EduMarkets

Asset Management Simulation

Outperform the benchmark *within your mandate.*

New joiners in asset management typically arrive knowing how to analyze individual equities or bonds. What they lack, and what traditionally takes years on the desk to master, is how to build and rebalance a portfolio against a benchmark mandate, deploy active risk budgets efficiently, and defend performance during client debriefs.

The EduMarkets Asset Management Simulation is a trainer-led, multiplayer simulation bringing institutional long-only fund management into the classroom. Competing teams manage equity or fixed income mandates.

The portfolio manager experience

Each team begins fully invested at benchmark weights and must determine where to take active exposure, how much risk to allocate, and where to maintain neutral positioning. As continuous news flow and market shifts unfold, every portfolio decision consumes active risk:

- **Risk Budgeting:** Allocate finite tracking error capacity strictly to high-conviction ideas.
- **Mandate Discipline:** Operate within single-stock, sector, and cash constraints, curing limit breaches rapidly when market volatility pushes holdings outside guidelines.
- **Liquidity Management:** Deploy unexpected inflows and raise cash for client redemptions without disrupting core strategic positions.
- **Benchmark & Mandate Shocks:** Adapt swiftly to index rebalancings, credit rating downgrades, and mandate constraint shifts announced mid-session.

Equity and bond mandates

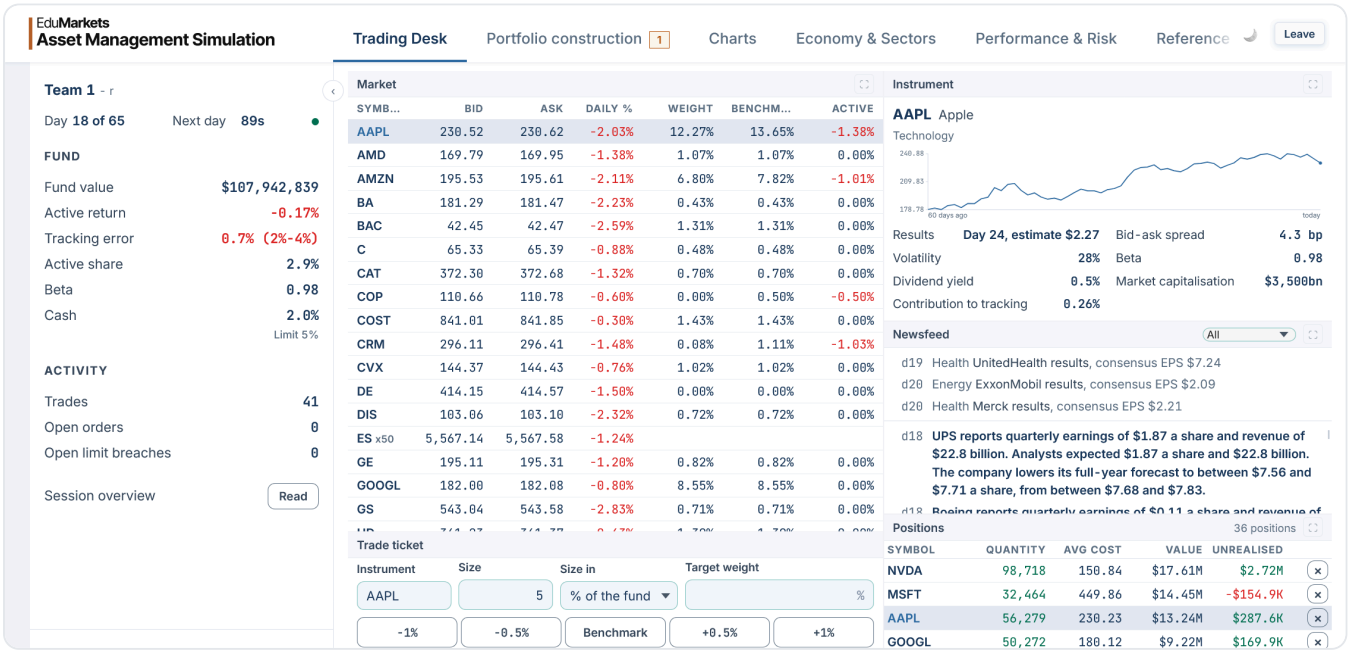
01 **Core Active Equity**
A diversified portfolio of US or global equities managed within tight benchmark tracking constraints.

02 **High Conviction Equity**
A concentrated portfolio of US or global equities with expanded tracking error capacity.

03 **Core Aggregate Bond**
US Treasuries and investment-grade corporate bonds with strict duration, spread risk, and rating limits.

04 **Core Plus Bond**
An aggregate mandate with tactical flexibility to allocate to high-yield credit outside the benchmark.

