



# The Top 10 Most-Read Investment Articles of 2017

December 22, 2017  
by Robert Huebscher

As is our custom, we conclude the year by reflecting on the 10 most-read articles over the past 12 months. The list below reflects articles focused on investing, economics and financial planning.

In decreasing order, based on the number of unique readers, those are:

1. **Bob Rodriguez – We are Witnessing the Development of a “Perfect Storm”**  
by Robert Huebscher, 6/27/17

Bob Rodriguez, FPA’s now-retired portfolio manager, earned many awards and distinctions during his 33-year career. In this interview, he talks about the role of the Fed in the price-setting mechanism. “When the markets finally do break, as they always have historically, ETFs and index funds will be destabilizing influences,” he says.

2. **Harry Markopolos – Who Exposed Madoff – Has Uncovered a New Fraud**  
by Robert Huebscher, 6/11/17

Harry Markopolos, the investigator who exposed Madoff, has uncovered a new fraud. The unfunded status of the pension fund of the Boston Transit Authority is \$500 million bigger than previously thought. This will have a significant impact on the municipal bond market, especially if it turns out that the problems are endemic among similar pension funds.

3. **Gundlach’s Forecast for 2017**  
by Robert Huebscher, 1/11/17

Investors will confront excessive debt, high P/E levels and political uncertainty as they enter the Trump presidential era. In response, according to Jeffrey Gundlach, U.S.-centric portfolios should diversify globally.

4. **How Trump’s Tax Policies Will Affect Subchapter S Corporations**  
by Robert Huebscher, 6/21/17

Many wealthy clients, especially owners of closely-held firms, have interests in subchapter-S corporations. The tax policies proposed by the Trump administration will have a significant impact on them, according to Toni Nitti.

5. **A Warning to the Advisory Profession: DALBAR’s Math is Wrong**

by Wade D. Pfau, 3/6/17

DALBAR's method for calculating average investor returns unfairly understates these returns. DALBAR does not properly calculate an internal rate-of-return for an ongoing series of cash flows, which renders its results meaningless. DALBAR's response to this article is also provided.

6. **The Absurdity of Asset Allocation Studies**  
Edit DFP MetadataLaunch Console  
Michael Edesess 8/14/17

"Determinants of Portfolio Performance," the seminal 1986 paper on asset allocation by Gary P. Brinson, Randolph Hood, and Gilbert L. Beebower (BHB), is one of the most frequently cited – and misunderstood – examples of financial research. But if you correctly interpret its findings, you will realize that they are absurd.

7. **Jeremy Siegel: The S&P 500 is Fairly Valued**  
by Robert Huebscher, 11/21/17

The bull market in U.S. equities is behind us, according to Wharton professor Jeremy Siegel, who says that the S&P 500 is now "fairly priced."

8. **Time Segmentation as the Compromise Solution for Retirement Income**  
by Wade D. Pfau, 3/27/17

Time segmentation is wildly popular in practice and it goes by many different names. But it is also the least studied retirement-income approach. Whether time segmentation is a superior investing approach for retirement income has led to many heated debates.

9. **Highlights of the Final Tax Cuts and Jobs Act**  
by Tim Steffen, 12/19/17

The combined tax reform proposal includes plans to lower tax rates on individuals and businesses and change many deductions. Those hoping for tax simplification, however, may be disappointed. Here's a thorough but concise summary of the plan.

10. **Mohamed El-Erian – Which Asset Classes are Most Vulnerable**  
by Robert Huebscher 11/15/17

Mohamed El-Erian says that investors have been "enticed to become increasingly exposed to historically illiquid asset class segments." Here are the asset classes and ETFs that are most at risk.