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OPENING slide 1

Asalamualaikum Wr.Wb

Good afternoon everyone, thanks for giving me and my team an opportunity for presenting our final project.

This Presentation is explaining about mutual fund investment. so, welcome and enjoy our presentation

At recent days, investment is a familiar word today but not necessarily everyone do it. Investment is the activity of investing money or capital with the purpose to get profit.

SLIDE 2

Based on the information from dataindonesia.id ,

The Number of Capital Market Investors Indonesia Reaches 10 Million in November 2022.

Increase more and more every day

SLIDE 3

When talking about investment,

We know that many people are Interested to prepare their financial future through investment.

But in the process,there are several problems which commonly occurred, such as :

- Limited knowledge : people rarely know about the kind of investment
- People often had limited Time for Learning and Analysis
- Fear of losing their money when it comes to financial investment

SLIDE 4

Meanwhile in investing, the risk is an important factor and also must have fundamental knowledge which people should know and understand. However, the main problem usually found are new investors don't understand the differences between high risk and low risk.

The high risk investment means that the type of investment which has a few loss to be concerned.

Otherwise, the amount of profit that will receive by investor is not much.

In the other hand, the high risk investment give us big chance of losing capital or asset in high value.

The high risk investment is quietly dangerous but if all running smoothly, the profit that we achieve can be double in number.

Commonly, the high risk investment have a short term period in order to investor can get the profit.

Otherwise, the low risk investment have a long term period.

SLIDE 5

Allow us to introduce ourselves, we are a bunch of data scientists that wants to be financial consultant in investments, particularly in Mutual Funds.

We called our system “Anminvesting”, Your number one recommendation system for mutual funds,

For our system, we utilized machine learning, and created a risk profiling for upcoming new investors that are interested in investing on Mutual Funds. From the risk profiles we recommend the best products that suit their needs.

So our team that consists of 5 people, and we are : Introduction member :

Xxxxx

SLIDE 6

What is mutual fund? Mutual funds are a vehicle through which funds from the general public are collected and invested in a portfolio by the Investment Manager. Mutual Fund is one of the investment alternatives for financial assets. Mutual Fund is known as “Reksa Dana” in Indonesia.

The Advantages of mutual funds are :

High liquidity >> Mutual fund has high liquidity of the price

Transaction fees relatively small >>

low Risk Investment compared to another types of investment

SLIDE 7

Based on the explanations that we share with you before, we want to Give Mutual Fund Recommendation Based On Customer Risk Profile

SLIDE 8

Our goal is we want to help candidate investor to acknowledge their risk profile and choose the available products based on their risk profiling score.

SLIDE 9

For achieving our main goal in this project, we divided the workflows into 4 different phases, those phases are :

Phase 1 :

Because we are unable to find the dataset that we wanted, we came up with an idea to generate a new dataset based on a customer risk profiling questionnaire.

Phase 2 :

The next thing we want to do is Classifying the Customer by their Risk Profile based on 5 different categories

Phase 3:

Is telling about Mutual Fund Recommendation based on the Classification results from 5 different types of risk profiling

Phase 4 :

After we made a Recommendation, we want to add a feature where we could show future predictions of the price within a particular product.

SLIDE 10

From our explanation before, we generated a dataset based on a customer risk profiling questionnaire. Given the provided information from the questionnaire, the dataset that we generated contains 10,000 data with multiple features that are important for deciding the risk profile of a person.

- Age : the age of the customer
- Expenses : the percentage of expenses
- Financial Status : comparison between debt and asset
- Experience : customer experience in investing
- Estimated Period : the period of time the Customer makes an investment
- Unwilling to Accept : Comparison between getting profit and loss in investing
- Scenario : loss tolerance expected by the Customer
- Sum Score (Target) : Classification profile on the Customer
- Salary

SLIDE 11

From the information that we gathered from our sources, we divided the risk of a person into 5 different profiles :

1. The first one is the Low Risk or (Very Cautious)
2. The second profile is Low to moderate Risk or (Cautious)
3. The third profile are Moderate to moderately high risk investors or we could say they're (Balanced)
4. Then we come up to a High Risk fourth profile or as we say are Adventurous
5. The last one is the Very High risk profile or we could call them Speculative.

