

ASSET MANAGEMENT PROGRAMS

Ken Reinhart

Director, Market Research & Portfolio Analysis



REINHART
ASSET MANAGEMENT, LLC

PRESENTATION TOPICS

- **LONG RUN AVERAGE RETURN**
- **LONG TERM TRADING CYCLES 15-20 YEARS**
- **ACTIVE MANAGEMENT / BUY AND HOLD**
- **VALUATION LED BY COLLECTIVE PSYCHOLOGY – RESPONSIBLE FOR CYCLES**
- **BRIEF VIEW OF OUR APPROACH TOWARD ACTIVE MANAGEMENT OF YOUR ASSETS**

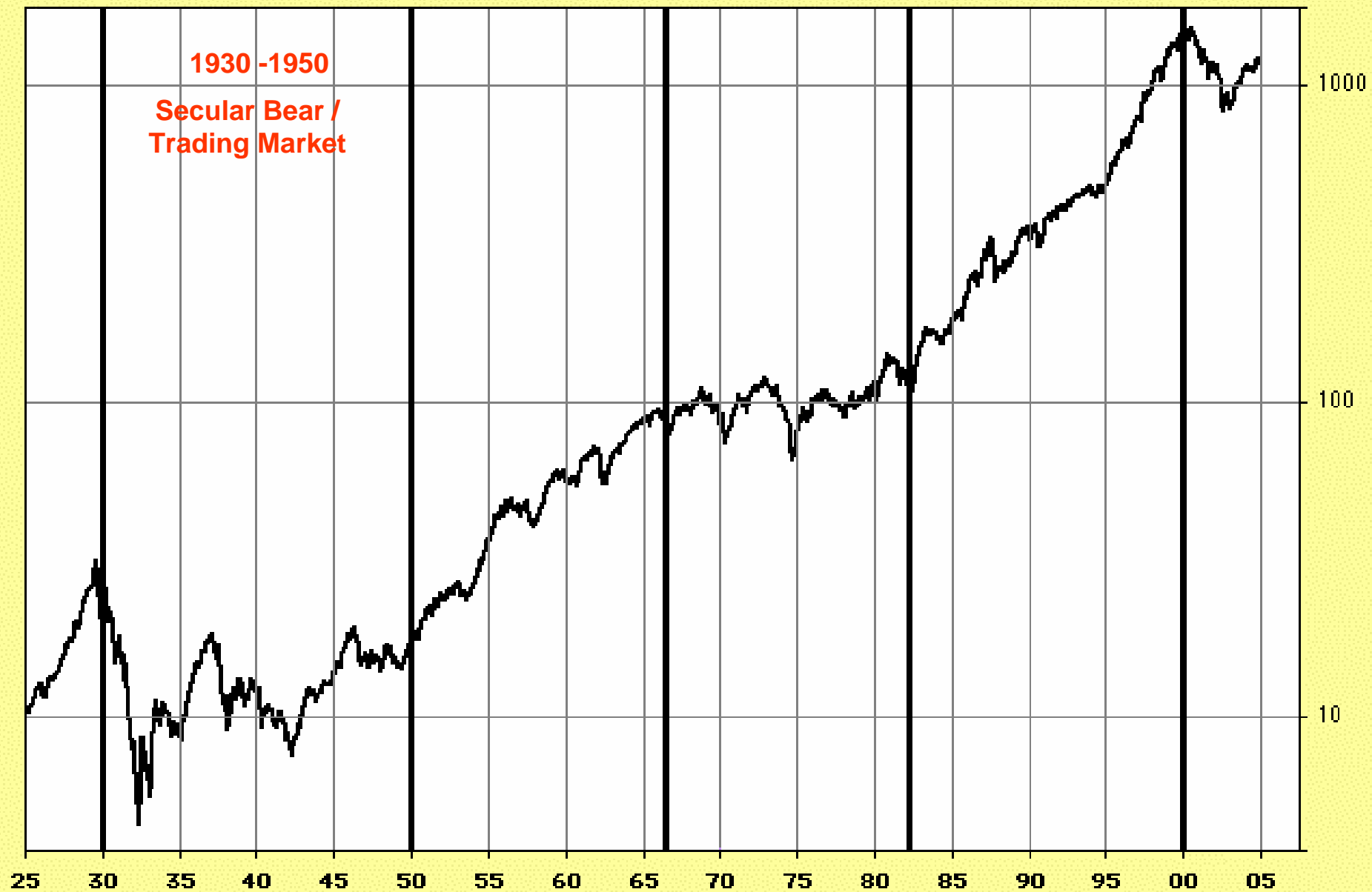
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S&P 500 Index 1925 - 2005



