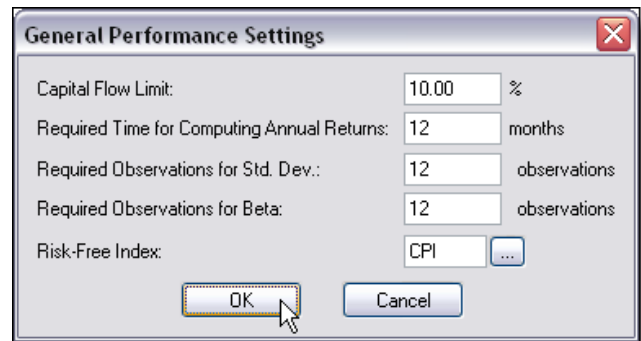


PERFORMANCE SETTINGS BEST PRACTICES

Appropriate program performance settings can control interval calculation and the presentation of returns on reports. This document shows you the two kinds of performance settings – general performance settings and asset class performance settings – and discusses each setting and how they affect either interval calculations or performance reports.

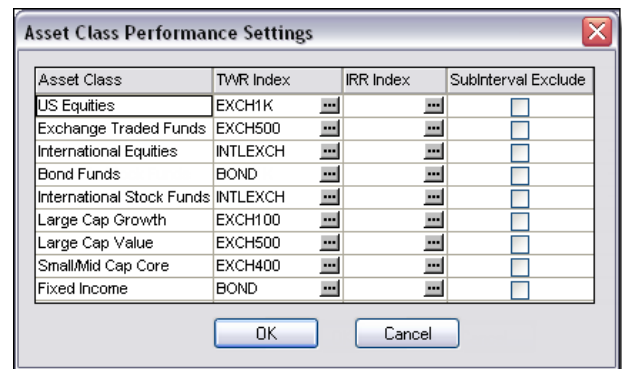
GENERAL PERFORMANCE SETTINGS

- **Capital Flow Limit:** The upper limit for portfolio level capital flows that PortfolioCenter uses to break intervals. The default is 10%.
- **Required Time for Computing Annual Returns:** Minimum number of months required to compute an annualized return. The default is 12 months.
- **Required Observations for Std. Dev.:** Minimum number of observations required to compute a Standard Deviation. The default is 12 observations.
- **Required Observations for Beta:** Minimum number of observations required to compute a Beta. The default is 12 observations.
- **Risk-Free Index:** Index required for Alpha, Sharpe Ratio and Treynor ratio calculations.



ASSET CLASS PERFORMANCE SETTINGS

- **Asset Class:** A list of all asset classes in the dataset.
- **TWR Index:** Select the index that most closely matches the asset class for a basis of comparison for the Asset Class TWR on the Asset Class Performance Summary or the Performance Analysis.
- **IRR Index:** Similar to the TWR index, select the index that most closely matches the asset class for a basis of comparison for the Asset Class IRR on the Asset Class Performance Summary or the Performance Analysis.
- **Subinterval Exclude:** Check this box if you want to exclude the asset class from breaking around capital flows greater than the number entered in the Capital Flow Limit setting, as selected in the General Performance Settings.



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