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From the data that we generated, Here are the distributions of the risk profile classifications. We want to mimic real world scenarios and Here we could see that our data has a tendency to populate in the 3rd risk profile which is the balanced profile.

SLIDE 13

In our system, we provide Mutual Fund product types such as :

1. Money Market

This type of mutual fund has a 100% investment policy in money market instruments or securities with a maturity of less than 1 year. the lowest risk and the return is relatively smaller.

2. Fixed Income

Allocation (minimum 80%) is placed in securities that provide a fixed income, such as debentures or bonds. Suitable for meeting financial goals with a maturity of between 1-3 years

3. Equity Fund

Mixed mutual funds have a maximum investment policy of 79% in money market instruments, bonds and stocks. Suitable for meeting financial goals with a maturity of between 3-5 years.

4. Stock

This mutual fund type has an investment policy of minimum 80% in 1 instrument of stocks. Suitable to fulfill long term financial needs for more than 5 years. High risk, high returns.

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At this slide will telling about example recommendation mutual fund based on type budget allocation

The first type is Money Market type ,from this type we will recommendation

1. MNC Dana Lancar :

Asset Allocation : - Money Market : 100%

The second s the FIXED INCOME type,from this type we will recommendation :

1. Ashmore Dana Obligasi Nusantara :

Asset Location : - Equity : 35% - 65%
- Money Market : 35% - 65%

2. Schroder Dana Mantap II :

Asset allocation : - Equity : 80% - 100%
- Money Market : 0% - 20%

SLIDE 15

The next product we are recommending is the Balanced Fund. Which is :

1. The one and only balanced fund is Schroder Dana Terpadu II :

Asset allocation : - Equity : 35% - 65%
- Money Market : 35% - 65%

And then we move on to the Equity Funds which consists of :

1. The first one is Schroder Dana Prestasi :

Asset Allocation : - Equity : 80% - 100%
- Money Market : 0% - 20%

2. Then we have the second one which is Schroder Dana Prestasi Plus :

Asset Allocation : - Equity : 80% - 100%
- Money Market : 0% - 20%

3. the third is Ashmore Dana Ekuitas Nusantara :

Asset Location : - Equity : 80% - 100%
- Money Market : 0% - 20%

4. Then the last equity funds stock which is Ashmore Dana Progresif Nusantara :

Asset Location : - Equity : 80% - 100%
- Money Market : 0% - 20%

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After product has been selected , we will give an additional information about the future price by implementing a forecasting model that forecasts each week within 4 weeks

SLIDE 17 (DEPLOYMENT)

Intro deployment

To make things clearer and understandable for you, here we have a short demonstration of our idea that is implemented into a web interface.

Forecasting

After the customer has been classified, the next step that we provide several products that are suitable with the risk rating. From this options, customers can choose one of the available products. For the additional information, a customer can see the high and low price forecasting that we provide for up to 4 weeks ahead based on the last 5 years datas.

Forms (Innoe ganteng)

In our web interface, there are several questions that you must answer:

1. Input name
2. How old are you?
3. About your monthly salary
4. From your salary, what are the proportions of your expenses?
5. What is your financial situation (more debts / assets?)
6. About previous investment experiences
- 7 & 8. Investment scenarios that you are willing to be engaged with

NEXT TAB

Short Explanations about mutual funds and the products we provide.

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The last, We can conclude that:

Advantages:

We helping new customer to understand about investment and know their risk profile investor. And then we give mutual fund recommendation product based on risk profile

from the project that we did, it comes with its own limitation, such as :

1. Insufficient supply data, hence why we decided to generate new dataset based on a customer risk profiling questionnaire.
2. Limited access to the data of Mutual Fund products and it leads to a limited data for forecasting future prices too
3. With that limitation, we are unable to perform long term predictions.

With such a short time of working on this project, here are some future improvements that we proposed :

1. When the availability of Mutual Fund products start to populate, we are hoping to forecast within each day over the course of 1 year.
2. adding features are used to improve accuracy

Closing

Thats it from us, thank you for your attention. And goodbye.