Discussing the Current Wealth Management Landscape

A Q&A with Selwyn Gerber of RVW Investing LLC

A Q&A with Selwyn Gerber of RVW Investing LLC

GERBER: We adhere to core investment principles regardless of the environment, because RVW portfolio design is more science than art. The research of Nobel Laureates like Prof. Eugene Fama, Prof. Jeremy Siegel and other academics informs our approach - and we implement evergreen portfolios tailored to the long-term needs of each client for growth, safety and income. The data indicate that over 80% of managers who engage in stock picking and market timing (“active management”) have underperformed their benchmark index over any 10 years - and that over the long term, stellar returns awaited those who owned quality stocks and endured the volatility. Our typical portfolios comprise a group of broadly diversified, low-cost enhanced index-based funds with an overweighting towards factors of those who owned quality stocks and endured the volatility. For example, many investors exited the markets after BusinessWeek’s famous “Death of Equities” issue in 1979, which was just before a multi-decade bull market, and there was a similar stampede out in 2008. Those who responded to the headlines paid dearly. We are counter-cyclical educators - in bearish markets we let our clients understand that the portfolio has been properly designed to withstand volatility, and over time to meet their expectations. In addition, our educational process ensures that our clients understand what they own and the role of each element within their portfolio. If they’re not sleeping peacefully we have failed in our primary task.

GERBER: We adhere to core investment principles regardless of the environment, because RVW portfolio design is more science than art. The research of Nobel Laureates like Prof. Eugene Fama, Prof. Jeremy Siegel and other academics informs our approach - and we implement evergreen portfolios tailored to the long-term needs of each client for growth, safety and income. The data indicate that over 80% of managers who engage in stock picking and market timing (“active management”) have underperformed their benchmark index over any 10 years - and that over the long term, stellar returns awaited those who owned quality stocks and endured the volatility. Our typical portfolios comprise a group of broadly diversified, low-cost enhanced index-based funds with an overweighting towards factors of those who owned quality stocks and endured the volatility. For example, many investors exited the markets after BusinessWeek’s famous “Death of Equities” issue in 1979, which was just before a multi-decade bull market, and there was a similar stampede out in 2008. Those who responded to the headlines paid dearly. We are counter-cyclical educators - in bearish markets we let our clients understand that the portfolio has been properly designed to withstand volatility, and over time to meet their expectations. In addition, our educational process ensures that our clients understand what they own and the role of each element within their portfolio. If they’re not sleeping peacefully we have failed in our primary task.

GERBER: Financial peace of mind is our #1 promise. Being invested in a dynamic diversified group of successful enterprises selected in an objective manner and secure bonds, our clients have absolutely nothing to worry about at night, and they know it. They understand that the portfolio has been properly designed to withstand volatility, and over time to meet their expectations. In addition, our educational process ensures that our clients understand what they own and the role of each element within their portfolio. If they’re not sleeping peacefully we have failed in our primary task.

GERBER: What keeps your clients up at night in 2017?

Financial peace of mind is our #1 promise. Being invested in a dynamic diversified group of successful enterprises selected in an objective manner and secure bonds, our clients have absolutely nothing to worry about at night, and they know it. They understand that the portfolio has been properly designed to withstand volatility, and over time to meet their expectations. In addition, our educational process ensures that our clients understand what they own and the role of each element within their portfolio. If they’re not sleeping peacefully we have failed in our primary task.

GERBER: What should clients be asking their advisors in 2017?

Financial peace of mind is our #1 promise. Being invested in a dynamic diversified group of successful enterprises selected in an objective manner and secure bonds, our clients have absolutely nothing to worry about at night, and they know it. They understand that the portfolio has been properly designed to withstand volatility, and over time to meet their expectations. In addition, our educational process ensures that our clients understand what they own and the role of each element within their portfolio. If they’re not sleeping peacefully we have failed in our primary task.

GERBER: What are some mistakes investors make when working with their wealth management advisors?

