

MERCER Session

Frequently Asked Questions

1. Is the research limited to our APL?

All funds in Mercer's database are accessible. We are just showing the Madison rating where a fund is on our APL.

2. Is there a limit on the number of funds you can paste into the search box?

There is no limit. Pasting multiple APIR codes separated by a space is all that is required.

3. Does Mercer have research on SMA's?

Research houses (other than SQM) are moving away from researching SMAs. Mercer does provide detailed research on an extensive number of underlying investment strategies. Contact us at investmentservices@madisonfg.com.au should you need assistance with obtaining research reports for any options not covered by Mercer.

4. Does the performance under the my portfolio or model portfolio functions take into account historical portfolio changes?

Yes, it does. Madison has provided historical holdings for the model portfolios which are reflected in the output on the *model portfolios tab* on Mercer IS.

5. Can advisers send historical holdings data for their own portfolios through to Mercer to have them set up under 'My Portfolios'?

Yes, there is a process for individual's portfolio. This will be covered in the advanced session which is scheduled for 14 October at 10 am. The session covers the portfolio and quant tools on Mercer IS - [Register here](#).

6. Looking at the growth of \$10k quant report, does it take into account previous changes to the model/portfolio?

If the historical data is in Mercer IS, then the output under any of the options in the *Quant tool* will take into account historical records.

7. Will using Mercer change the APL. e.g. if a product has an A rating this can be used?

The Madison APL stands. Should this change in the future we will communicate accordingly.

8. Are we able to set up a watch list to provide a summary for each client for their managed funds, ETFs and listed securities for their review?

Watchlists can be set up on Mercer IS for managed funds and ETFs only. Listed security coverage is via Desktop Broker where you can also set up watchlists.

9. Are Mercer models replacing Madison models?

The Madison models remain. Mercer will review and provide recommendations however any portfolio change decisions will remain with the Madison Investment and Insurance Committee.

10. Do you have any reports that look forward?

The market valuation and review documents are forward looking.

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11. Is there a shorter client friendly update?

The monthly market review is designed for client communication. As with all communication it will evolve as needs change. We are reviewing the ability to co-brand communication for your practice, and will provide details shortly.

12. Can we put a model together that is a combination of managed funds and ETFs that will pick up the underlying investment ICRs and give you an overall/weighted ICR for the portfolio?

We've raised this question with Mercer, whilst currently not available it is being reviewed.

13. Does Mercer provide further breakdown into its scores for E, S and G separately?

Mercer currently has 4 overall ESG ratings as detailed below: If there is additional interest we can facilitate a webinar with Mercer to provide more information.

ESG1	The highest ESG rating is assigned to strategies that we believe to be leaders in integrating ESG and active ownership into their core processes, and that provide clear evidence that ESG overall, or a particular ESG theme, is core to idea generation and portfolio construction.
ESG2	The second highest rating is assigned to strategies that, in our view, include ESG factors as part of decision making, with a strong level of commitment made at the firmwide level and some indication that data and research are being taken into account by the managers in their valuations and investment processes.
ESG3	The penultimate rating is assigned to strategies for which, in our view, the manager has made some progress with respect to ESG integration and/or active ownership, but for which there is little evidence that ESG factors are taken into consideration in valuations and investment processes.
ESG4	The lowest ESG rating is assigned to strategies for which, in our view, little has been done to integrate ESG and active ownership into their core processes.

14. Is there anywhere in Mercer IS where we can compare a fund's performance to its peer group?

The *Compare Function* can show side-by-side results across several funds. Quartile details can be found within the quant tool.

15. Is there a tool available that shows where the assets in a portfolio sit within the market in terms of market capitalisation or manager style?

This information is available under the *fund facts* and *research profile* section of each of the underlying investment options

16. For portfolios, is there a correlation matrix?

Yes, this can be generated in the *Quant Tool*.

Mercer has a useful FAQ document available on Mercer IS under the help section.