Building Portfolios for High-Net-Worth Investors

September 20, 2012
Scott D. Welch, MBA, CIMA®
Fortigent, LLC
# ABOUT FORTIGENT

<table>
<thead>
<tr>
<th>Who We Are:</th>
<th>Comprehensive &amp; Open Investment Platform</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outsourced wealth management platform to ~90 S/MFÖs, RIAs, Banks, &amp; Trust Companies</td>
<td>✓ Traditional</td>
</tr>
<tr>
<td>Focus on firms serving HNW investors and families</td>
<td>✓ Alternative</td>
</tr>
<tr>
<td>~$50 billion in assets on platform</td>
<td>✓ ETFs, MF, SMA, LPs</td>
</tr>
<tr>
<td>Average “end investor” size of ~$7 million</td>
<td>✓ Access Overlay™ (UMA)</td>
</tr>
</tbody>
</table>

**Information Management**

- Proposal & Analytic Tools
- “Custodial Agnostic” Data Aggregation
- Consolidated Performance Reporting
- Practice Management Metrics
ABOUT IMCA®

- Based in Denver, the Investment Management Consultants Association® was established in 1985 to deliver the premier investment consulting and wealth management credentials and world-class educational offerings—membership, conferences, research, and publications.

- IMCA’s Certified Investment Management Analyst ® (CIMA®) certification is the only advanced certification designed specifically for investment consultants.

- IMCA also delivers an advanced credential for wealth management professionals working with high-net-worth clients, the Certified Private Wealth Advisor® (CPWA®) certification.

www.IMCA.org
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Please see the important disclosures at the end of this presentation.
Topics for discussion

• Trends transforming the HNW market place
• Building “endowment-ish” portfolios for taxable HNW investors
• A new conversation about alternative investing
• Why performance reporting matters
• The wealth management firm of the future
• Summary and Conclusions
Trends with HNW investors

- More concerned about due diligence
- More interested in risk management, transparency, and liquidity
- Want to be more involved in the decision-making
- Less interested in traditional bond / equity portfolios
- Increasing interest in alternatives, with caveats
- More cost / value / tax sensitive
Is the grass greener on the other side?

IBM interviewed 1,300 investors with at least $500,000 or more in investable assets – in JANUARY 2008

• “Would you recommend your advisor to your friends and family?”
• “Would you go to your advisor for a new product or service?”
• “Would you switch advisors if a competitor offered an attractive product or service?”

Loooccy...we got some ‘splainin’ to do...

Responses about *wealth managers*:
- Antagonistic: 19%
- Apathetic: 38%
- Advocates: 43%

Responses about *bankers*:
- Antagonistic: 37%
- Apathetic: 39%
- Advocates: 24%

This was BEFORE the market collapse in 2008!

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A 30,000 foot view of the industry...

- **What has *not* changed?**
  - Wealth management as a *design* industry
  - Integrated wealth management
  - The benefits of core / satellite portfolio construction
  - Focus on fees & taxes

- **What *has* changed?**
  - The increased importance of due diligence
  - The evolution of unified managed accounts (UMA)
  - The evolution of alternative investment mutual funds
  - Redefining “alpha”
  - Rebuilding trust and developing client advocacy
  - Collaboration
Are you the “Ritz-Carlton” of wealth management?

- Wealth Management remains in a “post-product, post-service” state of evolution

- It remains a design industry – it is all about the client experience
  - An affinity-based client segmentation
  - An advice-oriented business model
  - A differentiated investment platform
  - A client-centric service model
  - A “credentialized” professional staff
  - An integrated delivery system
Building “Endowment-ish” Portfolios for Taxable HNW Investors
Bummer, dude...

Many economists and market professionals now believe that investors are in for lower equity risk premiums into the foreseeable future (0% - 5% real return range.)*

Investors are looking for new ideas...

