

I am sure many have discussed or thought of this. But gone are the days where the barrier to entry for fund management was so high that one could not afford to even contemplate it. Rapidly the domino's seem to be falling. Lately, I have been thinking about this concept of a microfund ecosystem since fully looking into the numeraire competition and dedicating free time to it. I have noticed that not only is numerai allowing data scientists to focus on the science, but in fact it is also inadvertently(or perhaps intentionally) allowing everyday ordinary individuals to have a taste of managing their own microfunds through staking on their models (an indirect way to taste success in the stock market with somewhat limited control of downside risk, ideally I would love to see an ability to finely control your staking or diversify the risk of burn). Decentralising the science and decentralising the economics all in one go.

It recently also became clearer when I was reading through some of the threads on the Forum that a lot of individuals who are doing well in the competition are able to secure external staker support. A recent interesting posts from veteran competitors like Arbitrage and some of the council of elders have suggested more robust opportunities readmore here [Staking on Other Users' Models: A System for Success - #22 by mindyoself](#)

The tools that are currently available allow individuals to manage stakes will need to evolve to allow this sort of ecosystem to also evolve even further. Currently there is no tools for stake related risk management for individuals holding numeraire. It will be nice to allow finer control of stake allocation through the API. I understand many tools are in the pipeline so look forward to addition of these.

But now that there is a chance for a model of portfolios each allowing the user to stake on it, ideally management of such a portfolio would benefit from a suite of tools that allow our data scientists to model the efficient frontiers of their portfolio of models. What [@richai](#) has given to the world is the ability to become a fully fledged offline fund manager and it's truly awesome.

An ideal approach for a fund manager mentally is the two percent risk rule, whereby you have the ability and choice to consider not to risk >2% of your stake on just one model if you had multiple models or perhaps diversify your risk of burn across multiple models to also remain neutral. It would not be unheard of, if one is able to use a portfolio management style systems where one could rebalance their microfund-backed portfolio of models on a regular basis either through threshold or time-based rebalancing approaches. This will be the dream for someone like me and am sure others as well.

Looking forward to the future with this amazing project and grateful to be a part of it in this era.

JD