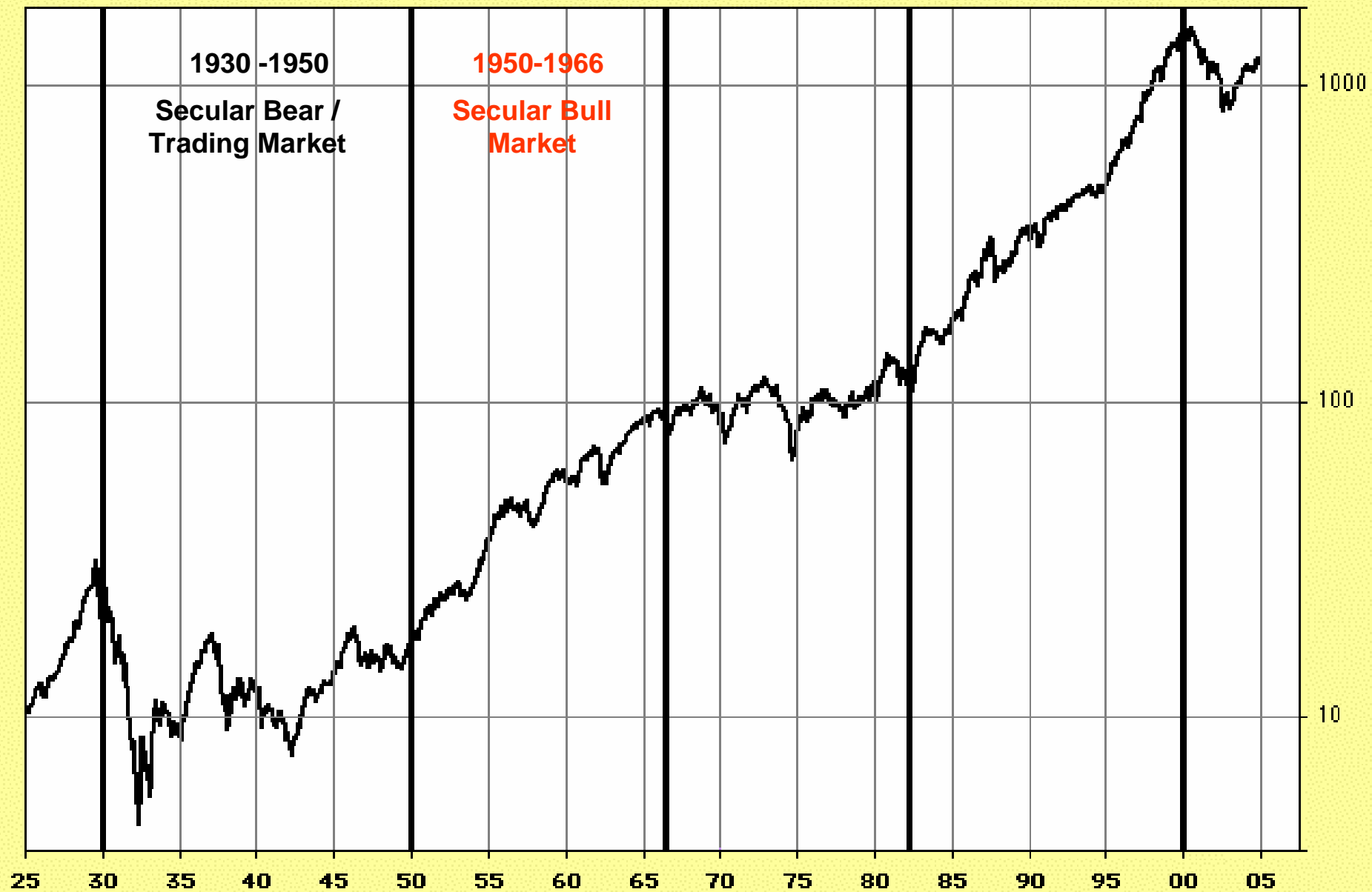
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S&P 500 Index 1925 - 2005



