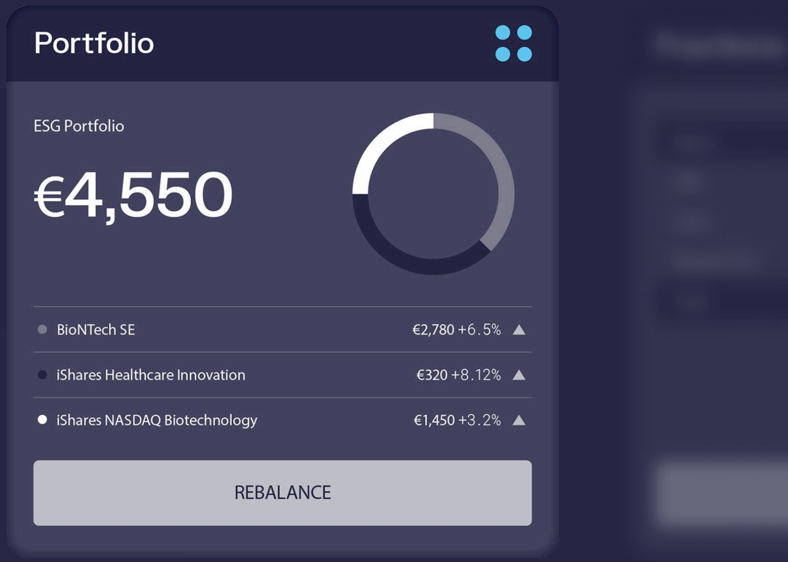
upvest

Portfolio engine

Powering the next gen of investment experiences



Why are investment portfolios important?

Modern retail investors expect tailored investment journeys that match their goals and risk appetite. Automated portfolios are a key differentiating product feature relevant to all – from retail investors to the mass- and high-affluent.

Higher engagement

+30%

more active users

Increased retention

+2.3 years

increased asset retention

End-user stickiness

+30%

end-user retention

Source: Finserv (2022)

Offer a modern digital investment experience for your end users

Set up, manage, and let your end users invest in portfolios across multiple asset classes. All accessible via a single API, designed for performance and flexibility.

Multi-asset portfolios

Choose from a wide range of different asset classes (ETFs, stocks, funds etc.) powered by our fractions engine.

Unique portfolio curation

Create portfolios that only you can offer, unique to your end users' needs and your investment expertise, differentiating you from others in the market.

Personalised experiences

Portfolios can be customised on the end-user level to match their individual risk appetite and strategies across different instruments, sectors, and markets.

Scalable portfolio engine

Seamless execution of portfolio orders and full-scale portfolio rebalancing in minutes instead of days – so that your daily business remains uninterrupted.

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Core functions
At a glance

Model and end-user level portfolio configurations

- Create **custom portfolios** for individual end users or set up **model portfolios** reflecting broader investment strategies.
- **Portfolio configurations** consist of an asset allocation – the instruments you include and their weighting – as well as the rebalancing configuration.
- Each end user can hold **unlimited portfolio accounts:** simply link end-user accounts to the respective individual or model portfolio configuration.

Rebalancing & reallocation

- A **rebalancing strategy** is automatically triggered based on the pre-defined conditions.
- Define **recurring rebalancing** strategies, such as time-based (e.g. once a year) or threshold-based (e.g. deviation from the defined target allocation), and more.
- React quickly to changing market conditions with **one-off immediate rebalancing** of one or more portfolio accounts at any time.

Flexible and automatic investments

- Place **one-off portfolio orders**, with Upvest handling the calculation of individual order amounts, aggregation on an ISIN level, and block order execution.
- Enable recurring investments via savings plans and support end users when they are ready to divest with our **withdrawal plans.**
- Ensure **reliable execution quality** with OTC order routing for larger investment amounts (e.g. for rebalancing or saving plan cycles).

Real-time, user-centric tax and fee handling

- Upvest accounts for tax effects like capital gains and exemptions in real-time, enabling accurate portfolio rebalancing with **<0.1% deviation** from target allocations.
- Leverage **"Smart Allocations"** for orders working towards target allocations and **"Post-Tax Orders"** for tax-adjusted withdrawals of net amounts.
- Use **"Sell-to-Cover"** to automate fee collection through partial position sell-off, offering the flexibility to manage portfolios without requiring any cash component.

Data insights and reporting

- Get data insights via **real-time monitoring** of the portfolio status, as well as individual portfolio orders from placement to settlement.
- Display the **current** portfolio valuation to end users, as well as **historical** portfolio performance via time-weighted and money-weighted return reporting.
- Integrated with Upvest's Investment API, all end-user needs in the investment context are fully covered, such as **end-user reporting** or **regulatory reporting.**

How does it work?

Place your first portfolio order

`POST` `/portfolio/allocations`

01 | Create a model portfolio

Choose instruments and assign target weights based on end users' preferences.

Upvest stores the individual portfolio configuration across ISINs and weights.

`POST` `/portfolio/configurations`

02 | Portfolio configuration

Assign portfolio allocation to end-user account(s).

Upvest stores association between a portfolio configuration and an end user's portfolio account.

`POST` `/portfolio/orders`

03 | Portfolio order placement

Choose investment options:
Place one-off orders or recurring portfolio orders via savings plans.

Orders are automatically split based on configuration, executed at the exchange, settled and safeguarded in the Upvest custody.

`POST` `/portfolio/rebalancing/executions`

04 | Trigger a re-balancing

Initiate a rebalancing at a user or portfolio allocation level at any time.

Upvest breaks down the order into individual components, simulates tax effects, and determines exact order amounts (buy/sell) per instrument. Executed as block orders sequentially.

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Raisin migrated single-digit billion in AuM to enable model portfolios at scale with Upvest

Smart portfolios
Instead of reduced use cases

Account opening in seconds
Instead of days

Digital user handling
Instead of manual work

Start with €1 investments
Instead of high minimums

Access to all assets
Instead of limited investment section

Initial situation

Raisin is offering a **robo-advisor product** in Germany. Experiencing strong end-user growth, Raisin faced several challenges that required a partner capable of helping them scale effectively.

Setup with Upvest

- (Custom) model portfolios across ETFs, mutual funds, ETCs, and Money Market Funds with launch across multiple countries in Europe at market leading costs.
- Advanced portfolio functionality including automated rebalancing, recurring saving plan investments and reliable performance reporting
- Based on the state-of-the-art Upvest infrastructure, minimising manual processes, significantly enhancing the UX while reducing operational error rate and cost basis.

Kim Felix Fomm

CIO and VP Wealth Management

Raisin Bank

"Upvest's solution allows us to offer a number of different products at scale via individualised model portfolios. Integrating the portfolio engine into our existing workflows has been seamless and fast, resulting in an efficient process for Raisin and our customers."