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CORE + SATELLITE
INVESTING STRATEGY

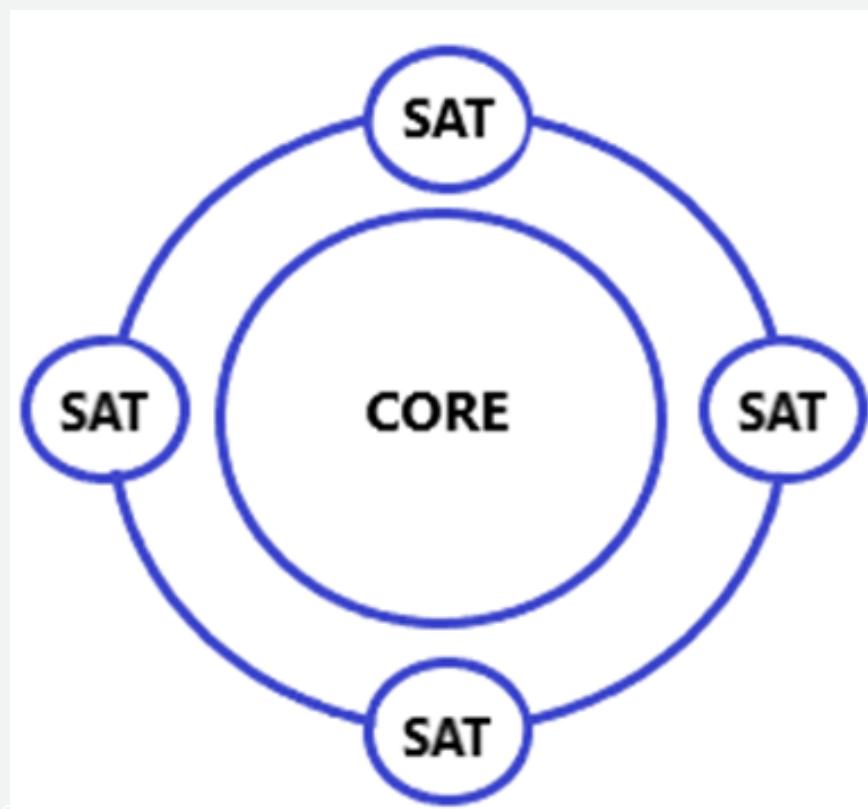
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Core + Satellite

Far too many advisors and managers say they will make adjustments to your portfolio as market conditions change. What they are really saying is that they can time the markets. Although, PMWS agrees that changes to portfolio should be considered, it's the approach to this strategy that counts. There is a saying, it's time in the markets, not market timing that will help you grow your investment portfolio. This is where a Core + Satellite approach could make sense.

A Core + Satellite is just as it sounds. You have a core set of investments that essentially do not change regardless of market conditions. Typically, the core would represent your longer term goals and needs. The satellite holdings would be more opportunistic or thematic in nature. This allows for the satellite holdings to be changed, reduced or eliminated as market conditions change, while keeping the core in place still staying invested.

The way you would approach an allocation is determining how much would be allocated to the core and then satellite. For example, you could have 70% of the portfolio allocated to core and the 30% to satellite positions.

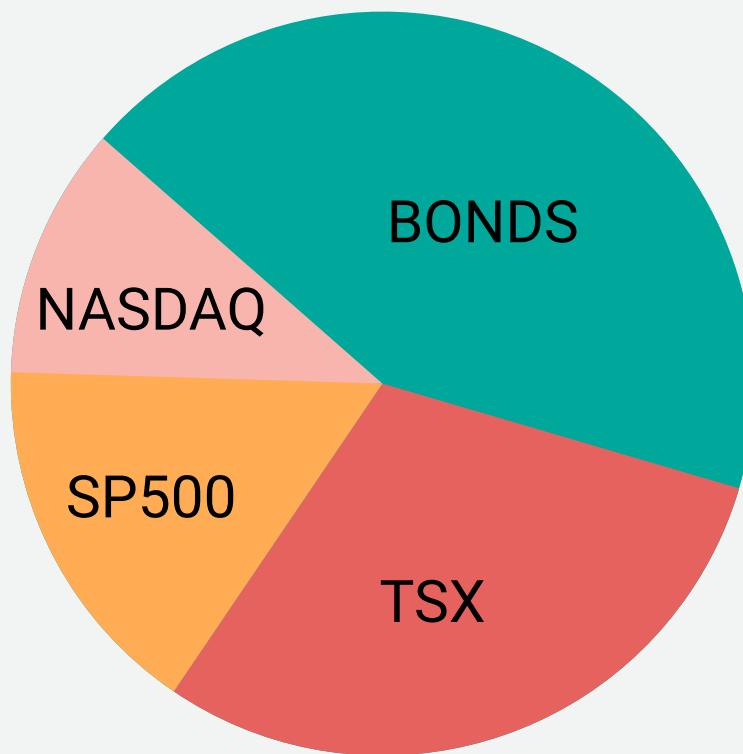


Core Holdings

Once the allocation between core and satellite has been made, then it comes down to allocating investments to the core holdings.

The core of your portfolio is the foundation of your investment goals and needs. It can be comprised of income producing (dividend) holdings, growth or even bonds. Each person's core can be different based on their needs.