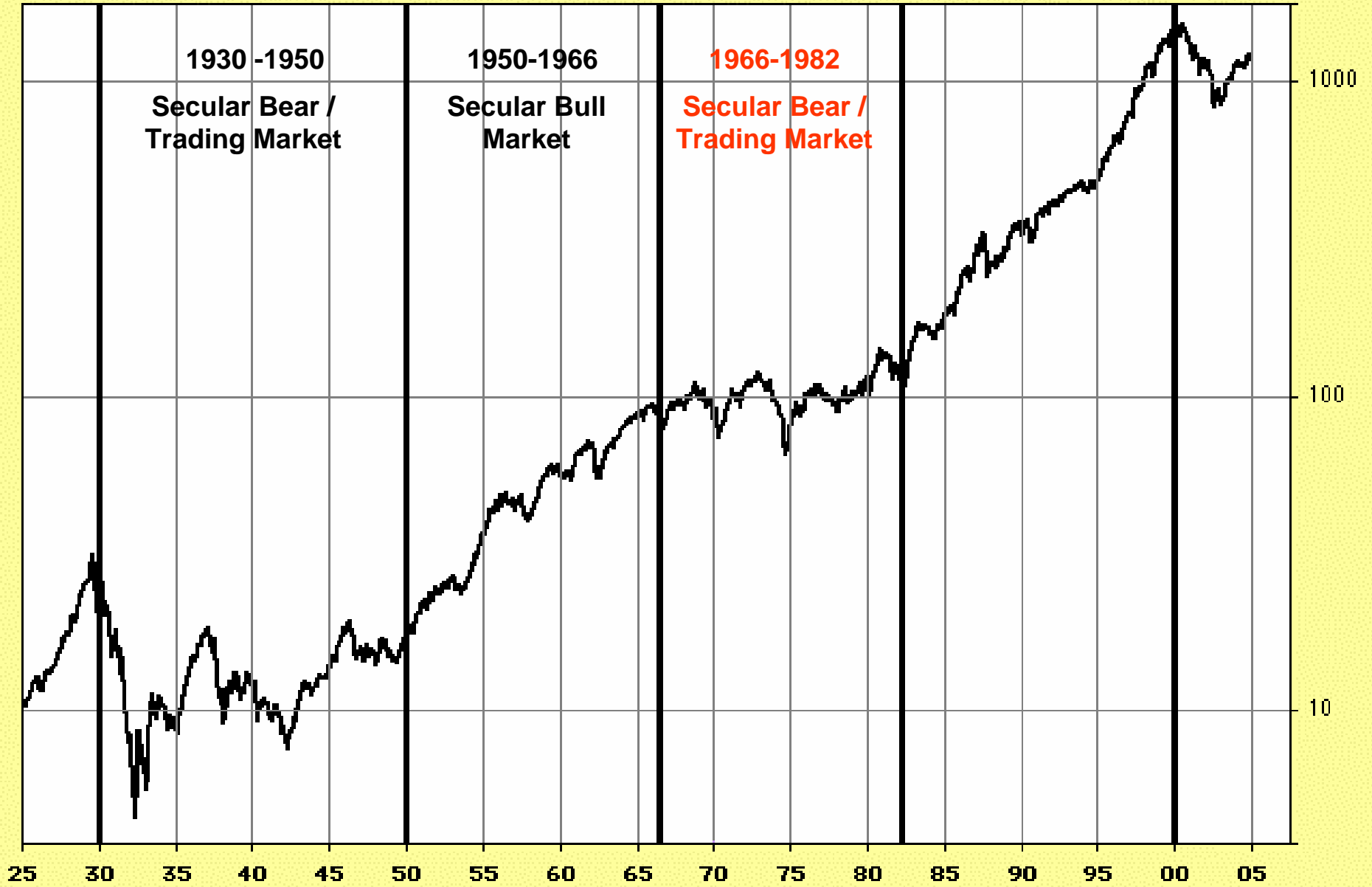
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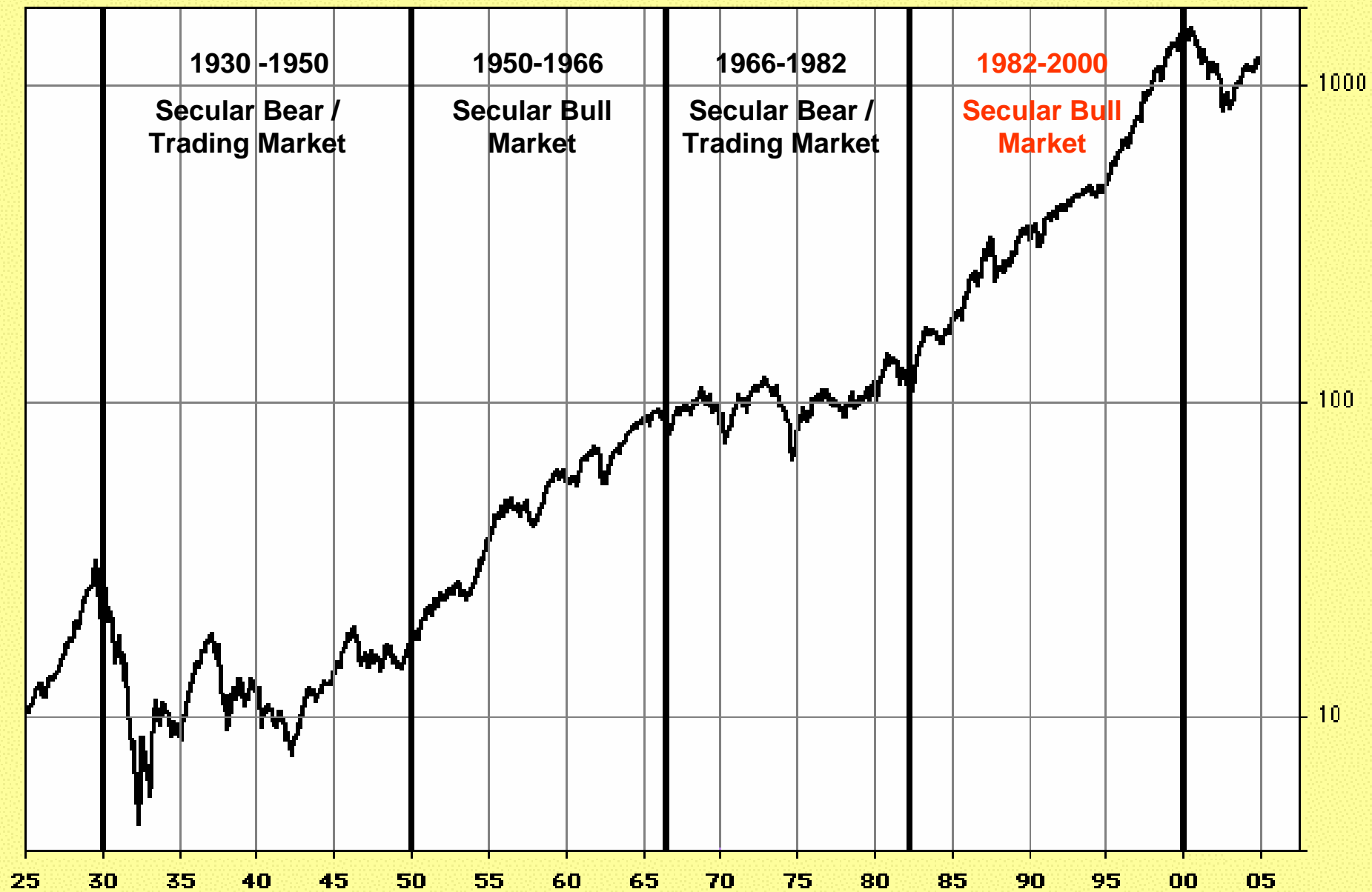
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