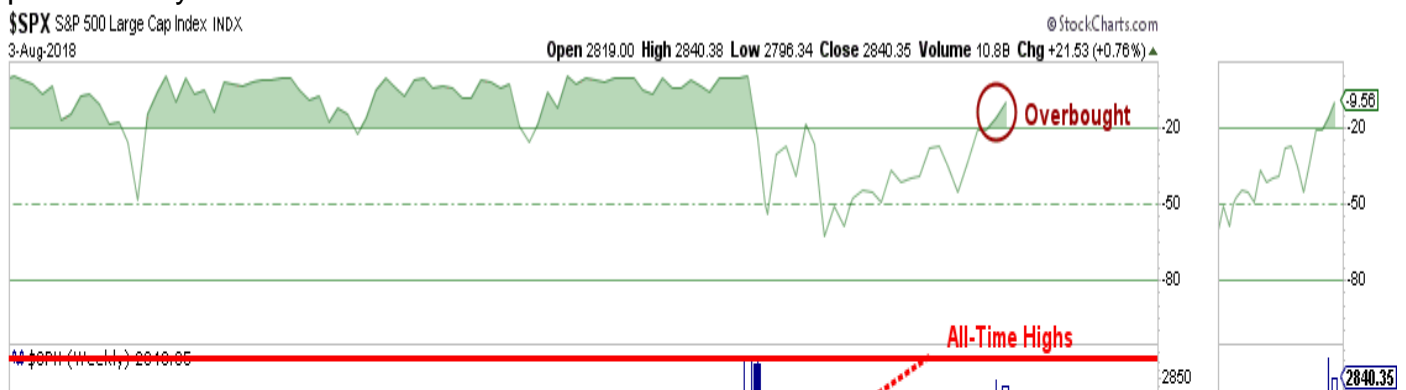


## Bulls Make A Charge For The Highs



## Bulls Make A Charge For The Highs

[Last week](#), we discussed how the market managed to clear the [Maginot Line](#), which brings January highs into focus. The chart below is the updated analysis from last week.



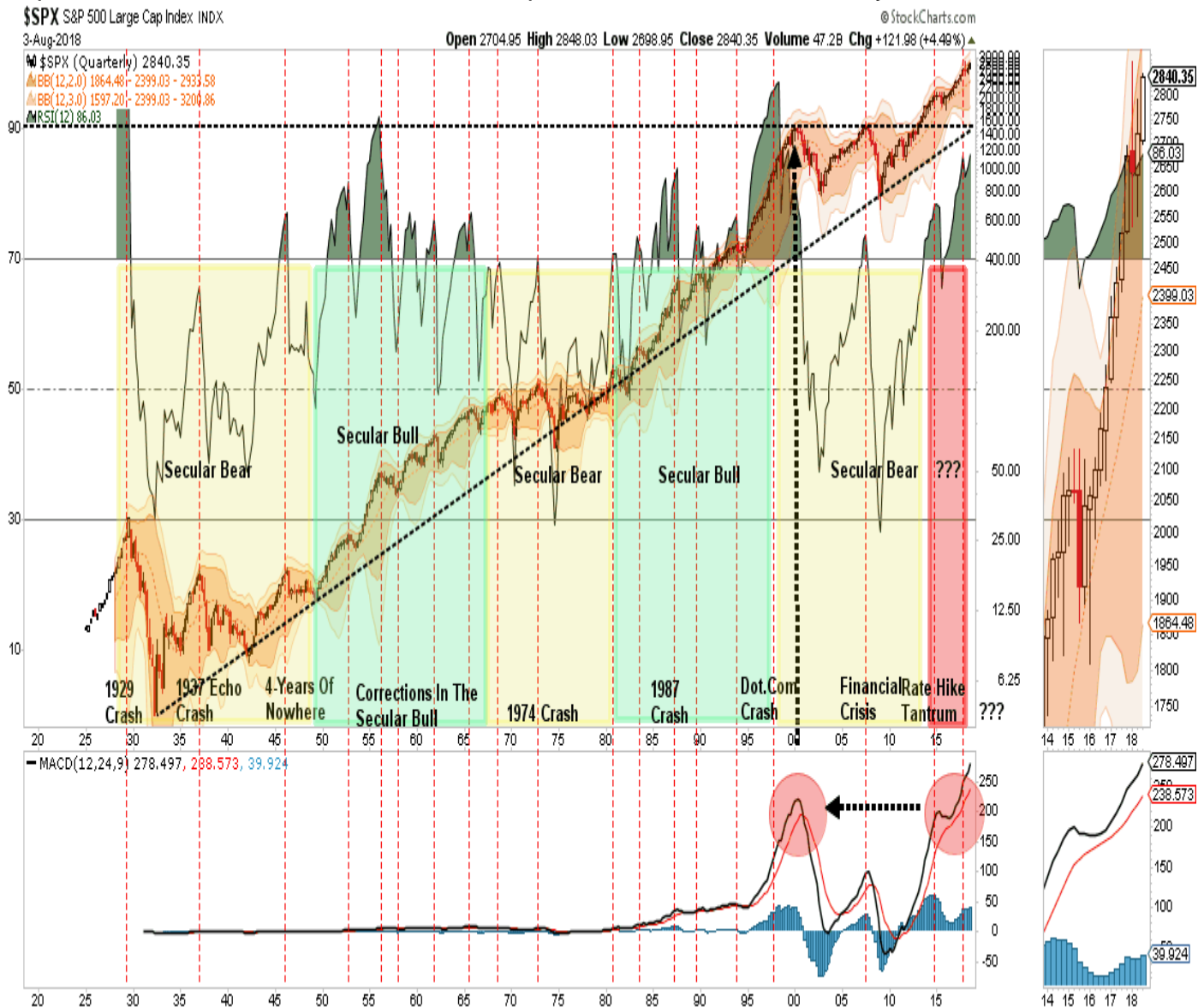
Given this is a weekly chart, it takes much more time for signals to register. The advance over the last few weeks has taken the market back into overbought territory and was a point made last week:

*The market can most assuredly get even more overbought from current levels, but does suggest that upside is becoming more limited from current levels. However, with the weekly buy signal triggered this past week, we must give the bulls some room to run.*

Currently, the bulls remain clearly in charge of the market for now. While it seems as if much of the tariff talk has been priced into stocks, what likely hasn't as of yet is rising evidence of weakening economic data (ISM, employment, etc.), weakening consumer demand, and the impact of higher rates. **While on an intermediate-term basis these macro issues will matter, it is primarily just sentiment that matters in the short-term.** From that perspective, the market retested the previous breakout above the March highs last week (the *Maginot line*), which keeps **Pathway #1** intact. It also suggests that next week will likely see a test of the January highs.



With moving averages rising, this shifts Pathway #2a and #2b further out into the August and September time frames. **The potential for a correction back to support before a second attempt at all-time highs would align with normal seasonal weakness heading into the Fall.** Currently, there is a very low risk of a deeper correction (Pathway #3). However, it is a possibility that should not be ignored at this juncture. **With the administration gearing up for further tariffs against China, and China retaliating in kind, at a time when the Fed is already more aggressively tightening monetary policy, it would be remiss to ignore the risk of something going wrong.** It would also be remiss to not remind you that despite the **bullish short-term view, the long-term outlook remains decidedly bearish.** With valuations elevated, price extended, and deviations near historic records, the potential for a more severe correction in prices is an absolute certainty.