*Sources: CFA Institute; Cowles Foundation for Research in Economics at Yale University; Arnott & Bernstein; Dimson, Marsh & Staunton; French & Fama; Harold Evensky; Graham & Harvey; Siegel
Integrated wealth management

Asset Allocation
- Investment Policy
- Diversification
- Optimization
- Portfolio Construction
- Manager Search & Selection
- Traditional & Alternative Investment Strategies

Goals-Based Investment Plans

Asset Location
- Choice of Investment Entity
- Estate Planning
- Qualified Accounts
- Transfer and Income Tax Planning

Goals-Based Investment Planning
- Lifestyle / Cash Flow Requirements
- Inheritance / Dynasty Goals
- Philanthropic Goals
- Risk Tolerance
- Emotional / Behavioral Factors
The evolution of “alpha”

• “Alpha” is anything that an investor is willing to pay for in the expectation that it will add value to the investment portfolio beyond passive beta
  ▪ Global beta allocation decisions
  ▪ Fee and tax management
  ▪ Active beta management (long/short)
  ▪ Active management skill (the academic definition of alpha)
  ▪ Diversification and reduced cross-asset correlation
  ▪ Illiquidity and leverage management
The “4 Alpha” portfolio approach

- **Tax & Fee Alpha**
  - Tax-managed beta
  - Unified managed accounts

- **Leverage & Illiquidity Alpha**
  - Hedge Funds
  - Funds of Funds
  - Private Inv.

- **Active Alpha**
  - Long / short beta management
  - Active management skill

- **Low Correlation Alpha**
  - CTA / Macro trading strategies
  - Liquid Real Assets (MLPs, REITs, commodities)

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It ain’t easy being active...

“The Truth-In-Advertising People want us to call ourselves the ‘Sluggish Fund Group’.”

*Licensed from Cartoonstock.com*
### Spiva don’t lie...

<table>
<thead>
<tr>
<th>Fund Category</th>
<th>Comparison Index</th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Domestic Funds</td>
<td>S&amp;P Composite 1500</td>
<td>84.07%</td>
<td>56.53%</td>
<td>61.88%</td>
</tr>
<tr>
<td>All Large Cap Funds</td>
<td>S&amp;P 500</td>
<td>81.28%</td>
<td>69.39%</td>
<td>61.88%</td>
</tr>
<tr>
<td>All Mid Cap Funds</td>
<td>S&amp;P MidCap 400</td>
<td>67.36%</td>
<td>70.60%</td>
<td>61.93%</td>
</tr>
<tr>
<td>All Small Cap Funds</td>
<td>S&amp;P SmallCap 600</td>
<td>85.78%</td>
<td>51.60%</td>
<td>72.56%</td>
</tr>
<tr>
<td>Global Funds</td>
<td>S&amp;P Global 1200</td>
<td>69.39%</td>
<td>55.92%</td>
<td>62.86%</td>
</tr>
<tr>
<td>Emerging Markets Funds</td>
<td>S&amp;P / IFCI Composite</td>
<td>53.70%</td>
<td>74.82%</td>
<td>82.89%</td>
</tr>
</tbody>
</table>

*Source: Standard & Poor’s Indices Versus Active (SPIVA) Scorecard (Through Year-End 2011)*
Active management is tough
Mutual funds by category - % outperforming over time

- Results cycle over time
- “Average” domestic fund doing poorly in 2012
- “Average” international and emerging markets doing well in 2012
- Doesn’t reflect the level of outperformance
Core / Satellite portfolios

Cost & Tax Efficiency

Higher

CORE
ETFs
Index Funds
Tax-Enhanced Index Funds
Non Cap-Weighted Products
Unified Managed Accounts

Intelligent Use of Traditional Long Only Active Managers

Lower

Potential for “Alpha” Generation

Higher

SATELLITE
Alpha-Chasing “Traditional”
- All Cap
- Global
- Emerging Markets
- Micro-Cap
- Less Style Constraints
- Ability to Short
- Concentrated Portfolios
Diversified Alternatives
Directional Alternatives
Managed Futures
Liquid Real Assets

Adapted from Jean Brunel, Brunel Associates.
Coincidence? I think not...