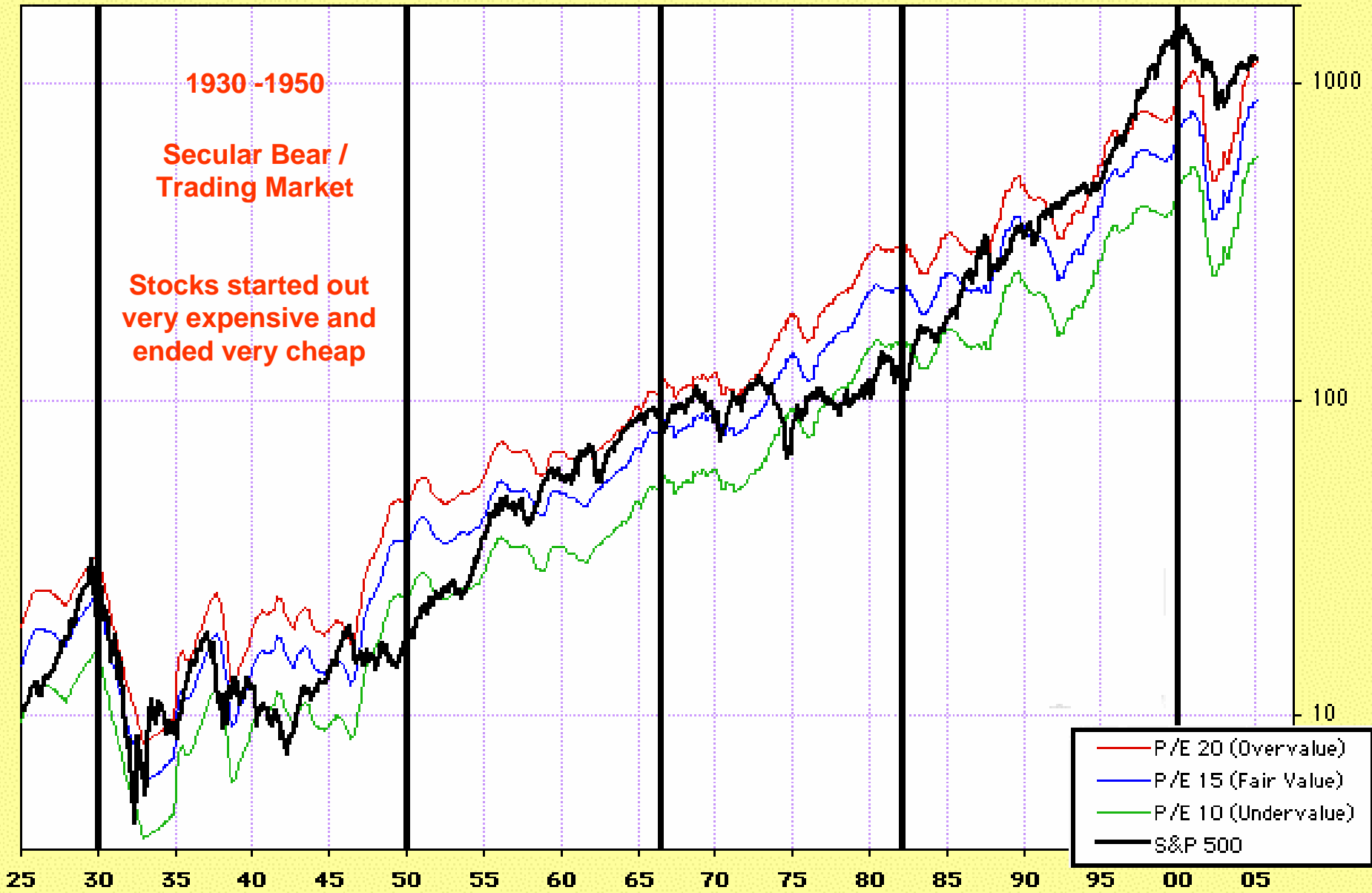
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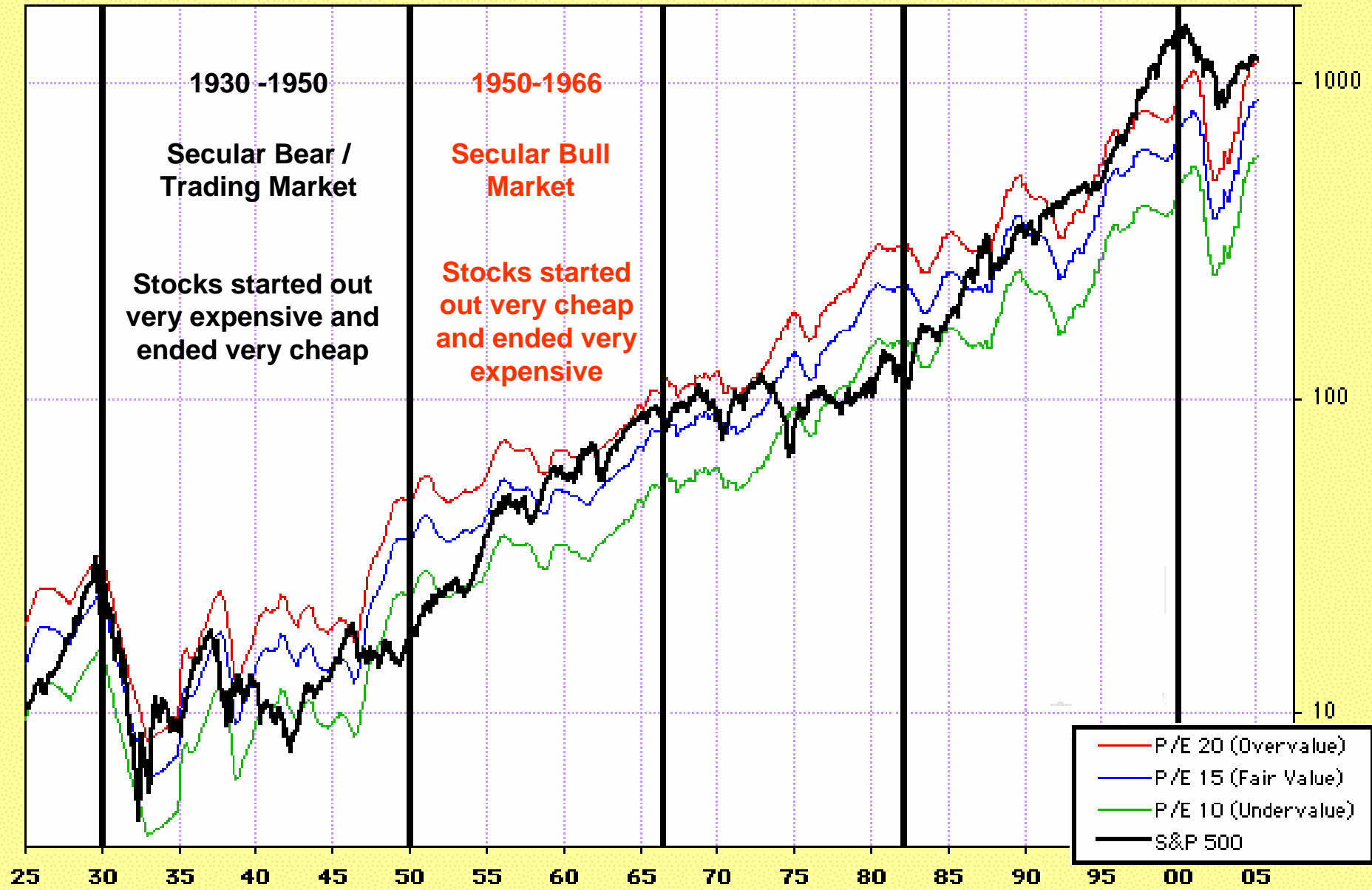


