

O'Shaughnessy Asset Management Introduces New Defensive and Dividend Growth-Oriented Models on Custom Indexing Platform Canvas®

STAMFORD, CT, May 12, 2021 — O'Shaughnessy Asset Management, LLC (OSAM), a leading quantitative asset management firm, announced today the introduction of new defensive and dividend growth-oriented models on Custom Indexing platform Canvas. OSAM develops systematic portfolios with significant factor advantages that optimize for the goals of financial advisors and their clients. The new models leverage this framework and are the result of extensive collaboration with partner RIA firms seeking better downside protection through dividend growth and defensive postured factors.

OSAM's research and factor investing strategies have traditionally focused on Factor Alpha – building empirically researched portfolios that favor strong and consistent total and risk-adjusted returns. The expanded offering also now includes defensive and dividend exposure. The expansion into new territory reflects a need for advisors to accommodate clients with greatly differing goals all through one platform. The new models are the result of an effort to develop proprietary strategies and re-engineer and improve upon popular funds to deliver on specific investment objectives. Like all OSAM and Canvas portfolios, names held within the new models are based on a distinct set of criteria that increases the probability of the underlying exposure goal.

"Investors want access to a broad range of exposures as well as alternatives to widely-accepted, off-the-shelf products," said Patrick O'Shaughnessy, CFA, Chief Executive Officer of OSAM. "Applying factor-based research and quantitative rigor to problems is a strength of ours and can lead to improved and very differentiated options that our entire client base can access through Canvas. Offering solutions via the software-based platform creates a seamless and scalable environment for advisors to create and manage Custom Indexes. Importantly, implementing strategies through SMAs and not mutual funds, ETFs, or traditional index funds allows advisors to reap the benefits of custom tax management – a problem our fund peers cannot solve."

The new models available on Canvas include a range of options that focus on dividend growth or similar proxies as well as stability of sales, earnings, and other key fundamentals. Like any other factor or passive exposure, the defensive and dividend growth models can be expressed across market caps and geographies and used as standalone strategies or incorporated alongside of other allocations like passive and fixed income. Advisors can customize the allocation for individual clients' ESG/SRI considerations by excluding certain stocks and/or overweighting stocks of companies exhibiting positive actions. In addition, advisors can incorporate continuous tax management which targets maximum after-tax return.

"Just as clients come to us with ideas for new ESG and SRI screens, we also get into really interesting conversations on how to solve specific case studies or best express macro investing ideas," added O'Shaughnessy. "The collaborations are mutually beneficial. Clients get access to OSAM's quantitative research capabilities while we get to work on real-world examples and viewpoints. For example, originally advisors used Canvas to build model allocations across a spectrum of risk-tolerances or geographies and market caps. The new models help us add life-stage as a key variable for portfolio development. In addition to building portfolios to help clients accumulate wealth, we can now offer solutions for advisors with clients looking to generate income and keep pace with inflation during

retirement. Continuing to build out the offering in this collaborative way allows us to further our goal for Canvas to be the default investment platform for financial advisors.”

About OSAM

O’Shaughnessy Asset Management, LLC (OSAM) is a quantitative asset management firm based in Stamford, CT. The firm delivers a broad range of equity portfolios to institutional investors, individual investors, and high-net-worth clients of financial advisors. OSAM also serves as the investment advisor for a U.S. mutual fund and as a sub advisor to a family of mutual funds in Canada. The firm’s team has managed client assets since 1996. For more information on Canvas, please go to canvas.osam.com.

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