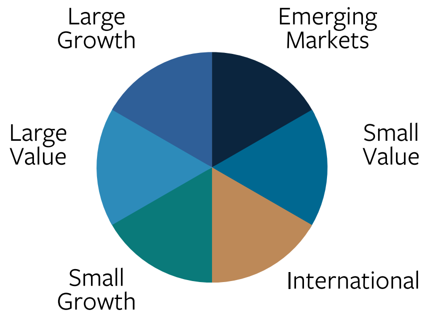
Our Guiding Principles for Risk Management

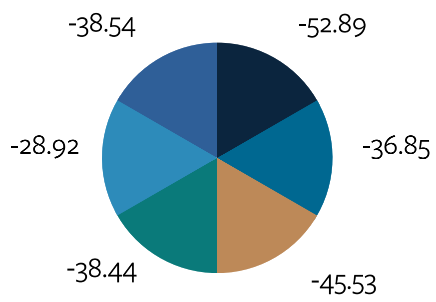
Question Tradition

In the same way products in our every day lives continue to evolve, so does our investment process. We work withh industry thought leaders to advance traditional methodologies and incorporate innovative strategies in an effort to achieve a smarter portfolio process for all markets.

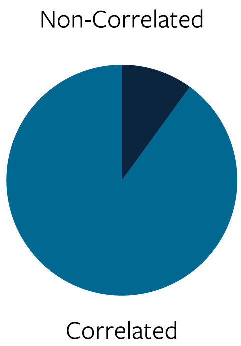
Traditional asset allocation appears to provide a diversified portfolio comprised of asset classes. However, this so-called “diversification” typically fails during a down market event, such as between January 1, 2008 and December 31, 2008 (pictured below). Correlation reveals that the portfolio isn’t so diversified after all.



Do you feel diversified?
Source: Morningstar



The “diversified” portfolio fails in down markets.



Correlation reveals a portfolio’s actual “diversification”.

Understanding Diversification

The purpose of diversification is to produce a smoother investment experience. A lineup of investment strategies, some better suited for up markets and down markets, are incorporated at statistically optimal weights. By creating this optimal mix, the diversified blend of methodologies creates a portfolio that is designed to adapt to changing markets dynamically.

Growth Stock
Momentum
Tactical Trading

Active Management

Higher Yielding Income
Event Driven
Inflation Protection

Lower Cost Indexing

Income Focused Investments

Real Estate
Lower Turnover
Dividend Income

Absolute Return
Low Correlation “Alternatives
Real Assets

Tactical Management

WEALTHPLAN GROUP

Investments and strategies shown may not be suitable for all investors. The sampling of investment strategies shown are for illustrative purposes only and are based upon individual observation and potential use during t he various market cycles.