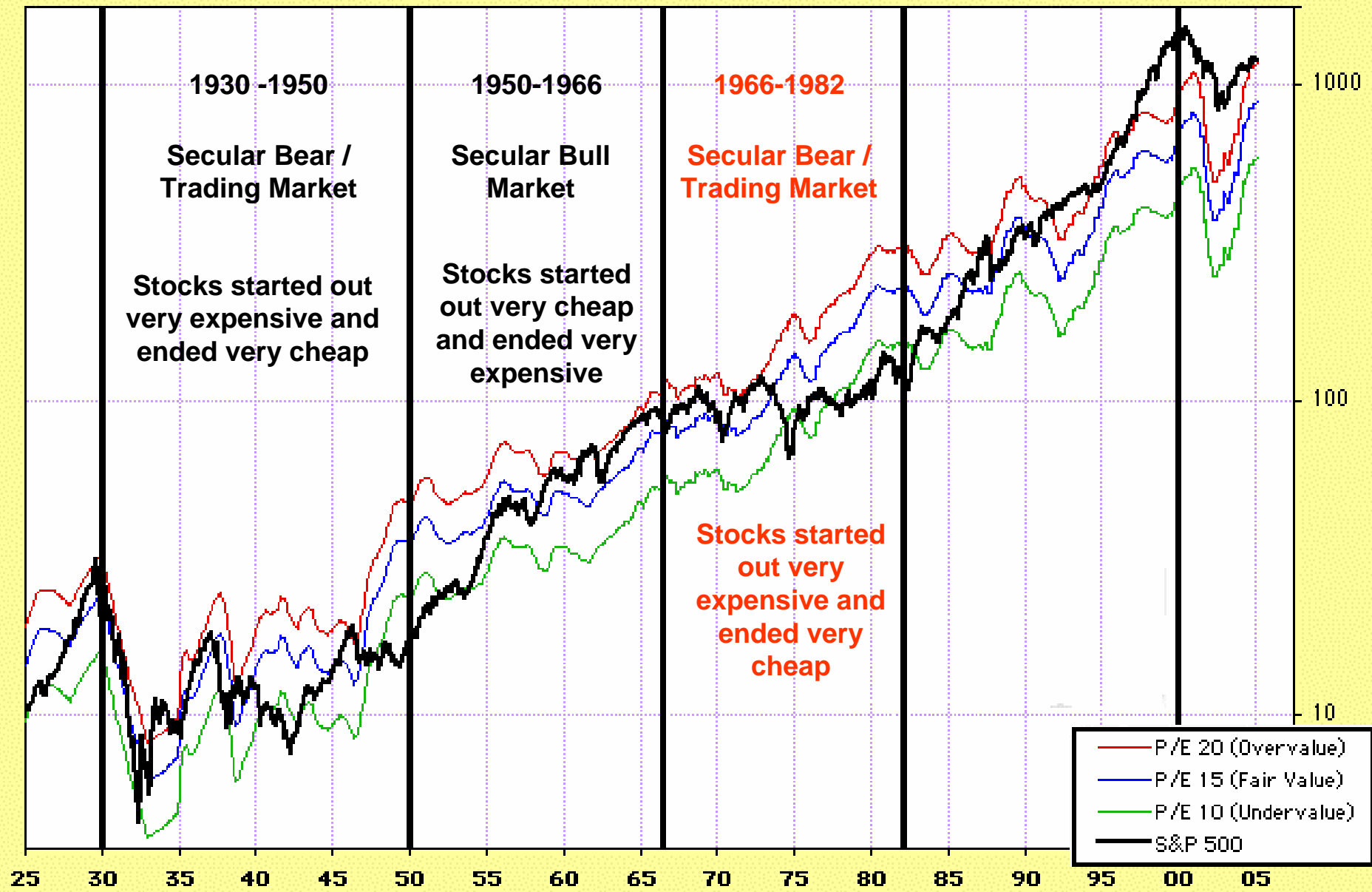
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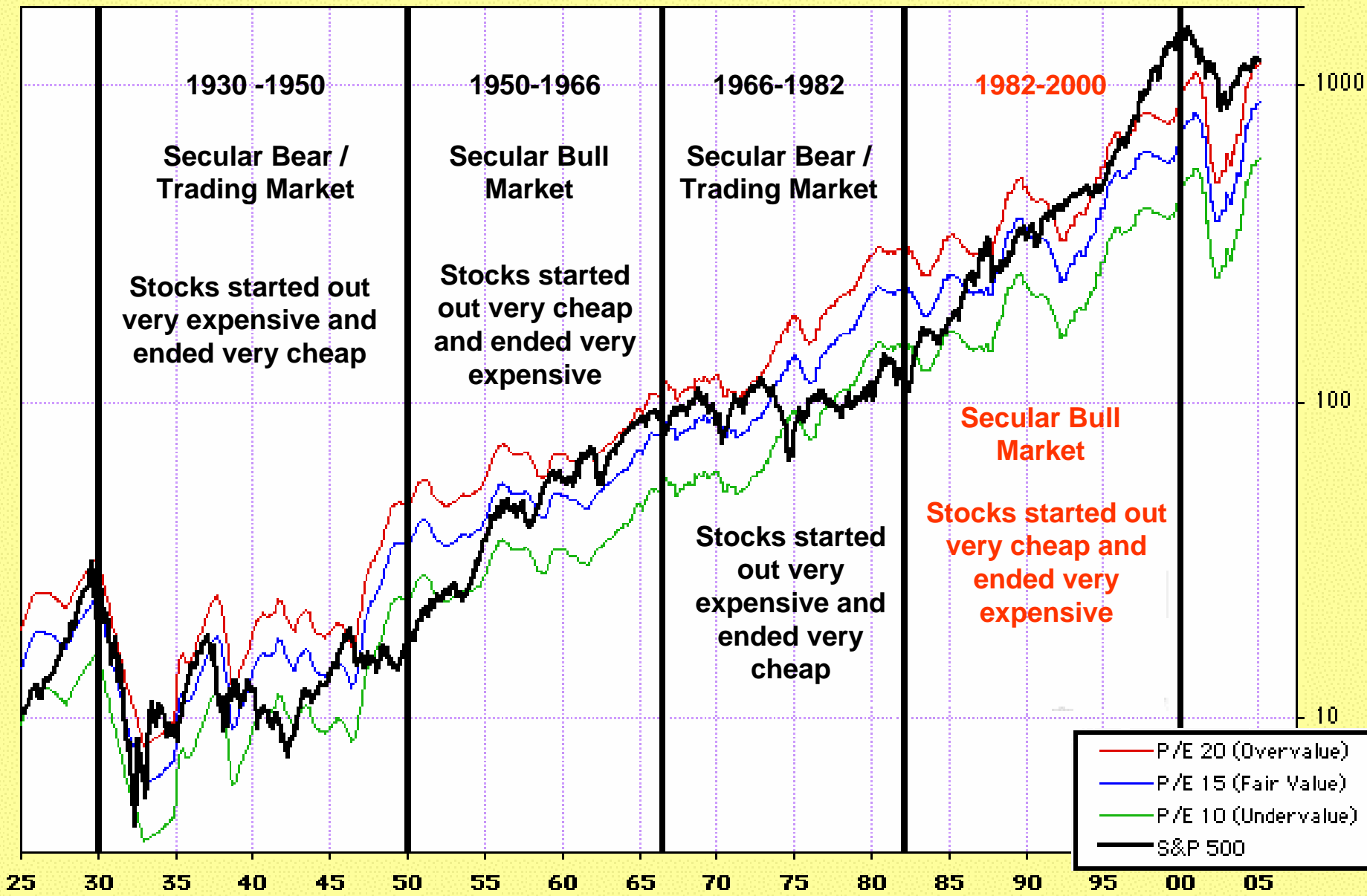
