

## Metis, Wilshire Indexes Partner On Custom Index Offerings

Metis Global Partners has entered into a strategic partnership with Wilshire Indexes to enhance its customized beta solutions for investors.

The collaboration will enable Metis to leverage Wilshire's proprietary custom index ideation platform W+ to design and implement bespoke index strategies for institutional and high-net-worth clients.

Metis's Guided Beta offering provides tailored beta exposures across global markets using thematic, factor-based and alternative weighting methodologies. The partnership with Wilshire will significantly enhance Metis' ability to create "on-the-fly" custom solutions, Founder & CIO Machel Allen said.

"We have built these custom solutions internally previously, and in some cases, outsourced them to others. All of those things take time, more time sometimes than the situation requires ... the speed and data integration across different types of data, not just Wilshire's index data but also increasingly their partner data, our proprietary data, is really a big differentiator," she said.

W+ was launched roughly two years ago to meet a need of clients, said Brian Rosenberg, president of Wilshire Indexes.

"Indexes went from pure benchmark data products to now customization in every facet possible, including new data sources, screens, looking at things in a million different lenses, and clients want to be able to do that quickly," he said.

The two firms will also work together on joint research and thought leadership across both traditional and custom beta solutions.

Already, the firms have developed a Catholic values index and are beginning work on research around real asset indexing.

"I think what makes the marriage of the two organizations here unique is the ability to come together to research, to drive innovation and custom solutions where we're bringing the joint teams ... we're taking the ability to create index products, we're taking Machel and her team's ability to meet the needs of clients and when you marry it together you can come up with really engaging solutions that will solve challenges that are both tactical and more strategic," Rosenberg said.

Allen noted that Metis has already experienced significant success in providing custom indexing for these entities, stepping in where larger managers might lack the flexibility or have higher minimum asset requirements. Through the Wilshire partnership, the firm will be able to widen the scope of what can be explored with current and prospective clients.

"Some asset owners want to run strategies internally and some look for partners to help them that have that experience and that's the way we view Metis. Metis is a great partner for us because as asset owners come to us to try to solve problems, we could also point them to Machel's way, her team's way, to be able to come up with the right type of solutions to solve their challenges," he said.



Machel Allen

Allen said Metis, which manages \$5 billion across active and customized beta strategies for clients, has seen success in mission-aligned custom index solutions.

"Consultants and ocios in particular are competing on the premise that they are offering bespoke and differentiated solutions. And we worked with a number of those ocios, big and small, and had built custom solutions for them on that exact premise," Allen said, noting that for large managers offering customized solutions the minimum assets required can be high. "We were able to step in and create the solutions for them."

She pointed to the ability to create these solutions in various vehicles as another benefit Metis can bring to clients, which has particularly been attractive to nonprofit clients. "We've had tremendous success with that client base in terms of customized indexing, low-cost indexing over the last four years or so since we entered this space," Allen said.

The partnership will bring new solutions to clients of both firms amid a changing index landscape, said Courtney Scharff, global head of commercial strategy at Wilshire Indexes.

"It scares clients when you say the word custom because that means it's expensive. We want to change that because we can do custom at scale. Customization doesn't have to be expensive ... I think that's something Machel is trying to bring to market. That's something we're trying," Scharff said, noting that the ability to achieve outcomes should be reserved to the largest allocators. "We want to bring those outcomes to everyone ... we are focused on bringing trust in scale and empowering Metis to bring that to their clients."