

# SEI Investments risk profiled investments with Dynamic Planner

The Distribution Technology investment team generates estimates as to how a wide range of asset classes are expected to behave over the long-term with respect to: returns, volatility and co-variance. These estimates are collectively known as the Capital Market Assumptions, and are produced following thorough analysis of historic data, current market yields and estimates of risk premiums, as well as other factors such as, current corporate debt default rates and inflation.

From this, the team can produce a spectrum of asset allocations that gradually increase in risk from level 1 to 10 risk levels. Their methods for doing this are based on Modern Portfolio Theory techniques to derive efficient portfolios, which maximise expected returns for any given degree of risk and when plotted collectively, form an efficient frontier.







To risk profile funds and portfolios, Distribution Technology looks at a combination of the following attributes and uses its Capital Market Assumptions where necessary, to understand the level of risk expected within the portfolio:

- Historical data of each fund's past asset allocation positions, which we map to our standard asset classes
- The volatility derived from each fund's strategic benchmark, where appropriate
- The volatility of the actual performance achieved by each fund

Dynamic Planner Risk Profile	1	2	3	4	5	6	7	8	9	10
Dynamic Planner Descriptor	Lowest risk	Very low risk	Low risk	Lowest medium risk	Low medium risk	High medium risk	Highest medium risk	High risk	Very high risk	Highest risk

## The risk profile scores for SEI Investments

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 2	 3	 4	 5	 6	 7
SEI Defensive Fund	SEI Conservative Fund  SEI Moderate Fund	SEI Core Fund	SEI Balanced Fund  SEI Global Multi-Asset Income Fund	SEI Growth Fund	SEI Aggressive Fund