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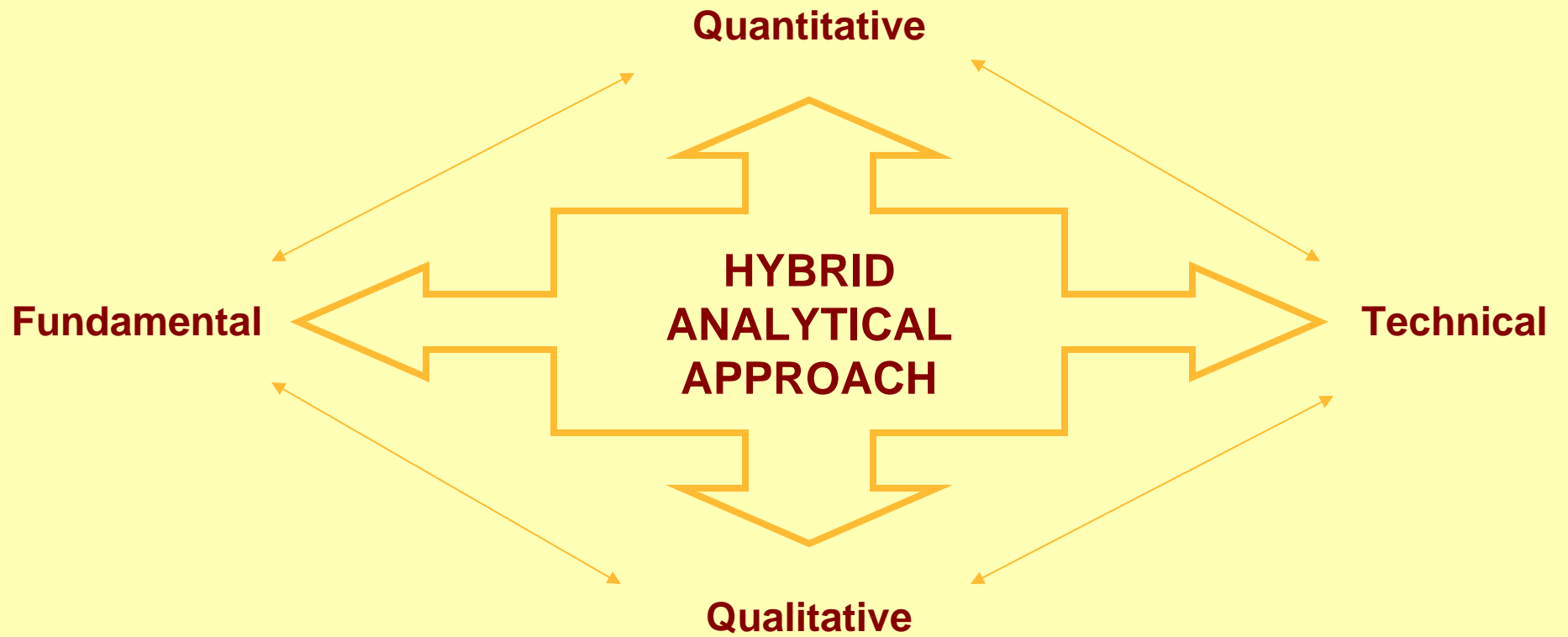












