

# Lumen Global Investments Launches R4A, Providing the Full Toolkit to Build Global, Fully Customized Portfolios

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/EINPresswire.com/ -- Lumen is redefining portfolio

construction by abandoning outdated industry norms in favor of a rigorously engineered, fundamentally-based, goal-aligned, and market-aware approach. R4A's approach is rooted in two foundational pillars that reshape how investment success is pursued: absolute alignment to

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We put the "Fin" in FinTech.”

*Simon Nocera, Founder, CEO,  
and Managing Partner*

client-specific objectives and the intelligent use of market-derived expectations instead of flawed discretionary forecasting.

**The Fallacy of the 60/40 Legacy**

For decades, the industry has defaulted to building

portfolios around risk “buckets” – or the treacherous conservative, moderate, aggressive defined by volatility instead of investment— and prepackaged allocations, most notably, the 60/40 stock/bond mix. While once seen as a prudent balance between growth and stability, this model has not only lost its relevance, but it has also been revealed as structurally flawed and risky.

The 60/40 framework relies on two major fallacies. First, it assumes erroneously that volatility alone is an adequate proxy for investor risk, neglecting actual investment objectives and fundamental value. Second, it fails to adapt to current market conditions, particularly when the fixed income component no longer delivers reliable returns due to inflationary pressures and, more importantly, the end of the historical secular bond market rally.

“Relying on the same static mix in a world of rapidly shifting market dynamics is not just outdated—it’s negligent, and dangerous,” said Simon Nocera, Managing Partner at Lumen Global Investments. “Investors deserve portfolios built with intentionality, reflecting both goals and market opportunities, not arbitrary formulas leading to cookie-cutter, one-size-fits-all formulas,” said Simon.

R4A flips this model on its head. Every investment solution begins with a clearly defined objective—whether that’s income generation, capital preservation, or aggressive growth. Portfolios are then constructed to directly align with those goals, “materially increasing the probability of successful outcomes and performance, this by construction alone,” Simon stated.

Listening to the Most Rational, Neutral, Reliable Analyst: The Market

While most firms still lean heavily on forecasting—betting on where markets, interest rates, or inflation might go, or relying on history, i.e., the rearview mirror, R4A avoids this speculative exercise and its constant pitfalls entirely. Decades of academic and market data make the case clear: the vast majority of active managers (or [98% according to S&P Global](#)) fail to outperform their benchmarks, year after year.

The implication is profound. If markets are right 98% of the time, they are wrong just 2% of the time. And with today's instantaneous global information flows in the palm of one's hand at zero marginal communication cost, prices instantly incorporate all available knowledge. In effect, the market itself has become the most reliable and neutral aggregator of information—the very definition of efficiency.

R4A treats prices as the most truthful investment signals. Rather than chasing unreliable forecasts, an expensive exercise of overconfidence, R4A instead extracts forward-looking return expectations directly from the market prices themselves—unbiased, timely, and reflective of the collective wisdom of the entire investing public.

The Lumen Global Value Compass: Technology For Modern Markets



R4A's edge is made possible by its proprietary Lumen Global Value Compass, a cutting-edge algorithm that reverse-engineers implied expected returns from current market prices. Unlike conventional models that rely on historical returns or discretionary views, the Compass offers three crucial advantages:


- Unbiased – It is completely free of human subjectivity or macroeconomic guessing.
- Forward-Looking – It derives expectations from present-day prices, not backward-looking assumptions or rearview mirror.
- Universal – It works across all asset types, enabling true apples-to-apples comparisons with one single ranking metric across stocks, bonds, commodities, ETFs, factors, and more.

With these expected returns in hand, R4A deploys its proprietary portfolio optimizer, a sophisticated and customized extension of the Nobel Prize-winning Black-Litterman framework.

**A Revolutionary Portfolio Construction Solution Across Global Markets**

Tailored Investments and Personalized Performances



LUMEN GLOBAL INVESTMENTS 

Toolkit to build global, diversified, and fully customized portfolios with technology

[www.lumenr4a.com](http://www.lumenr4a.com)

Introducing R4A, A Revolutionary Portfolio Construction Solution Across Global Markets, For Tailored Investments and Personalized Performance

Unlike traditional optimizers that rely on static inputs and generic assumptions, R4A's system integrates real-time market valuations and current correlations to generate portfolios that are not only theoretically optimal but demonstrably high performing.

"This is next-generation asset allocation," said Simon. "We've moved beyond optimization as a theoretical exercise. Our platform uses real data, in real time, to build solutions that reflect both the investor's objective and the current reality and granular opportunities of modern global capital markets," according to Simon.

#### Precision Investments, Personalized Performance

The result is a suite of investment solutions that are customized, diversified, and designed for high-probability success. Clients receive portfolios that:

- Align directly with their personal investment objectives
- Avoid outdated heuristics and arbitrary allocations
- Reflect current global market conditions at granular levels
- Leverage the power of market efficiency, rather than fight it
- Continuously adapt and deliver digitally, at real-time speed

R4A's edge stems from a unique combination: a semi-passive approach that "listens" to the market for forward guidance and valuation signals, paired with a rigorous, semi-active portfolio construction and optimization process. While this second step is often overlooked by traditional managers, it is critical to achieving superior outcomes. The combination of disciplined market interpretation and robust, objective-driven optimization represents a powerful formula designed to support consistent, high-quality investment results.

With R4A, investors are no longer constrained by legacy tools and practices that no longer work in a world transformed by data and connectivity. Instead, they gain access to investment solutions that are engineered from the ground up for performance, purpose, and precision.

#### About R4A

R4A is a technology-powered investment platform built by a team with 70 years of global investment experience, and committed to building customized, outcome-driven portfolios using cutting-edge algorithms and real-time market data. With its proprietary Lumen Global Value Compass and enhanced optimization framework, R4A transforms how investors achieve their goals—through clarity, customization, and intelligent alignment, delivering excellent results.

Lumen Global Investments, San Francisco

For more information and to request a demo, visit [www.lumenr4a.com](http://www.lumenr4a.com)

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