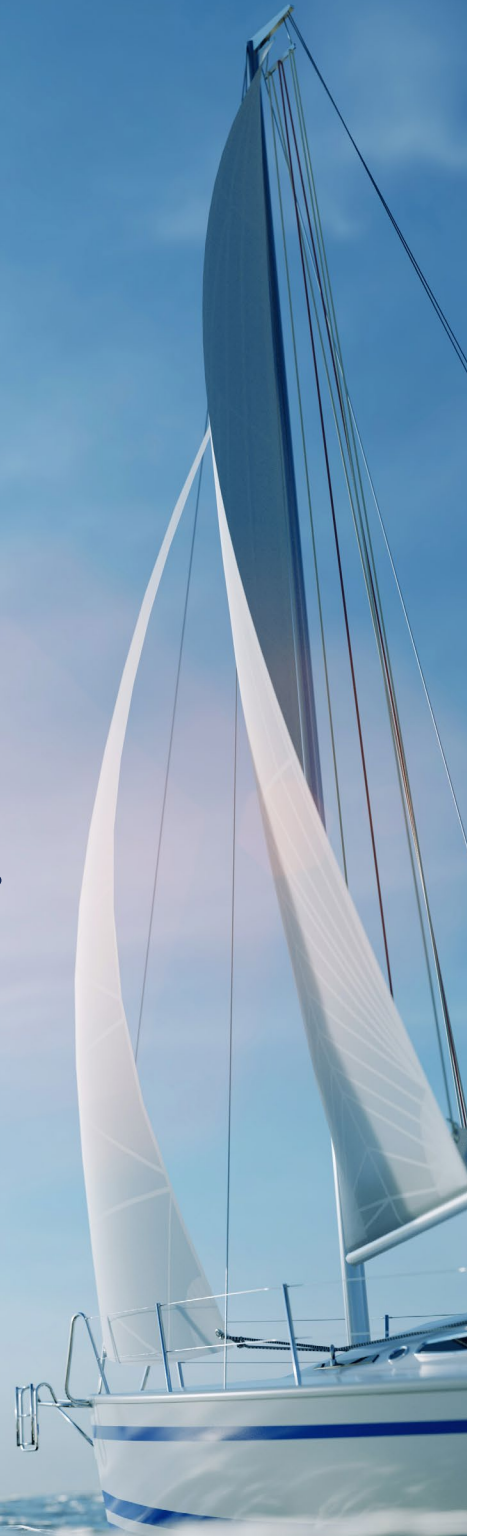


NAVIGOE

PURSUING A BETTER
INVESTMENT EXPERIENCE

9 Key Principles to Improve Your Odds of Achieving Your Goals



1. Focus on what you can control

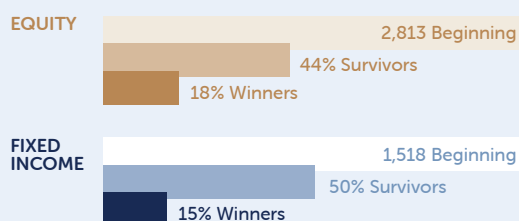
Navigoe can offer experience and guidance to help you focus on actions that add value. This can lead to a better investment experience.

- ✓ Create an investment plan to fit your needs, risk tolerance, and life goals
- ✓ Structure a portfolio along the dimensions of expected returns
- ✓ Diversify globally
- ✓ Manage expenses, turnover, and taxes
- ✓ Stay disciplined through market dips and swings

2. Don't Try to Outguess the Market

The market's pricing power works against fund managers who try to outperform through stock picking or market timing. As evidence, only 18% of US-domiciled equity funds and 15% of fixed income funds have survived and outperformed their benchmarks over the past 20 years.

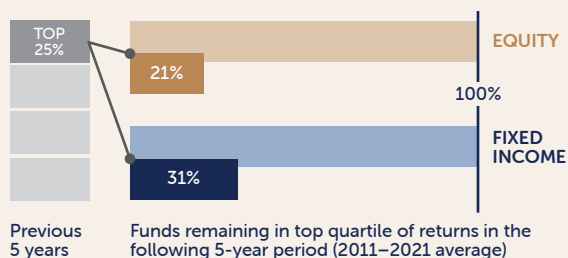
US-Domiciled Fund Performance, 2002-2021



3. Resist Chasing Past Performance

Some investors select funds based on their past returns. Yet, past performance offers little insight into a fund's future returns. For example, most funds in the top quartile of previous five-year returns did not maintain a top-quartile ranking in the following five years.

Percentage of Top-Ranked Funds that Stayed on Top



4. Consider the Drivers of Returns

There is a wealth of academic research into what drives returns. Expected returns depend on current market prices and expected future cash flows. Investors can use this information to pursue higher expected returns in their portfolios.

