

Always
Optimal
Decisions
in Real Time

FUJITSU

shaping tomorrow with you



How a bank's portfolio managers achieved the Optimal Frontier

Optimizing data analysis and boosting the speed of insights enables better decisions to be made in real-time

Product portfolio optimization is, probably, the ultimate multivariable problem. How do you maximize returns while minimizing risk and do it in a fast-changing global environment? You have to weight tangible and intangible risks and always be ready for Black Swans. Classically, that meant crunching the data so that you could achieve an Efficient Frontier – the point at which portfolios can yield good returns at the right level of risk.

It's no surprise that the best brains in finance work very hard to optimize their institution's portfolios. But the world is a messy and unpredictable place. The exponential rise in data means that the complex variables portfolio managers deal with are becoming increasingly numerous.

Of course, the use of digital technology helps. But classical computing can't keep pace with the variability of the modern, globalized economy. That leads many to opt for the 80:20 principle for lack of better insights. What's needed is the ability to create a multi-faceted, multi-dimensional picture of those variables and their relationships with each other. That delivers deeper insights and informs better financial decisions whilst lowering risk.

Instead of the Efficient Frontier, managers can achieve a more Optimal Frontier containing much more diversified portfolios. Effective and affordable quantum technology to achieve this is decades away. Your next big decision on your portfolio is mere seconds away. What can you do?

Being Always Optimal is critical in a rapidly changing banking and investment sector. Find out how our Quantum-Inspired Optimization Services get you there and get you ahead of the competition.

Quantum-inspired optimization means swift, agile action

Fujitsu makes it possible to get the benefits of a quantum approach in the short-term. Our Quantum-Inspired Optimization Services (QIOS), which uses lightning fast algorithms embedded in our Digital Annealer, is being used to solve real world problems at speed and at scale. Which is exactly what we can do for all kinds of financial institutions. We enable portfolio managers to optimize their portfolios at speed.

We can input a wide range of defined factors which balance high- and low-risk investments with daily return targets. The quantum-inspired approach means that a more complex model can be run through our Digital Annealer at greater speed and depth. Classical computers

take a long time to process scenarios based on a variety of metrics. And, as the cliché goes, time is most definitely money in the world of portfolio management. Minutes, seconds, nanoseconds, can cost billions – or make them. The point is to achieve an Always Optimal capability which keeps portfolio managers ahead of the game – or, at least, as ahead as is possible right now. There are never any guarantees in financial markets; but having an advantage in terms of processing scenarios and variables at speed, provides greater confidence and lowers risk. Attributes vital to any team of portfolio managers.

Increased computing power delivers greater foresight and insight

Portfolio managers want to go beyond simple, parallel analysis. QIOS means they can greatly increase the

number of projected scenarios that can be processed and enables better, more nuanced decisions to be made – in real-time.

Their optimized portfolio has a much more chance of performing better, and, crucially, can yield higher returns at lower risk and more risk diversification. The QIOS approach means they can turn hindsight into foresight and deliver insights which give their skills and intuition more competitive edge. And that really matters in what is the most competitive sector of the world economy.

Ensuring that your business is Always Optimal is critical in a rapidly changing financial sector. Contact us now to find out how we can help you achieve Always Optimal at **AskFujitsuHQ@ts.fujitsu.com**

FUJITSU

Tel: +44 (0) 123 579 771

Email: askfujitsu@ts.fujitsu.com

[fujitsu.com/global](https://www.fujitsu.com/global)

Reference: 3987

© FUJITSU 2020. All rights reserved. FUJITSU and FUJITSU logo are trademarks of Fujitsu Limited registered in many jurisdictions worldwide. Other product, service and company names mentioned herein may be trademarks of Fujitsu or other companies. This document is current as of the initial date of publication and subject to be changed by Fujitsu without notice. This material is provided for information purposes only and Fujitsu assumes no liability related to its use.