ETF Growth 2000-2011

Hedge Fund Growth 2000-2011

Sources: BlackRock and BarclayHedge
Endowments love alts
The Endowment Portfolios

Sources: NACUBO Asset Allocation Survey for Fiscal Year 2011

“Alternative Strategies” include Hedge Funds, PE and VC, and Real Assets
The “uber-wealthy” love alts

Average Asset Allocation as of December 31, 2010

- Hedge Funds and/or Funds of Funds: 19%
- Private Equity: 10%
- Real Estate Investments: 8%
- Commodities: 3%
- Venture Capital: 2%
- Long-Only Equity (Global): 14%
- Long-Only Equity (Domestic): 18%
- Taxable Bonds: 7%
- Municipals: 9%
- Cash: 9%
- Other: 1%

Source: 2010 IPI Family Performance Tracking Survey; Campden FO Spring 2011
Barron’s top wealth advisors love alts

Asset Allocation of Barron's Top WM Firms

(Alternatives include Real Estate, Commodities, Hedge Funds, Private Equity, and Other)

Source: Barron’s (March 2012)
Don’t throw the baby out with the bathwater...

- Many endowments suffered in 2008-2009 because of illiquidity and forced selling of discounted assets.
- **Does not** negate the benefits of adopting the positive aspects of the endowment model:
  - Broad diversification
  - Intelligent use of active vs. passive (cost rationalization of active management fees)
  - Prudent use of alternative investments
  - Long-term time horizon
  - Investment discipline through full market cycles
U.M.A, Not Uma!!

Where is my flexibility and tax-effectiveness?

Source: Google Images
Evolution of Investment Management

1980s
- Portfolio of Individual Stocks
  - Poor Diversification
  - Selection Driven by Broker Research
  - Customizable, but Difficult to Implement

1990s
- Mutual Funds
  - Easy to Use
  - Diversified
  - Top-Tier Asset Mgmt
  - Not Customizable
  - Tax Inefficient

2000s
- Separate Accounts
  - Diversified
  - Top-Tier Asset Mgmt
  - Promised, but Undelivered, Tax Mgmt & Disciplined Rebalancing
  - Customizable, but Difficult to Implement & Rarely Executed

Now!
- Tax Overlay & UMA
  - Easy to Use
  - ~ Net Cost Neutral to SMAs
  - Diversified
  - Access to Boutique and Institution-Only Managers
  - Promised and Delivered Tax Mgmt & Disciplined Rebalancing
  - Customizable (And Really Done!)
  - After-Tax Performance Reporting

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Unified Managed Accounts

- **Quality managers, tax efficiency, easy implementation**
  - Research, due diligence, and monitoring
  - Recommended managers across widely diversified asset classes including alternatives and credit
  - Negotiated access and management fees
  - Low minimums and active tax management
  - Technology and manager adoption evolving rapidly

- **Customizable asset allocation and model portfolios**
  - Flexible, open platform
  - Advisor discretion – easy to rebalance and make tactical shifts
  - SRI and concentrated holdings management
  - Multiple custodians accommodated
  - Skillful integration of UMA into broader portfolio construction
  - Daily sleeve-level reporting, and tax overlay available

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**TAX-MANAGED OVERLAY**

<table>
<thead>
<tr>
<th>Tactical ETF Portfolio (“Sleeve”)</th>
<th>Emerging Markets Manager (SMA)</th>
<th>Developed International Manager (SMA)</th>
<th>Tax-Enhanced Core Index (SMA)</th>
<th>All Cap Manager (SMA)</th>
<th>Small Cap Core Manager (SMA)</th>
</tr>
</thead>
</table>

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Implementing Core / Satellite with a UMA

Almost all can be delivered via a Unified Managed Account

- **Passive Core**
  - US LC (60%)
  - US SC (50%)
  - Dev. Int’l (40%)
  - Index funds
  - ETFs
  - TEI* Products
    - Cap weighted
    - RAFI
    - Tactical Sleeve

- **Active Core**
  - US LC/SC
  - US All Cap
  - Micro-Cap
  - Int’l LC/SC
  - Int’l All Cap
  - Global Equity
  - Emerging Mkts.
  - Long/Short
  - Fixed Income

- **Liquid Real Assets**
  - MLPs
  - Commodities
  - REITs

- **Trading Strategies**

- **Private Real Estate**

- **Directional Alts**

- **Private Equity**

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Summary

- **Increased separation of alpha and beta**
  - Asset managers bifurcating into producers of inexpensive beta and higher priced alpha chasers
- **Core / Satellite portfolios have multiple benefits:**
  - Justify increased use of passive strategies
  - Cost and tax effectiveness
  - Creates intuitive and easy-to-understand “buckets” for active core and satellite managers
  - Can increasingly be applied to both the “traditional” and “alternative” portions of the overall portfolio
  - Creates an “endowment-like” portfolio for taxable individuals
  - Better diversification
  - “Cost and tax rationalized”

**VERY DIFFERENTIATING AND SELLABLE TO HNW INVESTORS**
Alternative Investing

What’s Next?
A common perception...

