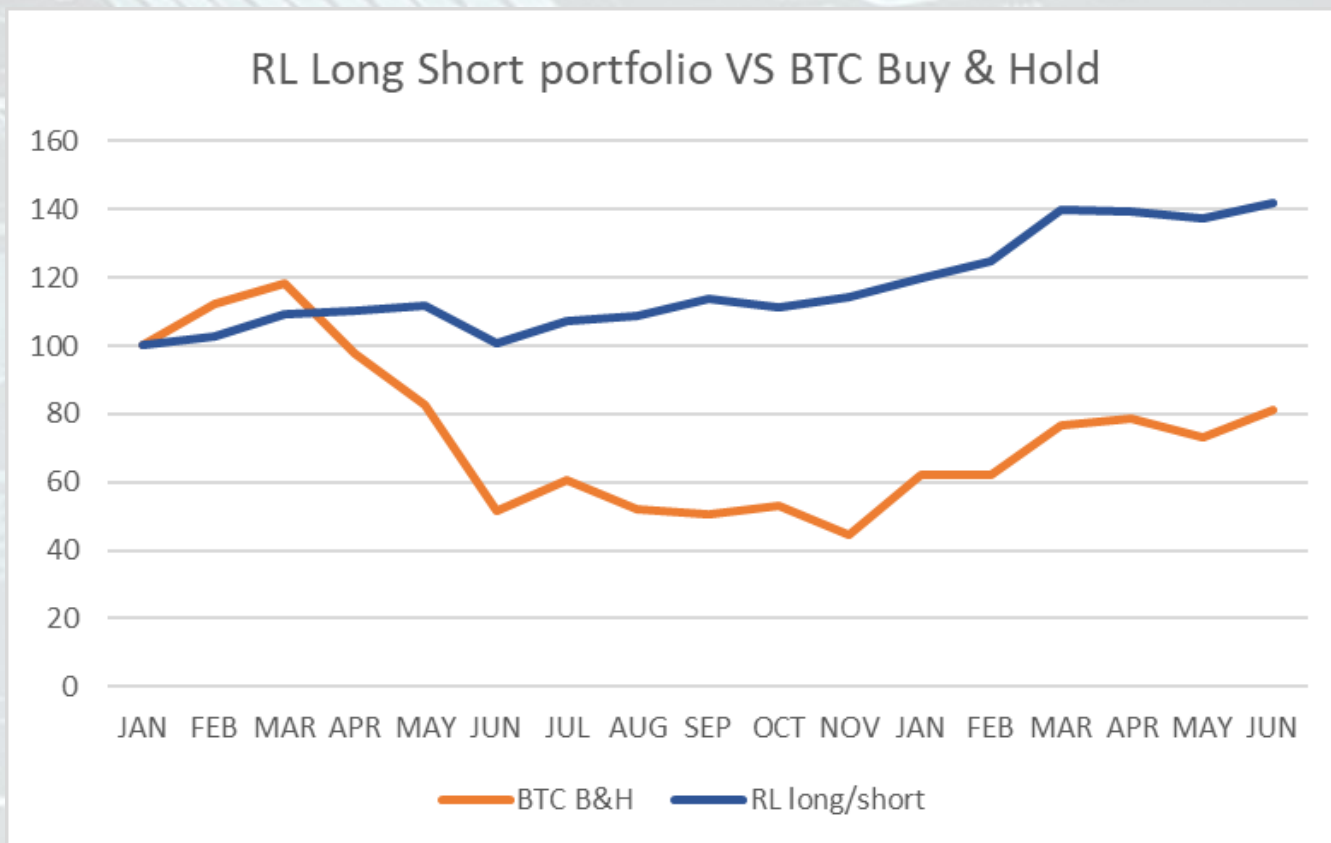
Use Reinforcement Learning in design and construction of RoboAdvisors

Use sentiment analysis as an additional prediction tool

Crypto automated Portfolio allocation



Crypto automated Portfolio vs B&H



Thank you !

Questions?

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