

“An excellent in-depth review of state-of-the-art approaches to performance evaluation and attribution. A worthwhile read for both academics and practitioners.”

Lubos Pastor, University of Chicago

Measuring portfolio performance requires evaluation (measuring portfolio results against benchmarks) and attribution (determining individual results of the portfolio's parts). In this book, a professor and an asset manager show readers how to use theories, applications, and real data to understand these tools. Unlike others, Fischer and Wermers teach readers how to pick the very latest scientific theories and applications that fit their specific needs. With material inspired by the recent financial crisis, Fischer and Wermers bring new clarity to defining investment success.

This book

- gives readers the theories and empirical tools to handle their own data
- builds understanding through chapter-end problems
- is filled with examples that size-up real asset managers
- includes extensive discussion and numerical examples of the widely used DGTW stock benchmark portfolios
- features practice problems from the CFA Program curriculum.

From the author

Over \$12 trillion is managed in U.S. mutual funds, most of it in actively managed funds that charge higher fees than index funds. Even more is managed for pension funds, endowments, and other institutional investors. Are these managers worth their fees?

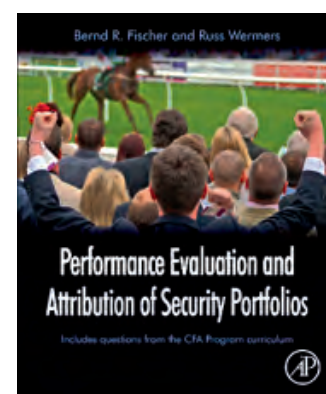
To address this question in a scientific way, this book presents the latest statistical approaches in an easily understandable and very readable text. That is, no math is spared, but the main themes of the text are very understandable without the math. The reader will have access to the latest peer-reviewed scientific techniques developed by top finance academics worldwide, in a book that distills hundreds of academic papers.

Editorial Reviews

“The authors provide an excellent comprehensive treatment, running from widely used traditional measures all the way to methods pushing the knowledge frontier, complemented with practical information such as global reporting standards. As such, this book is a valuable resource for anyone facing the important challenge of evaluating the performance of investment managers.”

Robert F. Stambaugh, The Wharton School of the University of Pennsylvania

“Wermers and Fischer provide a timely review of a rapidly developing subject, pitched at roughly the advanced MBA level. It is particularly strong and useful in its coverage of holdings-based performance measurement. This is where the field is going, making the book a must-read.” **Wayne Ferson**, University of Southern California



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