

WARREN: AI-driven  
investing in S&P 500  
stocks, developed by  
QAI's expert team

- QAI is a fintech company that leverages the knowledge of a small team of IT and financial specialists combining 75 years of expertise in algorithmic trading and systematic investing
- QAI specializes in advanced IT, data science, and R&D services and consultancy for financial asset managers and institutional investors that operate quant funds or offer systematic investment products
- Over the last two years QAI has developed "WARREN", a proprietary AI-driven investment model for investing in S&P 500 stocks
- WARREN is self-learning, i.e., it constantly adapts to changing market conditions and sector trends
- WARREN is fully cloud-based, running on Microsoft's Azure platform
- QAI is available to assist financial asset managers in developing and deploying their own AI-driven investment products, either by licensing WARREN's technology or by consulting on custom development efforts

WARREN consistently  
outperforms the  
S&P 500 index \*\*

- WARREN has been tested with an extensive feed of historical data covering over 20 years under real-live conditions (i.e., inclusion of transaction costs and no forward-looking bias in the model's training)
- Over this period, WARREN achieved an average annual return of 19.2%, almost twice that of the S&P 500 index (9.7%)
- WARREN has a yearly risk-return profile that is 45% better than that of the S&P 500 index (in terms of the average one-year rolling Sharpe Ratio over a period of 20 years)
- WARREN even performs well in downward markets, recovering faster from crashes than the index does

WARREN's  
intelligence exploits  
proven economic  
principles

- While financial data is notoriously hard to predict, extensive research in quantitative and behavioral finance over the last 30 years has shown that certain company financials (fundamental factors) and a company's stock price behavior (technical indicators) can give an indication of a company's future performance
- However, research has also shown that static fundamental and technical models have their limitations: they only work under certain market conditions
- WARREN is one of the first AI-driven investment models to overcome this limitation: it has learned which stock features have the best predictability for stock price performance under a wide variety of market circumstances
- With this knowledge WARREN dynamically predicts every week which S&P 500 stocks have the highest probability of outperforming the index
- WARREN then further processes these predictions under a proprietary systematic investment strategy to select about 50 candidates to be included in an actively managed investment portfolio