Source: Forbes Magazine, March 26, 2009
Convergence between alternative & traditional strategies?

Source: Citi Prime Finance, ICI, HFR. Size of bubbles are illustrative of AUM

Exhibit 1
Alternative investments have grown faster than non-alternatives over the last 6 years and have surpassed peak 2007 levels

Global AUM (2005-11)

<table>
<thead>
<tr>
<th>Year</th>
<th>Non-alternatives</th>
<th>Alternatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>37.7</td>
<td>2.9</td>
</tr>
<tr>
<td>2006</td>
<td>44.0</td>
<td>4.2</td>
</tr>
<tr>
<td>2007</td>
<td>46.6</td>
<td>5.7</td>
</tr>
<tr>
<td>2008</td>
<td>49.8</td>
<td>5.0</td>
</tr>
<tr>
<td>2009</td>
<td>49.6</td>
<td>5.6</td>
</tr>
<tr>
<td>2010</td>
<td>46.0</td>
<td>6.2</td>
</tr>
<tr>
<td>2011</td>
<td>38.9</td>
<td>6.5</td>
</tr>
</tbody>
</table>

CAGR (2005-11)

- Non-alternatives: 1.9%
- Alternatives: 14.2%

CAGR of alternatives accounts for 14% of the global institutional market and 16% of the global retail market.

Exhibit 2
Institutional investors expect to increase allocations to almost all alternative classes

<table>
<thead>
<tr>
<th>Alternative Class</th>
<th>2009</th>
<th>2010</th>
<th>2013E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private equity</td>
<td>3.1</td>
<td>6.2</td>
<td>6.8</td>
</tr>
<tr>
<td>Hedge funds</td>
<td>4.2</td>
<td>6.4</td>
<td>6.8</td>
</tr>
<tr>
<td>Real estate</td>
<td>4.1</td>
<td>5.9</td>
<td>6.5</td>
</tr>
<tr>
<td>Infrastructure &amp; Commodities</td>
<td>3.2</td>
<td>1.2</td>
<td>1.3</td>
</tr>
</tbody>
</table>

Exhibit 3
Alternatives are experiencing strong growth in the retail market, particularly in U.S. mutual funds

Retail alternative funds assets growth

- Non-U.S.: +11% p.a.

Share of all long-term retail fund AUM

Where do alternatives go from here?

- **Core/Satellite, Beta Replication, The Role of Single Strategy Managers, Redefining “Alternative”**
- Core as diversified multi-strategy fund, fund of funds or cheap “beta” replication
- Satellites as complementary exposures or opportunistic investments
- Long/short as dynamic components of equity and credit exposures rather than as “alternatives”
- Focus on liquidity, regulatory oversight, fees, skill, correlation...and due diligence
Alternatives allocation approach: core / satellite

- Consider reframing the conversation regarding alternative investments
- View as a core/satellite
- Customize the trade-off between risk, return, liquidity, and fees
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Both Core and Satellite solutions should contain liquid investment options, such as satellite-specific mutual funds, to provide exposure while leaving "dry powder" in the event of liquidity needs or tactical rebalancing.
Why core / satellite makes sense for alternatives

• Benefits of Core / Satellite Implementation
  • Improved access to strategies
  • Improved flexibility of allocations
  • Greater control of portfolio characteristics (especially fees and liquidity)
  • Advisor as portfolio manager
  • Greater ability to take advantage of tactical market opportunities
  • Potential for improved risk control
  • Deeper conversations with clients – increase “stickiness”
Market outlook for alternatives

• **Strong Confidence in Continued Use of Alternative Investments:**
  - Alternative investments can play an important role in diversified portfolios, especially in volatile market regimes
  - Mutual funds, ETFs, and replication strategies are here to stay and the quantity and quality of choices will increase
  - Aversion to LPs no longer a viable reason to avoid alternative investments
  - Due diligence requirements have increased!