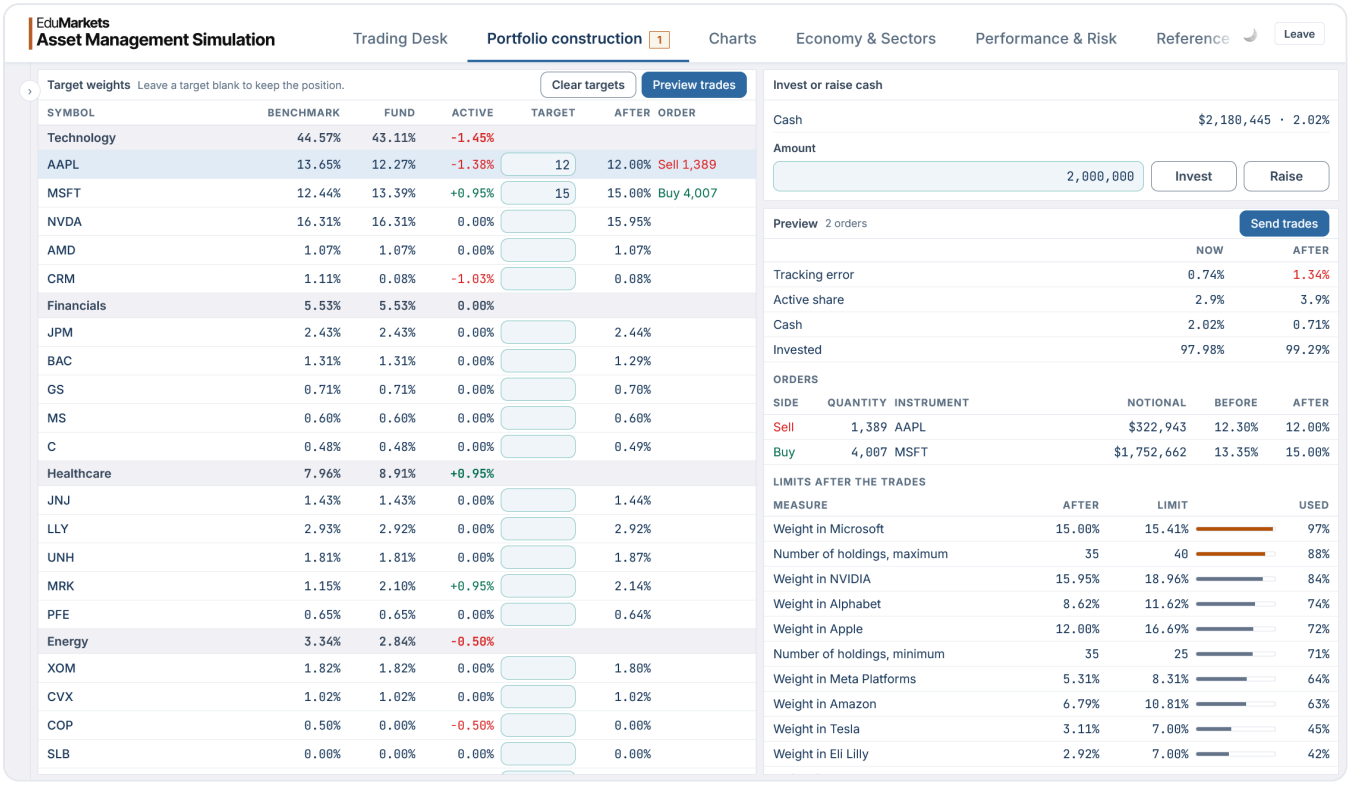
05 **Investment Grade Credit**
An investment-grade corporate bond portfolio, where rating migration can force a response.