Financial peace of mind is our #1 promise. Being invested in a dynamic diversified group of successful enterprises selected in an objective manner and secure bonds, our clients have absolutely nothing to worry about at night, and they know it. They understand that the portfolio has been properly designed to withstand volatility, and over time to meet their expectations. In addition, our educational process ensures that our clients understand what they own and the role of each element within their portfolio. If they’re not sleeping peacefully we have failed in our primary task.
Eight Ways to Outwit an Identity Thief

The American Bankers Association is offering tips for consumers to protect their financial identity. “Financial fraud, including identity fraud, is a very real risk that must be taken seriously,” said Frank Keating, ABA president and CEO. Identity fraud occurs when a criminal obtains and misuses someone’s personal information without permission, typically for economic gain. For many victims, it can result in drained bank accounts, poor credit and a damaged reputation.

“The best way to contend with financial fraud is to prevent it from ever happening in the first place,” said Keating. “Banks use sophisticated technology and monitoring techniques, intricate firewalls and other methods of securing customer data, but there are steps consumers must take as well.”

‘The best way to contend with financial fraud is to prevent it from ever happening in the first place.’

This initiative is part of ABA’s Get Smart About Credit Day, when volunteer bankers nationwide work to protect themselves from becoming a victim of identity fraud.

ABA offers the following tips:

Don’t share your secrets. Don’t provide your Social Security number or account information to anyone who contacts you online or over the phone. Protect your PINs and passwords and do not share them with anyone. Use a combination of letters and numbers for your passwords and change them periodically.

Shred sensitive papers. Shred receipts, bank statements and unused credit card offers before throwing them away. Keep an eye out for missing mail.Fraudsters look for monthly bank or credit card statements or other mail containing your financial information. Consider enrolling in online banking to reduce the likelihood of paper statements being stolen. Also, don’t mail bills from your own mailbox with the flag up.

Use online banking to protect yourself. Monitor your financial accounts regularly for fraudulent transactions. Sign up for text or email alerts from your bank for certain types of transactions, such as online purchases or transactions of more than $50.

Monitor your credit report. Order a free copy of your credit report every four months from one of the three credit reporting agencies at annualcreditreport.com.

Protect your computer. Make sure the virus protection software on your computer is active and up-to-date. When conducting business online, make sure your browser’s padlock or key icon is active. Also look for an “s” after the “http” to be sure the website is secure.

Protect your mobile device. Use the passcode lock on your smartphone and other devices. This will make it more difficult for thieves to access your information if your device is lost or stolen.

Before you donate, sell or trade your mobile device, be sure to wipe it using specialized software or using the manufacturer’s recommended technique. Some software allows you to wipe your device remotely if it is lost or stolen. Use caution when downloading apps, as they may contain malware and avoid opening links and attachments — especially for senders you don’t know.

Report any suspected fraud to your bank immediately. The faster you let them know, the faster they can begin to resolve your program.

The American Bankers Association is the voice of the nation’s $15 trillion banking industry, which is comprised of small, regional and large banks that together employ more than 2 million people, safeguard $11 trillion in deposits and extend more than $8 trillion in loans.

Learn more at aba.com.

HOW TO KEEP YOUR MONEY FROM SLIPPING AWAY

As with virtually all financial matters, the easiest way to be successful with a cash management program is to develop a systematic and disciplined approach. By spending a few minutes each week to maintain your cash management program, you not only have the opportunity to enhance your current financial position, but you can save yourself some money in the process, time and fees.

Any good cash management system revolves around the Four As — Accounting, Analysis, Allocation and Adjustment. Accounting simply means gathering all of your relevant financial information together and keeping it close at hand for future reference. Gathering all of your financial information — such as mortgage payments, credit card statements, and utility bills — and listing it systematically will give you a clear picture of your overall situation.

Analysis boils down to reviewing the situation once you have accounted for all your income and expenses. You will almost inevitably find yourself with either a surplus or a shortage. One of the key elements in analyzing your financial situation is to look for ways to reduce your expenses. This can help to free up cash that can either be invested for the long term or used to pay off fixed debt.

For example, if you were to reduce restaurant expenses or spending on non-essential personal items by $100 per month, you could use this extra money to pay off the principal on your mortgage. On a $310,000 30-year mortgage, this extra $100 per month could enable you to pay off 10 years early and save you thousands of dollars in interest payments.

Allocation involves determining your financial commitments and priorities and distributing your income accordingly. One of the most important factors in allocation is to distinguish between your real needs and your wants. For example, you may want a new home entertainment center, but your real need may be to reduce outstanding credit card debt.