• **New Thinking and New Conversations:**
  - Long/short equity as a dynamic allocation within the overall equity portfolio rather than as an “alternative” strategy
  - Expand the core/satellite mentality to alternative allocations
  - Customize portfolio with respect to risk, return, liquidity, and fees
  - Open up the possibility for a more tactical approach to alternative investing
Why Performance Reporting Matters
The way many advisors view performance reporting

Why are there fifteen different benchmarks on our performance reports?

Good thinking!...

That way I figured we might beat at least one of them.
Reporting matters!

<table>
<thead>
<tr>
<th>Universal bank</th>
<th>Firms with a banking heritage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reasons for selecting firm:</td>
<td></td>
</tr>
<tr>
<td>The top five reasons for advocates:</td>
<td></td>
</tr>
<tr>
<td>• Reputation of firm (43%)</td>
<td></td>
</tr>
<tr>
<td>• Customer service (39%)</td>
<td></td>
</tr>
<tr>
<td>• Convenience (35%)</td>
<td></td>
</tr>
<tr>
<td>• Advisor understood needs (30%)</td>
<td></td>
</tr>
<tr>
<td>• Convenient location (28)</td>
<td></td>
</tr>
</tbody>
</table>

Contact point and frequency ratings:
• Ninety-six percent of advocates rate quality of service for financial advisors as excellent, as compared to apathetics at 54 percent.
• Fifty-one percent of all advocates meet their advisor less than quarterly, while 47 percent call or email more than once a month.

Reporting and statements:
• Only 30 percent of apathetics agreed that “quality of reports meets expectations.”

*The lowest ranked tenure of all three groups, with only 36 percent of clients with 10 or more years tenure.

*Eighty-two percent of advocates reported having 71-100 percent of their assets managed by their firm – over twice as much as apathetics.

Building the great (knowledge) pyramid

- Information Management Requirements
  - Aggregation is now a “must” but only valuable if you can manage the information
  - Timely, accurate, and consolidated performance reporting
  - Where does your reporting stand on the “Knowledge Pyramid”?

Adapted from Alexander Ineichen
One picture = 1,000 words...

Value of Asset Allocation

Value of Manager Selection

* Adapted from Dr. Richard Marston, CIMA Program at Wharton
Goals-based investing cannot be fully implemented without reporting...

"WAF" DOES NOT ASSUME SEGREGATED ACCOUNTS FOR SPECIFIED OBJECTIVES – COULD NOT OPTIMIZE TAX EFFICIENCY...

<table>
<thead>
<tr>
<th>Goal</th>
<th>Accounts</th>
<th>% Invested</th>
<th>Personal</th>
<th>Market</th>
<th>Aspirational</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement Goal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IRA Account 1</td>
<td></td>
<td>25%</td>
<td>40%</td>
<td>60%</td>
<td>0%</td>
</tr>
<tr>
<td>IRA Account 2</td>
<td></td>
<td>25%</td>
<td>30%</td>
<td>70%</td>
<td>0%</td>
</tr>
<tr>
<td>Brokerage Account 1</td>
<td></td>
<td>10%</td>
<td>0%</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>Employee Stock &amp; Stock Options</td>
<td></td>
<td>10%</td>
<td>0%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Children's Educational Goals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>529 Plan 1</td>
<td></td>
<td>5%</td>
<td>50%</td>
<td>50%</td>
<td>0%</td>
</tr>
<tr>
<td>529 Plan 2</td>
<td></td>
<td>5%</td>
<td>70%</td>
<td>30%</td>
<td>0%</td>
</tr>
<tr>
<td>Brokerage Account 2</td>
<td></td>
<td>10%</td>
<td>0%</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>Legacy Wealth Goal</td>
<td>Trust Account</td>
<td>10%</td>
<td>0%</td>
<td>80%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Total Portfolio (Including All Goals) 100% 23.5% 64.5% 12.0%

THIS ONLY WORKS IF YOU CAN AGGREGATE THE POSITIONS OUT OF THE ACCOUNTS AND INTO THE APPROPRIATE OBJECTIVES BUCKETS

Table Source: Ashvin Chhabra
Rebuilding Trust & Developing Client Advocacy
A framework for building trust

\[
\text{CREDIBILITY + RELIABILITY + INTIMACY} = \text{SELF - INTEREST}
\]

Source: TrustedAdvisor.com
The power of collaboration*

Most popular websites**: 
#2: Facebook 
#3: Youtube 
#8: Twitter 
#11: Blogspot

What is common about these sites?

