PROVEN EXPERTISE. UNBIASED ADVICE. FLEXIBLE SOLUTIONS.

MRA

MACRO RISK ADVISORS

Introduction

Macro Risk Advisors ("MRA"), founded in 2008...

- Market Risk Analysis
- Portfolio Structuring
- Trade Execution

...is an independent, FINRA registered broker-dealer specializing in analyzing global market risk and executing transactions on behalf of institutional investors.

The culture at MRA is built on core values that emphasize teamwork, intellectual honesty, pursuit of excellence and the goodwill that comes from giving back.

Our institutional infrastructure and dedicated team combines innovative thinking with opportunistic solutions in a fast changing investment environment.

MRA currently has a client base across large and mid-sized hedge funds, pension funds, insurance companies and money managers.

Our team brings an unmatched level of expertise, developed at top buy-side and sell-side institutions, to help strengthen the portfolios of institutional clients.

MRA Client Base

MRA works with a variety of institutional investor accounts. While we offer superior execution capabilities in both US listed equities and options, we offer a tailored, customized solution to each account based on their investment strategies.

LONG/SHORT

- Generate custom screens around earnings, eco data, or macro events
- Analyze option flow and explain market impact and immediate stock reaction
- Manage options positions

EVENT DRIVEN

- Simplify, analyze, and provide fundamental opinions on complex event-driven securities
- Specialize in levered equities, spin-offs, split-offs, asset divestitures, restructurings, post-merger, etc.
- Complement fundamental outlook with volatility analysis

VOL

- Expertise on cross-asset volatility
- Risk dashboard for several asset classes and sectors
- Generate custom screens and trade ideas for volatility related products

MACRO

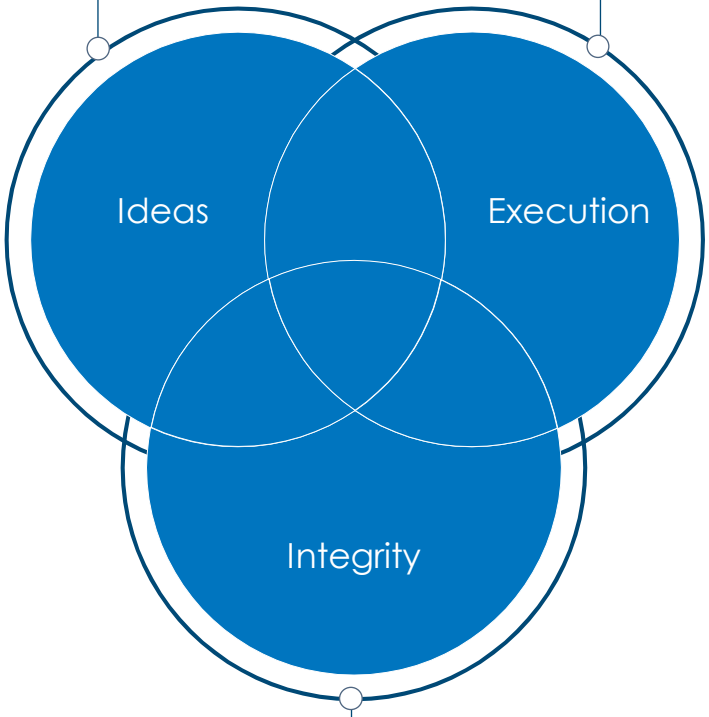
- Identify key macro data points and optimal hedges
- Open dialogue with clients on global risks on risk calls
- Analyze global risk landscape and market dynamics

CREDIT

- ETF correlations to credit indices
- Credit vs equity vol analysis
- Scenario analysis for hedging opportunities in equities and equity derivatives

The MRA Strategic Advantage

- We constantly scour the screens for interesting moves, flows, and volatility structures across sectors and asset classes
- Each day, we collaborate to produce our daily strategy note, which communicates our thoughts on the financial landscape, trade ideas, and the risk/reward equation drivers
- Our salestraders and strategists work together to translate our market analysis into actionable, cost effective trade ideas
- We provide Insights on sentiment, positioning and risk appetite



- Execution products include U.S. listed equities and listed options.
- Brian Bier and Drew Forman co-run trading effort, both have 10+ years experience running large derivative risk books on the sell-side and executing some of the largest option block trades in the market.
- Price discovery and negotiation across various liquidity providers ensures best rate

- Committed to building deep, long term partnerships with clients
- No proprietary trading effort ensures best ideas always go to clients while avoiding any conflicts
- Commissions are reinvested in the business to enhance our offering, ultimately benefitting clients

MRA Core Competencies

Unique Expertise in Understanding Risk

- We evaluate cross-asset risk premiums from a global, top down perspective.
- Our insights on tail risk are derived from an assessment of the risk landscape relative to the price of risk.
  - In our proprietary risk dashboard, we overlay 50 risk premium measures to determine market pressure points and search for opportunity.
- MRA anticipated the surge in volatility seen late in 2008 and helped clients manage risk using equity derivative hedging strategies.

Our Collaborative Approach

- We benefit from operating independently, in a highly focused, collaborative setting that emphasizes teamwork.
- We have strong relationships with many of the largest multi-strategy funds in the world. Our goal is to be an extension of the client's investment process.
- Our dialogue each day covers a wide array of markets and instruments.
  - Our client contacts span equity, commodity, currency, mortgage, credit and rate markets, keeping us well informed of risk premium trends.

MRA Process Overview – Options

MRA uses a multi-stage process for creating suitable hedging and alpha generating structures for clients.

1 EVALUATE RISK ENVIRONMENT

- Assess market reactions and appetite for risk
- Gather feedback on sentiment
- Develop views on positioning

2 OVERLAY RISK PREMIUMS

- Survey MRA Risk Dashboard
- Look for incongruous risk metrics
- Evaluate vol surface for best structure

3 UNDERSTAND CLIENT'S BOOK

- Existing risk on/off portfolio exposures
- What risk/view is being expressed?
- Develop premium budget, hedge plan, profit goals

4 DETAILED MODELING AND BACK TESTING

- Leverage excel and industry leading expertise in Bloomberg modeling for extensive back testing

5 DISCUSS RESULTS WITH CLIENT

- What are the costs/benefits of structure?
- What is MTM profile over time?
- Change structure to better fit goals?

6 PRICE, NEGOTIATE AND TRADE

- Access a dispersed pool of liquidity
- Aggressively negotiate on client behalf
- Bring trade to floor for execution