

Investment philosophy



Wealth
Management

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Investment outlook

- We believe modest U.S. economic growth will continue despite volatile and uncertain global economic conditions. Market and economic fundamentals suggest equity assets should perform at or above their historical long-term averages. However, we are cautious investors and review investment strategies with a healthy skepticism to remain flexible and respond to market and economic changes as necessary.
- Our core investment strategy emphasizes well-established and industry-leading companies that pay above-average dividends with potential for above-average dividend growth. In the area of fixed income, tax-exempt municipal bonds offer attractive yields relative to other bonds.

Investment strategy & discipline

- We believe the most effective way to capitalize on constructive market trends is to be invested across a diversified range of equity asset classes, while also incorporating fixed income, cash and select alternative investments in smaller proportions as appropriate given a client's risk tolerance, time horizon and financial goals.
- We base investment decisions on probabilities rather than predictions, evaluating supporting factors that should allow the investment to appreciate in value.

- Because we believe stocks will outperform other assets in an overall constructive environment, we generally maintain “long” market positions. However, even in rising markets we expect short-term volatility and declines in assets values.
- In our experience, simpler can be better in terms of allocation. Based on Morningstar research, over the last 20 years, a straightforward 70/30 mix of U.S. stocks and bonds delivered a better return than portfolios that also included foreign stocks, real estate, commodities and hedge funds (WSJ “How Much Diversification is Too Much?” 8/14/14).

Investment management

- We build client portfolios primarily using individual stocks and bonds.
- We also use select exchange-traded funds (ETFs), mutual funds and money managers. We use funds or money managers to gain exposure to particular asset classes, sectors and investment styles to diversify our core stock and bond investments.
- We actively manage portfolios on a **discretionary** and **fiduciary** basis in a **fee-based** account.