All content is supplied by the users!

➔ The power of collaboration...

How can you use that in your WM business?


• **Source:** [http://www.mostpopularwebsites.net](http://www.mostpopularwebsites.net)
Summary and Conclusions

- In a highly volatile, potentially low return market regime, advisors need to think differently about what “adding value” means in constructing and managing investor portfolios

- **Focus on the “left side of the decimal point”**
  - Estate planning
  - Asset allocation
  - Beta management (both tactical beta shifts and dialing up/down beta across the portfolio)
  - Cost and tax management
  - Manager selection
Summary and Conclusions

• Apply the “4 alpha” portfolio concept
  • Tax and fee alpha
  • Active management alpha
  • Low correlation alpha
  • Leverage and illiquidity alpha
• Deliver an “endowment-ish” portfolio
  • Global diversification
  • Intelligent use of passive vs. active
  • Prudent use of alternatives
  • Long-term time horizon
  • Investment discipline
Summary and Conclusions

• **Rethink the use of alternative investments**
  • Take advantage of the evolution of liquid alternatives
  • Apply a core / satellite portfolio construction approach
  • Increase the ability to make tactical moves within the alternatives portfolio
  • Customize alternatives exposure with respect to risk, potential return, fees, and liquidity

• **Use your performance report to turn data into client advocacy**
  • Data ➔ Information ➔ Insight ➔ Advice ➔ Action
  • Show clients how you are adding value to their lives
  • Reporting on ALL client assets = trusted advisor
The HNW advisor of the future

**HNW families demand an objective and consultative wealth management solution**

- The successful HNW advisory firm of the future will be based on **service**, **objectivity**, **technology**, and **innovation**.

- For firms that can afford it, acquisition will remain tempting, but creating the appropriate brand and market perception in the HNW space will be difficult.

- **Outsourcing** will increase in all aspects of the business, as advisors increasingly recognize the operational, competitive, and profitability benefits of partnering with proven solution providers.
Your brand will not be based on your products

• Wealth Management is a design industry (think Ritz-Carlton, Whole Foods, and Nordstrom)

• In a design industry, your brand is determined by
  • The quality of your service
  • The quality of your solution
  • The quality of the client “experience”
Wealth Management: where do we go from here?

• The “Wealth Management Practice of the Future” will be built on 3 core foundations:
  • Trust
  • Alignment of interests
  • Collaboration

• Build wealth management practices intelligently
  • Deliver a differentiated and tax-effective investment platform
  • Provide wisdom and knowledge, not information and data
  • Optimize service offering and profitability by focusing on core competencies and outsource everything else

DELIVER THE EXPERIENCE
What it all boils down to...

“The meaning of life, my son, is to outperform the market.”

Source: Steven Weiss, Rothco Cartoons
Suggested reading

• **By Fortigent:**
Suggested reading

By Alexander Ineichen:

• “Results of the Credit Suisse 2010 Global Survey of Hedge Fund Managers’ Marketing Strategies”, Credit Suisse Capital Services, March 2010.
Suggested reading

• **By Ashvin Chhabra, et. al.**

• **By Jean Brunel**

• **By Scott Welch**
Suggested reading


• “The Benefits of Separating Portfolio Management of Alpha and Beta”, by Eric Branhorst, State Street Global Advisors “Point of View” ([http://www.ssga.com](http://www.ssga.com))

• “The Alpha-Beta Chowder: Understanding Portfolio Risk and Return”, Discussion with Larry Siegel, Director of Research at the Ford Foundation, by Advisor Perspectives ([http://www.advisorperspectives.com](http://www.advisorperspectives.com))

Suggested reading


Suggested reading


Suggested reading


About the speaker...

- **Scott Welch, Senior Managing Director**
- **Head of the Investment Research and Strategy Group**
- Prior to joining Fortigent in 1998, Scott spent over 12 years on Wall Street with Swiss Bank Corporation and The Globecon Group, a bank consulting firm. His focus during that time was the derivatives market, relationship management, and the capital markets.
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