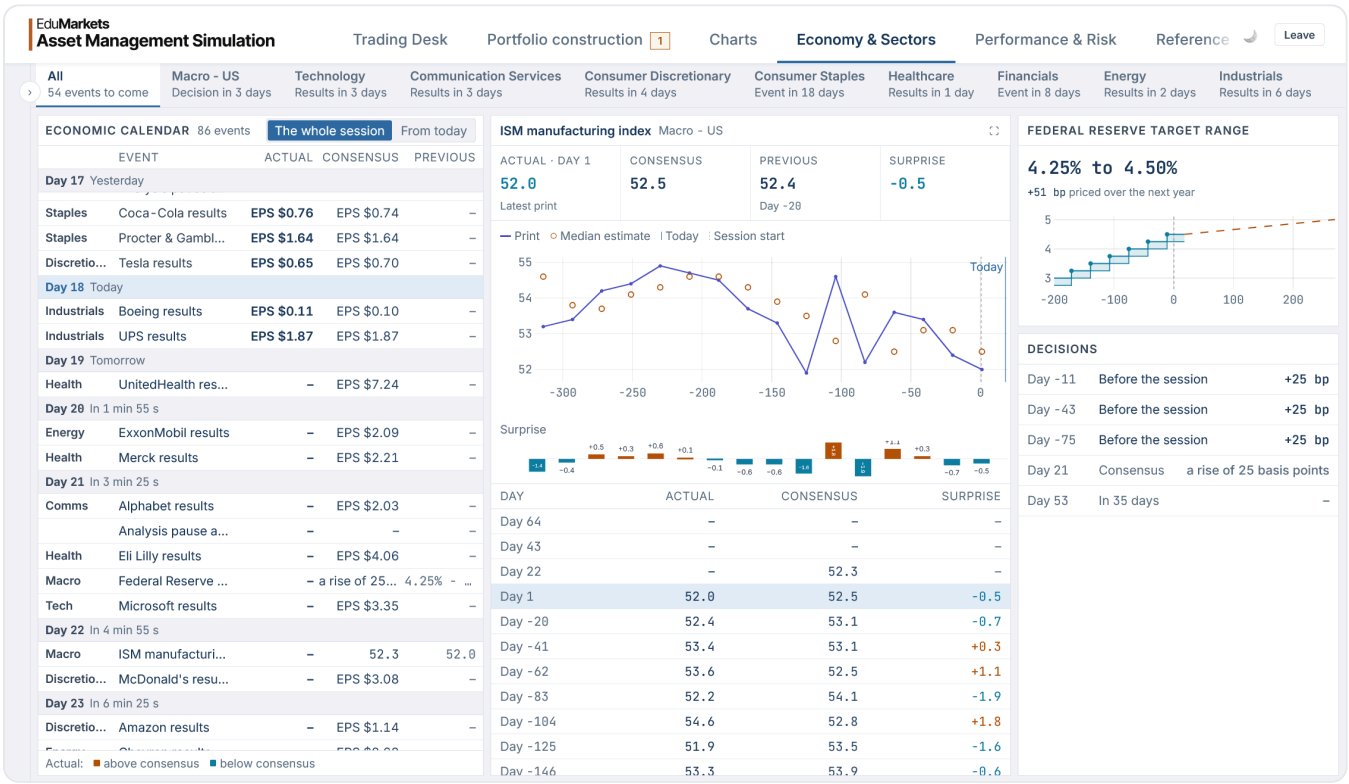


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Participants return to the desk with an intuitive grasp of active risk budgeting and the analytical rigor needed to explain performance to institutional clients.





Core learning outcomes

01 **Strategic Tracking Error Allocation**

Risk is non-linear. A small overweight position in a high-beta stock can consume more tracking error than a large position in a stable blue-chip stock. Participants learn to allocate active risk budgets deliberately toward true conviction.

02 **The Long-Only Asymmetry**

Long-only mandates constrain underweight positions to an asset's benchmark weight. Participants experience how mega-cap benchmark constituents dominate active risk and discover the hidden cost of uninvested cash in rising markets.

03 **Deconstructing Unintended Factor Risk**

Bottom-up security selection often aggregates into inadvertent factor exposures across sectors, regions, beta, or market capitalization. Participants learn to isolate factor tilts from security selection to avoid closet indexing, where a fund charges active fees and stays close to its benchmark.

04 **Relative vs. Absolute Performance**

A fund can suffer absolute drawdown while outperforming its benchmark, or gain absolute value while generating negative alpha. Participants learn to analyze performance through an institutional client lens, net of fees and relative to the benchmark.

05 **Mandate Compliance & Attribution Analysis**

Whether triggered by active trades or passive market movement, portfolio limit breaches demand swift resolution. Participants practice maintaining strict mandate compliance and presenting performance through allocation, selection, and factor attribution.

What sets EduMarkets apart

- **Industry-Standard Institutional Mandates:** Simulation templates mirror real investment guidelines, featuring institutional limits and constraints drawn directly from asset management practice.
- **Dynamic Market Regimes:** Real-time price movement reacts to news releases, earnings cycles, and central bank announcements, supplemented by live client flows, rating changes, and benchmark rebalancings.
- **Institutional Client Reporting:** Portfolio teams access detailed sector attribution, factor risk breakdowns, and fixed income metrics (duration, yield curve, and spread attribution). Each team receives an executive-ready client report.
- **Complete Facilitator Authority:** Trainers can set portfolio constraints, benchmark compositions, and asset universes before the session, and change constraints and benchmarks or trigger custom market shocks and client flows during a session.
- **Zero-Friction Enterprise Deployment:** 100% browser-based with no software installation or participant account creation required.

Experience it live

Elevate how your institution trains active portfolio managers. Contact us today to schedule a live demonstration of the Asset Management Simulation.

Request a demo →

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