



Introduction

Autonomous Fund Management (AFM) is a portfolio and fund-management procedure designed for the digital marketplace. Instead of relying on traditional research and analysis, it uses mathematics and safety nets to obtain better and more stable results.

Detailed information can be found on the AFM website afmsa.ch

Understanding AFM

It is practically impossible to outperform a market Index over the long-term using traditional research and analysis.

AFM approaches the matter differently - it excludes outside input (SEC Filings, 10K, ratings, press releases, forecasts or the likes) and relies entirely on mathematics. Subjective input is excluded.

The only information fed to the algorithms are the bid/ask quotes and their size. Outside influence is avoided which is also a cheaper approach because AFM operates autonomously.

Initial portfolio configuration based on well-defined rules allows for a low standard deviation which in turn accounts for a portfolio's low volatility.

Portfolios are run through AFM algorithms and extract small savings when suspected anomalies are detected in the quote stream. The procedure is slow and savings measured in hundredths of a %. Such performance figures might be considered irrelevant but over the long-term earn a few % points pa.

AFM is a long-only Relative Performance procedure. Short sales, long/short positions and options are not applied.

The only problem encountered by AFM occurred in February 2021 where live portfolios underperformed the index between -0.4% and -0.8% over a 10-day period. The reason was exceptional divergence in the price ranges of securities operating in similar sectors.

The situation returned to normal with an excellent March performance where live accounts outperformed the index by +0.88%.



Autonomous Fund Management

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afmsa.ch (advisory only) allows the progress of portfolios to be followed in real time.

Live (client) accounts can only be viewed with a username and password.

Guest (virtual) accounts are displayed by default (without login or password).

AFM offers the following advantages:

1. Over time, portfolios managed by AFM outperform the benchmark S&P500 index.
2. A further AFM advantage is it's stability or lack of volatility when compared to similar Large Blend funds.
3. In 2020 Live accounts have done 5.1% better and this year a 2.9% extrapolated outperformance is expected.
4. The greatest asset of Autonomous Fund Management is it's stability or lack of volatility.

Login - Guest > History > Period All > Comparison

AFM has been functioning flawlessly since March 2019.

AFM live portfolio statistics 2020-21

AFM-managed live accounts - monthly performance vs S&P500 index														
2020														
	J	F	M	A	M	J	J	A	S	O	V	D		%
SPX	-0.2%	-8.4%	-12.5%	12.7%	4.5%	1.8%	5.5%	7.0%	-4.0%	-2.7%	10.8%	3.7%	2/12	17%
AFM	-0.3%	-8.2%	-11.2%	14.0%	5.4%	1.4%	5.7%	7.1%	-3.9%	-2.4%	11.1%	3.9%	10/12	83%
2021														
	J	F	M	A	M	J	J	A	S	O	V	D		%
SPX	-1.1%	2.6%	4.2%	5.2%	0.6%	2.2%	2.3%	2.9%					2/8	25%
AFM	-0.3%	2.5%	4.6%	5.4%	0.7%	2.3%	2.1%	3.0%					6/8	75%

Using AFM

AFM requires an account at a brokerage firm providing an API link (see Note)
The account remains at all times property of the owner.

Standard setup

For best results, AFM-managed accounts are separated into 2 categories:

1. A **Master Account** to which AFM has no access.
2. A number (usually 3-6) of **sub-accounts** funded through the **MA**.

AFM subsequently configures the sub-account portfolios and launches the procedure.

Master account	
sub-account	1
	2
	3
	4
	etc.

Constraints

The account holder needs to advise AFM if he wishes to access the sub-accounts through his broker website. Any outside action may cause the procedure to dysfunction.

.... other

The investor retains full ownership of his account at all times.

- AFM's objective is to outperform an index of choice over time on a relative basis.
- The AFM website provides detailed information not generally available on the broker website.
- An investor can follow the performance (both in relative and absolute terms) of his portfolios in real time. And much more.

Fees

Investors pay a monthly oversight fee depending on the sub-account's net worth. No performance commissions or other expenses are charged.

There is a one-time portfolio configuration fee of 0.03% which also applies to any increase/decrease in portfolio assets by the investor when under AFM management.

No termination charges are applied.

AFM does not share in broker commissions or other retro-commission arrangements.

Contact

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Note: API is the acronym for Application Programming Interface, a software intermediary that allows two applications to talk to each other. Brokerage firms usually provide such a link.