RISK ASSOCIATED WITH EACH APPROACH



INTERACTIVE PORTFOLIO DESIGN SYSTEM

FOUR KEY COMPONENTS OF PORTFOLIO *structure/tactical allocation*

1. Target portfolio weightings with flexibility
2. Category Weighting (combination market cap and investment style)
 - *Equity Large Growth/Small Cap Value*
 - *Bond Short-term Treasury/High-Yield Corporate*
3. Balanced Funds
 - *Over weight equity exposure by placing in bond allocation for strong equity markets*
 - *Over weight bond exposure by placing in equity allocation in weak equity markets*
4. Inverse Correlation, Specialty Funds, Sector Funds

INTERACTIVE PORTFOLIO DESIGN SYSTEM

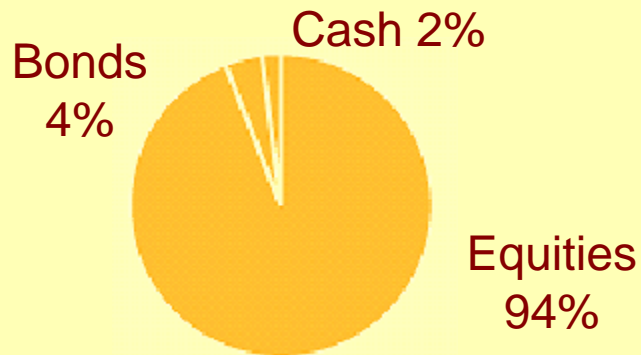
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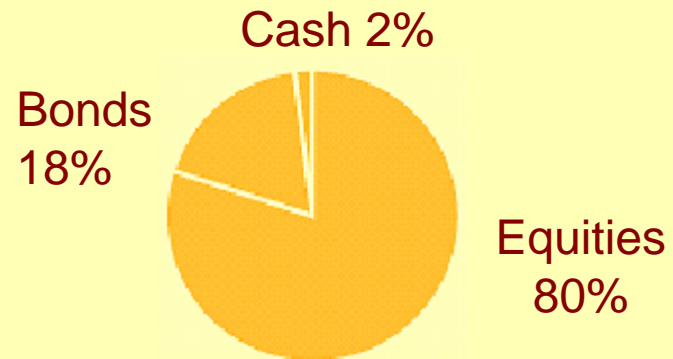
MAST PORTFOLIOS

INVESTED TO TARGET

AGGRESSIVE



CAPITAL GROWTH



BALANCED



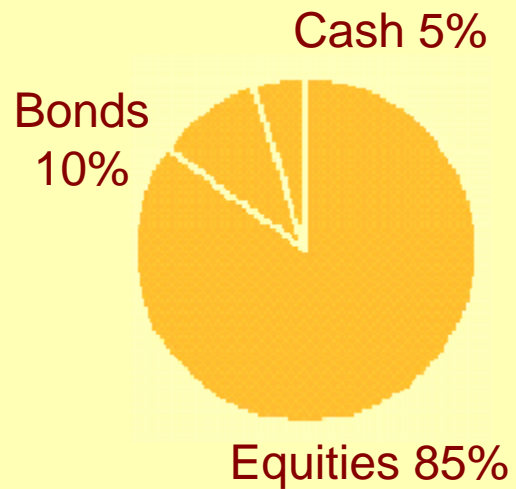
CONSERVATIVE



AMP PORTFOLIOS

INVESTED TO TARGET

CAPITAL GROWTH



BALANCED



INTERACTIVE PORTFOLIO DESIGN SYSTEM

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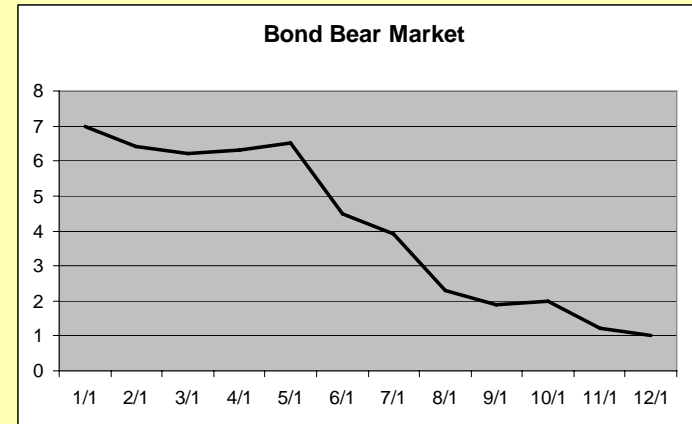
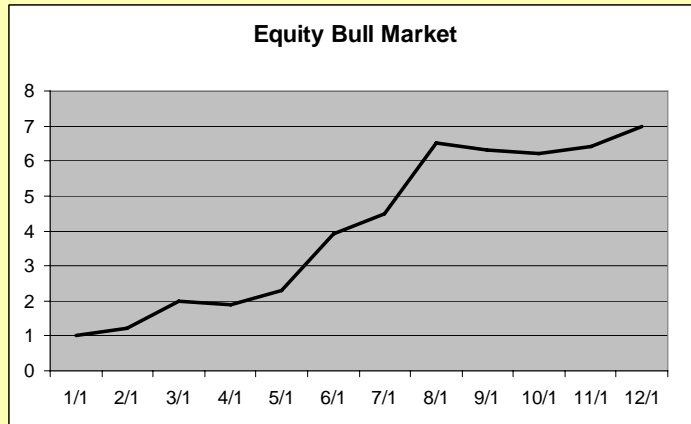
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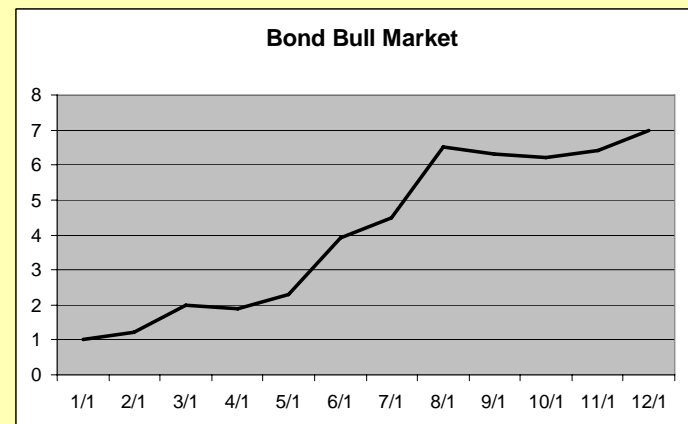
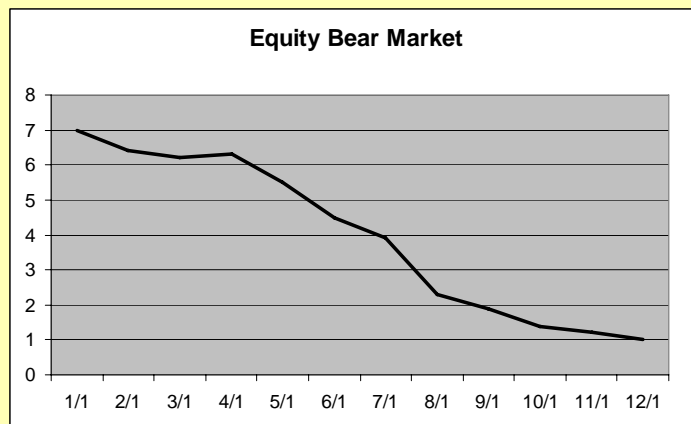
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During an equity bull and a bond bear market, while adhering to our guidelines, we can purchase balanced funds in our bond allocations to accentuate our participation in the equity bull market.



