

# AXIOMA TAX-MANAGED SOLUTIONS

For Wealth Managers

## Scale and automate your tax-managed investment strategy

Axioma solutions provide sophisticated optimization and analytics to enable wealth managers to implement holistic, automated and scalable tax strategies at the security, account or household level. Through the use of Axioma Portfolio Optimizer, Axioma Optimizer API, Axioma Factor Risk Models and Axioma Risk you can efficiently manage:



### Tax-Loss Harvesting

- Maximize tax losses harvested or harvest a targeted amount of tax losses while controlling model drift



### Tax-Efficient Legacy Account Transitions

- Create a systematic process for transitioning legacy accounts tax efficiently
- Strike a balance between tax costs and risk of model drift throughout the transition



### Cash Withdrawals With Minimal Tax Impact

- Create a streamlined process to manage cash flows in and out of the account
- Implement cash flow management strategies and maintain model alignment while minimizing tax impact and limiting trading activity



### Minimize Model Drift and Tax Drag

- Minimize drift from the model portfolio while limiting taxable gains to a fixed budget or minimize the tax costs within a specified guardrail around the target allocation



### Rebalance Households With a Tax-Aware Focus

- Use multi-portfolio optimization to incorporate all accounts owned by the household
- Recognize tax-netting opportunities across all accounts held by the household while preventing potential wash sales



### Scale Your Business With Automation

- Manage small batches directly within the Axioma Portfolio Optimizer or use the APIs to create largescale processes for hundreds to millions of accounts
- Holistically integrate your IMS, OMS, portfolio management and tax rebalancing system



### Fund of Fund Tax Managed Optimizations

- All workflows can also be performed on funds as well as individual assets



### Model Portfolio Creation and Monitoring

- Create model portfolios using an optimization process or through what-if analysis
- Monitor and apply stress tests and scenario analysis to your model portfolios

The Axioma suite of sophisticated and flexible portfolio construction and risk analytics tools help you seamlessly optimize your tax-managed investment strategies.

### **Axioma Portfolio Optimizer**

Construct portfolios, test strategies and obtain unique insights into drivers of risk and return.

- Sophisticated tax-managed optimizer allowing for increased after-tax returns.
- Minimize your tax drag by controlling realized capital gains and wash-sales.
- Minimize your model drift during legacy account transitions and when applying account level hold or trade restrictions.
- Tax lot, portfolio and trade level tax analytics such as tax, unrealized and realized gains or losses.
- Multiple household account optimizations can be performed controlling for washsales, model drift and tax drag.

### **Axioma Factor Risk Models**

Equity, fixed income and multi-asset class models built by experienced researchers with multiple methodologies and updated daily to provide the most comprehensive analysis to make more informed investment decisions.

- US, Global, single country and regional factor risk models to help you manage model drift.
- Risk model factors can be used to create customized tax-managed strategies such as zero to very low dividend yield exposure while managing model drift.
- > Manage exposures to sectors, industries and fundamental or technical factors.

### **Axioma Portfolio Optimizer APIs**

Automate your portfolio optimization and risk analysis processes.

- Automate tax optimizations and strategy creations.
- Scale your optimization and reporting needs from hundreds to millions of accounts.
- Create an account monitoring tool to manage alerts and schedule rebalances.

### **Axioma Risk**

- Flexible, cloud-based risk management platform enables you to obtain timely, consistent and comparable views of risk enterprise wide and across asset classes.
- Stress test and run simulations on your model portfolios.
- What-if analysis on your model to determine ideal risk allocations.
- Monitor the risk of your model portfolios and manage changes over time.