EQUITIES

Company Size (Market Capitalization)

Relative Price (Price/Book Equity)

Profitability (Operating Profits/Book Equity)

FIXED INCOME

Term (Sensitivity to Interest Rates)

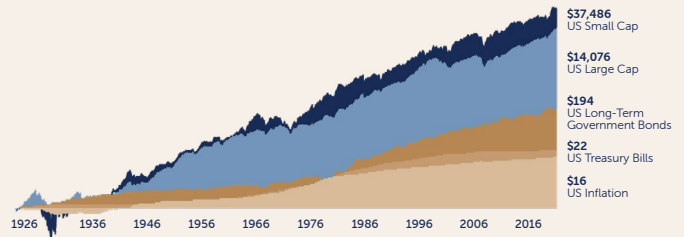
Credit (Credit Quality of Issuer)

Currency (Currency of Issuance)

5. Let Markets Work for You

The financial markets have rewarded long-term investors. People expect a positive return on the capital they supply, and historically, the equity and bond markets have provided growth of wealth that has more than offset inflation.

Growth of a Dollar, 1926–2021 (compounded monthly)



6. Apply Smart Tax Allocation Strategies

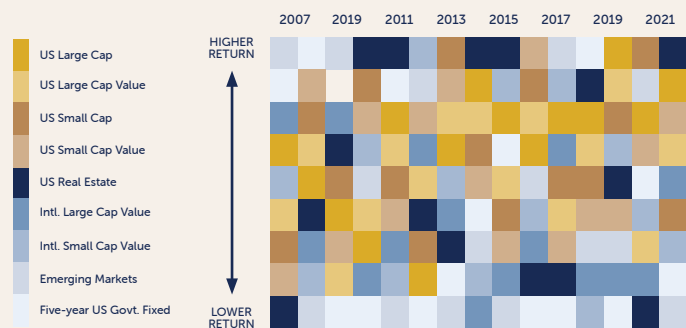
For many investors, taxes is their single largest household expense. Tax liability results from portfolio returns in the form of capital gains, dividends, and interest income, in addition to retirement account distributions. Smart tax allocation reduces potential tax liability and maximizes tax planning opportunities.



7. Avoid Market Timing

You never know which market segments will outperform from year to year. By holding a globally diversified portfolio, investors are well positioned to seek returns wherever they occur.

Annual Returns by Market Index



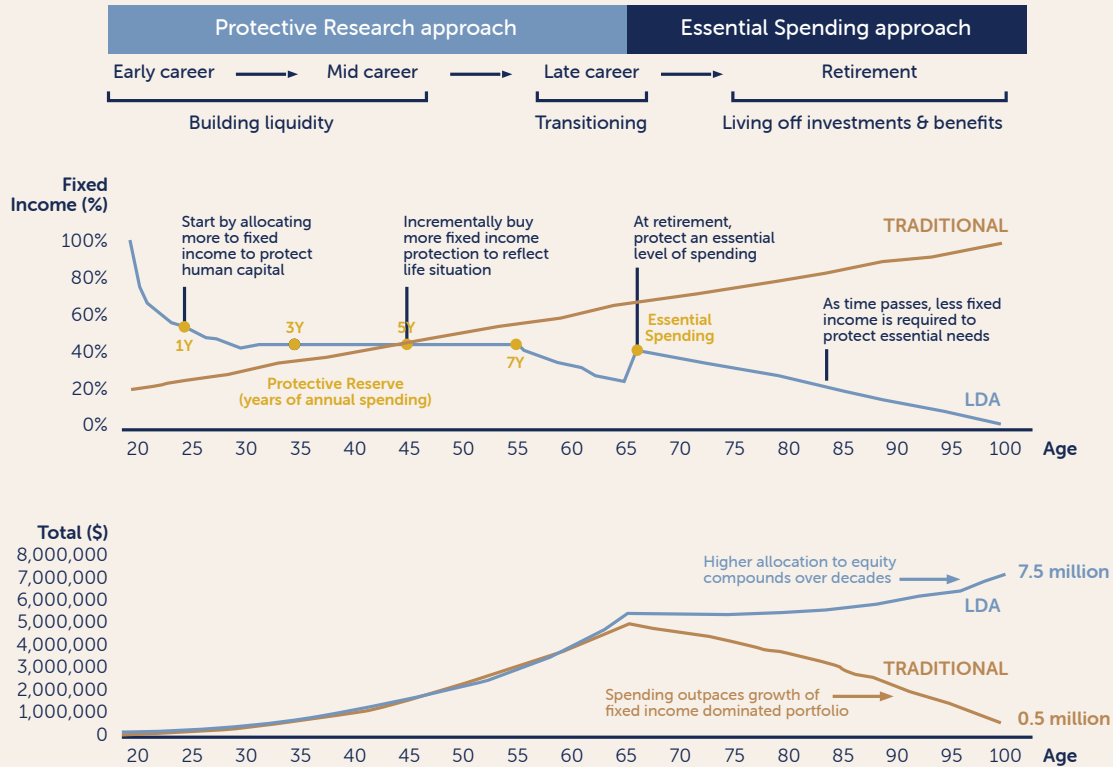
8. Manage Your Emotions

Many people struggle to separate their emotions from investing. Markets go up and down. Reacting to current market conditions may lead to making poor investment decisions.



9. Invest With Purpose

Your investments should be allocated in a way that is specifically aligned with your life goals. A traditional allocation framework focuses on volatility. A Life Driven Allocation focuses on funding spending and life priorities.



Ready to take the next step in your financial journey?

Get in touch to tell us more about your plans and see if we might be the right co-captain for you.

SCHEDULE AN INTRO MEETING