

Mandatum Life and PROWLER.io develop AI-powered fund

Managed Futures Fund utilizes PROWLER.io AI decision engine software in investment decision-making process

Unique combination of probabilistic modelling and reinforcement learning allows fund to achieve positive absolute returns in a variety of market conditions

Mandatum Life, one of Finland's most respected and solvent financial service providers, and PROWLER.io, the artificial intelligence (AI) decision company, today announced the launch of the Managed Futures Fund, an investment fund that combines human market expertise with probabilistic modelling and reinforcement learning to forecast trends in the financial markets.

Unlike traditional quant funds that rely on static modelling and historical data sets, the Managed Futures Fund uses an AI engine to continually update forecasts. This ensures that the Portfolio Manager's investment decisions are informed by dynamic analysis.

"Combining probabilistic modelling with reinforcement learning represents a new era for the investment industry. In a world of more efficient markets, we are convinced that combining AI with human decision-making processes will produce advantage for investors, and we're excited to be at the forefront of it," said **Lauri Vaittinen**, Mandatum Life's Senior Vice President, Investment Solutions.

AI is capable of analyzing the deep statistical structure within large amounts of data at tremendous speeds. The AI utilized in the Managed Futures Fund supports the portfolio manager in making better informed investment decisions and lacks human biases that can compromise the decision-making. The fund features predetermined operating principles and conditions, ensuring that the investment choices remain within the risk parameters set by the Portfolio Manager.

In extensive testing, PROWLER.io's AI engine in combination with Mandatum Life portfolio management has performed very competitively in relation to peer funds and indices, showing an ability to benefit from mid- and long-term predictions, even in conditions of significant market volatility.

"The fund serves in particular institutional investors seeking broad diversification into various asset classes and seeking returns in rising and declining markets", says Vaittinen.

Vishal Chatrath, CEO of PROWLER.io, said: “I am excited to show the power of our AI decision engine in helping financial institutions perform well even in the challenging market environment that has become the norm. Our software is designed to empower Mandatum Life’s portfolio manager to mitigate short-term fluctuations and make well-informed investment decisions that maximise returns from the mid- and long-term trends.”

The fund launched on 30th December 2019, and is currently available for institutional investors. The seed investors for the fund are two large institutional investors.

Additional information:

About Mandatum Life

Mandatum Life is one of Finland’s most respected and solvent financial service providers. It is part of the successful Sampo Group. Mandatum Life offers both its private and corporate customers comprehensive services in preparing and prospering. The company’s services include funds, unit-linked insurance and the related wealth management, personal insurance, pension and reward solutions for companies and the related consultation services.

Contact:

Lauri Vaittinen, Senior Vice President, Investment Solutions,
lauri.vaittinen@mandatumlife.fi, tel. +358 50 382 1674

Niina Riihelä, Vice President, Marketing and Communications:
niina.riihela@mandatumlife.fi, tel. +358 40 728 1548

About PROWLER.io

PROWLER.io is a decision company based in Cambridge, UK that develops AI tools to help people make better business decisions. The PROWLER.io decision engine optimises the process of solving complex but common business challenges and can train on readily available data, adapt to uncertainty, and act in real-time. With 64 peer-reviewed papers published, 15 patents pending, and a team of 45+ PhDs, PROWLER.io is a research-powered company that is pushing the boundaries of applied Machine Learning in business.

Contact: prowl@brunswickgroup.com, tel +44 20 7404 5959