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Selections based on MFSS

*These market scenarios are purely fictitious and are used to demonstrate our strategic use of balanced funds.

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**BENCHMARK
SPECIALTY FUNDS**

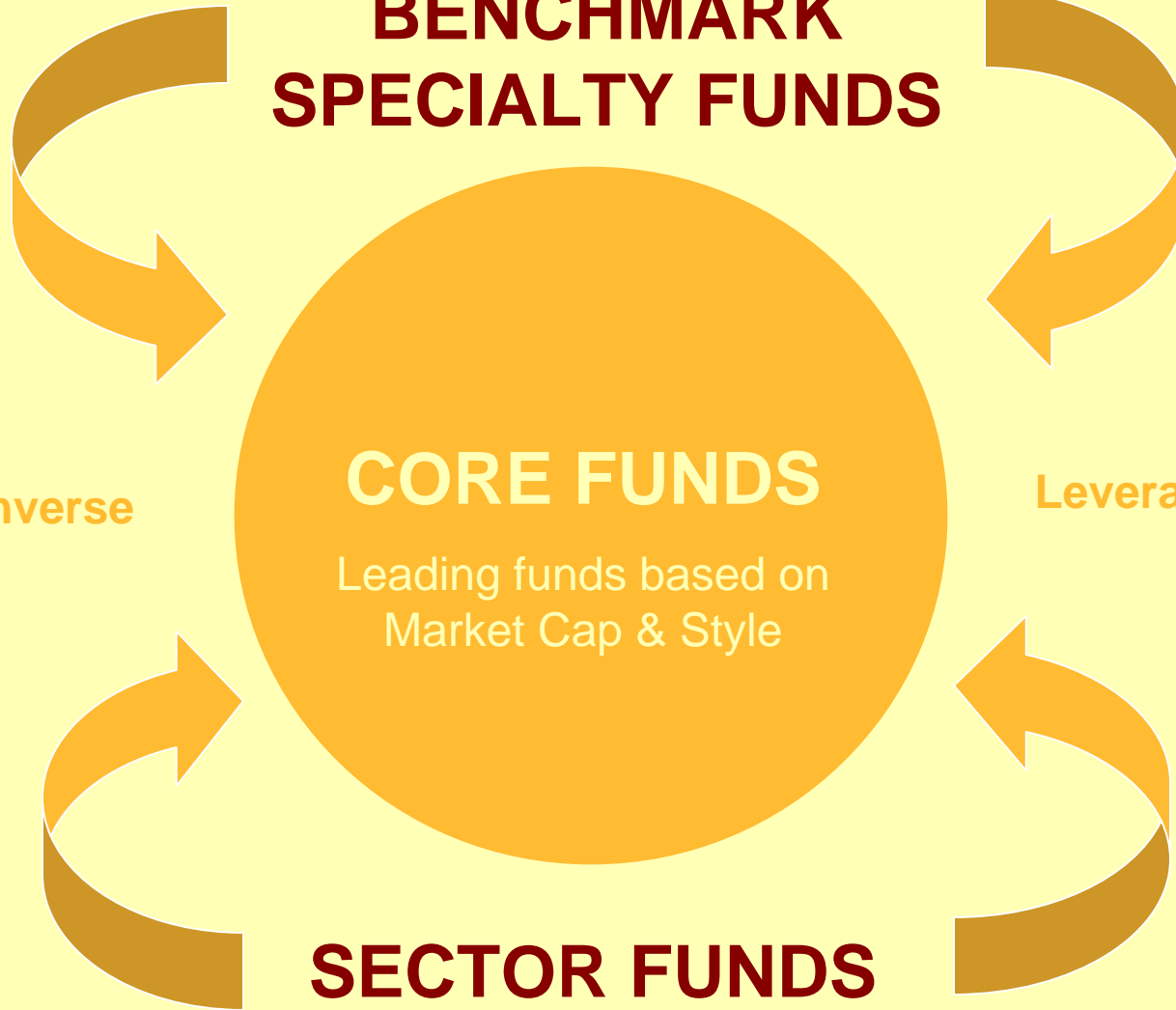
Inverse

CORE FUNDS

Leading funds based on
Market Cap & Style

Leveraged

SECTOR FUNDS



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WHY DO YOU NEED ACTIVE MANAGEMENT?

One of the key benefits of using our managed platforms are the inherent flexibilities they offer in maneuvering through ever-changing market environments. This flexibility comes in several forms, such as equity style (large, medium, and small) asset categories (bonds, cash, equities) and various hedges such as gold, inverse correlated funds, and international investments.

CONCLUSION

- **LONG RUN AVERAGE RETURN 10%**
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