



# WILSHIRE

## COMPASS

Setting New Standards in Fund Sponsor Information and Investment Technology

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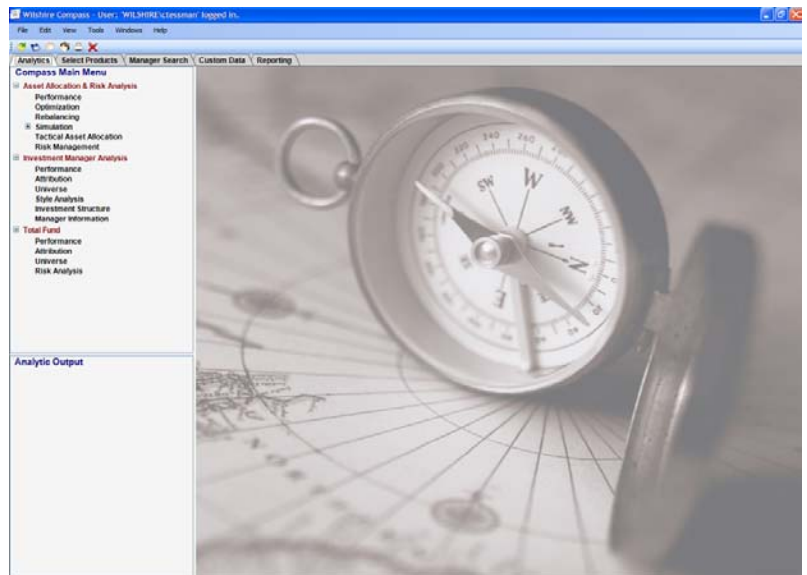
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## WILSHIRE COMPASS 8.0

After five years as the premier fund sponsor analytical tool in the industry, the Wilshire Compass 7.0 is about to meet its match! The Wilshire Compass 8.0, the next generation of the Wilshire Compass, will take analytical and reporting tools to the next level.



The Wilshire Compass 8.0 is a powerful analytical tool that will allow users to advance their analysis in a more flexible and customizable format. Functionality from 7.0 will remain, with enhanced tools and features, including:

*New Look and Feel* – Global tabs for searching and searching for products, managing custom data and reporting make navigation in the Wilshire Compass 8.0 easier and more straightforward.

*Improved User Security* – Each user is assigned his/her own ID number preventing others from tampering with saved data and preferences.

*User Settings* – Users will be able to easily designate such items as

asset/style index preferences (including manager specified appropriate benchmarks), as well as chart settings/parameters to allow for quicker report generation. Defining indexes in advance allows users to produce single reports and calculate statistics (e.g. excess risk and return) against managers' individual benchmarks. Right click functionality also will be pervasive throughout the Wilshire Compass 8.0 allowing for easy manipulation of saved settings and chart modifications.

*Updated Graphical Package* – An updated graphical package will make for clearer and improved presentations. The data reports will take on a more spreadsheet-like feel and will allow for the use of many of the Microsoft Excel formulas directly in the Wilshire Compass 8.0.

*Enhanced Reporting* – Pages easily can be split into multiple panels for custom template designs and for automating reports.

*Custom Data Management* – The new Custom Data features include numerous sorting tools, assigning manager style types, base currencies and appropriate benchmarks.

*Additional Analytics* – With the Wilshire Compass 8.0, users will have the ability to run analysis on both sections of a Long/Short portfolio and be able to disaggregate returns attributable to each in both a holdings and returns based format. In addition, there will be additional functionality with regards to Capture ratios, multi-period holdings-based attribution analysis and a new Total Fund Risk budgeting tool.

The Wilshire Compass 8.0 system is being built using a .Net framework with SQL version 2005 and greater, and is compatible with the Microsoft Vista operating system. In addition, Wilshire Compass 8.0 users will have the option to utilize a web-based interface (via a Citrix model) to run databases and software housed at Wilshire, alleviating IT requirements and maintenance.

A beta version of the Wilshire Compass 8.0 should be ready for testing sometime in the early fall with a full release scheduled for availability by the end of the

year. If you would like more information (including system requirements) on the Wilshire Compass 8.0, or would like to be included in beta testing, please contact any of the Wilshire Compass Client Service team members.

## MUTUAL FUND DATA

Beginning with the early August data feed for July month-end information, the Wilshire Compass will switch its mutual fund service from Morningstar to Lipper ©. This change is very exciting as it will allow the Wilshire Compass to enhance its mutual fund analytical capabilities, particularly with the release of version 8.0. Among other things, our agreement with Lipper includes the use of holdings-based information, which we are in the process of evaluating to be able to incorporate into version 8.0. Wilshire Compass also will now be able to offer Lipper Indexes as additional return series in the index database.

While the historical data (e.g. monthly returns, net assets, etc.) will be comparable, Lipper categories offer more segmentation. Lipper classifies funds into 146 categories versus 69 unique categories for Morningstar. For instance, *Large Value* in Morningstar becomes *Large-Cap Value*, *Multi-Cap Value* and *Equity Income* in Lipper. Morningstar offers a *World Stock* category, while Lipper's equivalent is broken into 9 categories: *Global Large-*, *Multi-*, and *Small-Cap* classifications for *Core*, *Growth* and *Value* each.

Upon the switch to a Lipper feed in August, users will be required to either replace their Mutual Fund database in the Wilshire Compass, or “refresh” certain database tables to properly see the new Lipper categories. Absent this maintenance, users still will be able to view and receive data on individual funds, but viewing and running universe information may become problematic.

Please feel free to contact any of the Wilshire Compass Client Service team members for database assistance, a copy of a document with the full Lipper/Morningstar category mapping, or with any other questions.

## 2008 WILSHIRE COMPASS TECHNOLOGY SEMINAR

All of us with the Wilshire Compass would like to thank everyone who was able to attend the Wilshire Compass 2008 Technology Seminar at the Innisbrook Resort and Golf Club in Palm Harbor, Florida from April 2-4. Each year we strive to make the sessions more informative and hope to leave you with more uses for the Wilshire Compass in your daily activity. If there is anything that we can do better, please let us know. We're taking suggestions for the 2009 Seminar, so get your vote in!

Topics this year included general sessions on the Wilshire Compass 8.0, Short Extension Strategies and Wilshire Consulting's 2008 Capital Market Assumptions. Hands-on sessions covered Asset Allocation, Manager Evaluation/Search/Structure for Equity and Fixed Income, Total Fund Risk Budgeting and Analysis, Hedge Fund Evaluation, Reporting and suggestions for optimizing your use of the Wilshire Compass.

CD ROMs with PDF copies of each presentation will be mailed shortly, so check your mailbox! As always, if you have any questions or comments, please let us know.

## UPCOMING USER GROUPS

We are planning a series of hands-on, one-day workshops covering a range of topics as voted on and selected by participants again this year. We haven't yet decided on locations, but please feel free to contact any one of us if you have particular interest in a locale.

It should be an exciting rest of 2008, and we are all looking forward to rolling out the Wilshire Compass 8.0 and putting its power in your hands!

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