Adjustment involves reviewing your income and expenses periodically and making the changes that your situation demands. For example, as a new parent, you might be wise to shift some assets into order to start a college education fund for your child. Doing this now is an excellent way to help you maintain your financial situation so that you are on the right track to meet your long-term goals.

This material was written and prepared by Emerald.

Our Sole Focus is Your Long-Term Economic Well-Being.

RVW manages wealth for individuals, families, retirement plans and foundations. We have the experience and resources to design and implement a sophisticated wealth strategy that aligns with your unique financial, tax, estate-planning and philanthropic goals.

The Three RVW Core Values

1. We are fee-only managers whose sole financial goal is to help you reach your goals in a planned and systematic manner. We are compensated solely through your (fully disclosed) fees, taking no undisclosed commissions or other third part incentives. Our interests are fully aligned with yours.

2. We are fiduciaries and always act solely in your best interests, which we place ahead of our own. All of our wealth advisors are also CPAs and trained financial planners.

3. We are absolutely objective and bottom-line oriented. Each RVW Portfolio is tailored to respond to the needs of the investor for income, growth, tax minimization and safety.

The Science of Capital Markets

Established 2006 | Clients in 43 states and 6 countries
Tel. 310.945.4000 | www.RVWinvesting.com

Wealth

Our Sole Focus is Your Long-Term Economic Well-Being.

RVW manages wealth for individuals, families, retirement plans and foundations. We have the experience and resources to design and implement a sophisticated wealth strategy that aligns with your unique financial, tax, estate-planning and philanthropic goals.

The Three RVW Core Values

1. We are fee-only managers whose sole financial goal is to help you reach your goals in a planned and systematic manner. We are compensated solely through your (fully disclosed) fees, taking no undisclosed commissions or other third part incentives. Our interests are fully aligned with yours.

2. We are fiduciaries and always act solely in your best interests, which we place ahead of our own. All of our wealth advisors are also CPAs and trained financial planners.

3. We are absolutely objective and bottom-line oriented. Each RVW Portfolio is tailored to respond to the needs of the investor for income, growth, tax minimization and safety.

The Science of Capital Markets

Established 2006 | Clients in 43 states and 6 countries
Tel. 310.945.4000 | www.RVWinvesting.com

Wealth

Our Sole Focus is Your Long-Term Economic Well-Being.

RVW manages wealth for individuals, families, retirement plans and foundations. We have the experience and resources to design and implement a sophisticated wealth strategy that aligns with your unique financial, tax, estate-planning and philanthropic goals.

The Three RVW Core Values

1. We are fee-only managers whose sole financial goal is to help you reach your goals in a planned and systematic manner. We are compensated solely through your (fully disclosed) fees, taking no undisclosed commissions or other third part incentives. Our interests are fully aligned with yours.

2. We are fiduciaries and always act solely in your best interests, which we place ahead of our own. All of our wealth advisors are also CPAs and trained financial planners.

3. We are absolutely objective and bottom-line oriented. Each RVW Portfolio is tailored to respond to the needs of the investor for income, growth, tax minimization and safety.

The Science of Capital Markets

Established 2006 | Clients in 43 states and 6 countries
Tel. 310.945.4000 | www.RVWinvesting.com

Wealth

Our Sole Focus is Your Long-Term Economic Well-Being.

RVW manages wealth for individuals, families, retirement plans and foundations. We have the experience and resources to design and implement a sophisticated wealth strategy that aligns with your unique financial, tax, estate-planning and philanthropic goals.

The Three RVW Core Values

1. We are fee-only managers whose sole financial goal is to help you reach your goals in a planned and systematic manner. We are compensated solely through your (fully disclosed) fees, taking no undisclosed commissions or other third part incentives. Our interests are fully aligned with yours.

2. We are fiduciaries and always act solely in your best interests, which we place ahead of our own. All of our wealth advisors are also CPAs and trained financial planners.

3. We are absolutely objective and bottom-line oriented. Each RVW Portfolio is tailored to respond to the needs of the investor for income, growth, tax minimization and safety.

The Science of Capital Markets

Established 2006 | Clients in 43 states and 6 countries
Tel. 310.945.4000 | www.RVWinvesting.com

Wealth