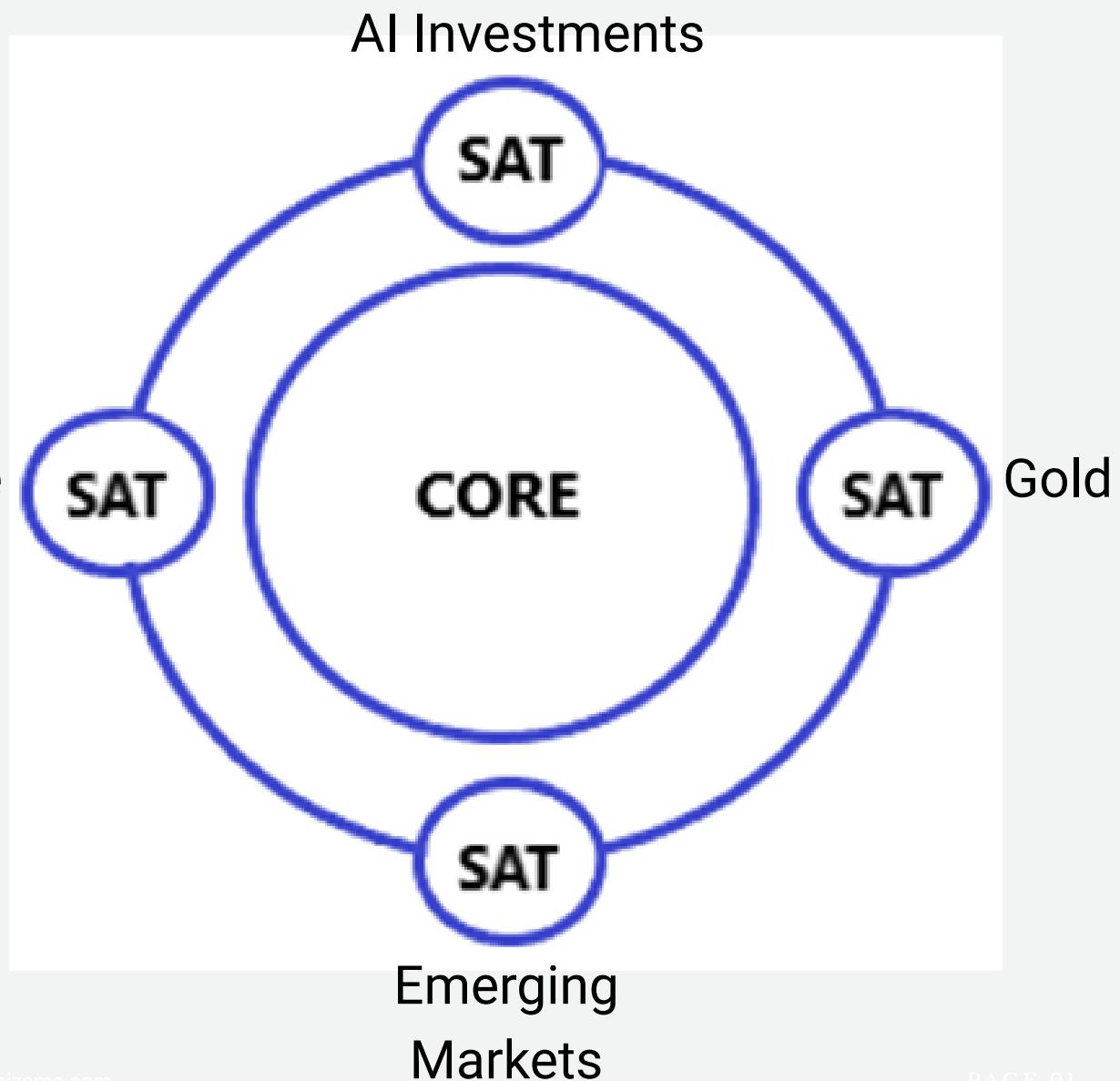
The pie chart illustrates how a broad based core portfolio could be allocated.



Satellite

Now, that a core portfolio has been established the satellite can be constructed on thematic or sector specific investments.

The choice of satellite investment can be driven by the manager or even with client input. For example, the client may have an interest in Artificial Intelligence and would like to gain exposure to the the area. That interest could form part of the satellite holdings. The chart below shows how satellite holdings could be constructed.



Summary

When looking at an investment strategy you need to better understand how it will be executed. Ask yourself, does the standard asset allocation model still make sense when compared to a Core + Satellite?

The Core + Satellite addresses two issues. Number one, you still have an asset allocation based on your needs and goals. Number two, you know exactly what areas will change once market conditions dictate, while still being invested in the markets. Nothing fancy, its actually pretty simple. Satellite could also add additional exposure to your core portfolio. For example, if the bond market is expected to perform well as interest rates fall going into a recession, you could overlay additional bonds to your core portfolio. In the future, a new satellite position could be established again.

PMWS offers a no obligation free view of your retirement situation. We call it a 20/20 in 20. This means, together we will answer those 4 retirement questions outlined to see what your current GPS position is and how far along you are to your retirement journey.

Unlike our competition, once you have completed to 20/20 in 20 we will not be constantly calling you to become a client. We will let you decide when you are ready to come work together. In the meantime, you will have access to our resources to build your knowledge and confidence when it comes to your finances.



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