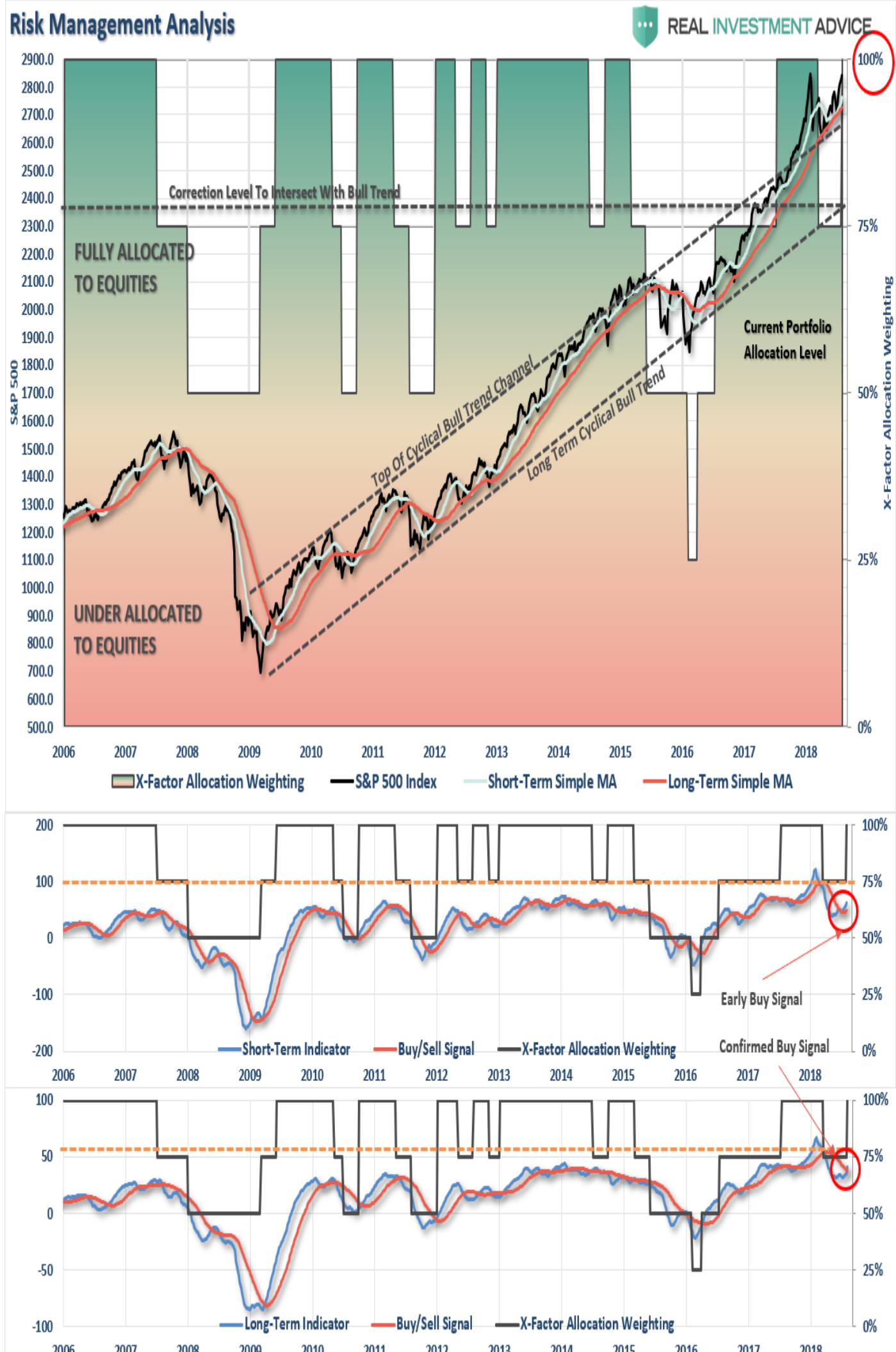


The issue is that these cycles can remain both fundamentally and technically overvalued for longer than logic would dictate particularly when there are artificial influences at play. **However, the message is clear for those that choose to listen.** This is why it is crucially important to have a discipline and strategy in place which will manage the exposure to risk when things change in the market.

## Weekly Buy Signal Is In, But Don't Jump

In the 401k Plan Manager at the bottom of this newsletter each week, I publish the model that

drives our portfolio allocations over time.

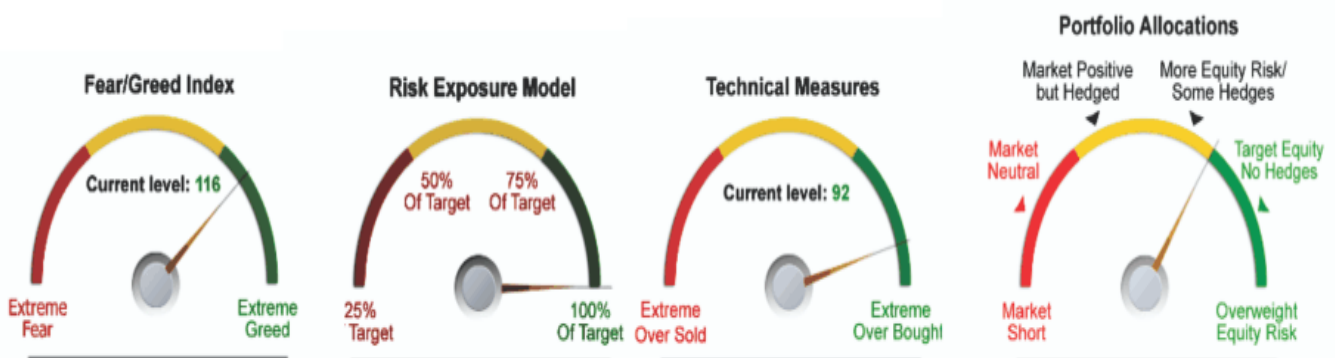




There are two important concepts to understand about this model.

- **Risk knows no age:** Risk doesn't care how old you are. It is often said that if you are 20, you should take on a lot of portfolio risk. However, if that risk is taken at the top of a market cycle, the damage to the long-term financial goals can be disastrous. We believe that our allocation to risk has nothing to do with our age, and everything to do with the potential for the loss of capital. Therefore, our allocation model is broken into two parts.
  - **Allocation model is based upon current valuation levels.**
    - If valuations were 10-12x earnings the target allocation levels would be primarily weighted towards equity (i.e. 80% Stocks / 20% Bonds)
    - As valuations rise behind historical extremes, target equity levels are reduced. (i.e. 60/40, 50/50, etc.)
  - **The EQUITY portion of the allocation is also adjusted based on current market risk.** Earlier this year, the equity risk portion of the allocation model was reduced from 100% to 75% due to a triggering of a confirmed 'sell' signal. There are 4-primary indicators to the model:
    - **1st signal:** short-term warning signal. Only an alert to pay attention to portfolio risk;
    - **2nd signal:** reduce equity by 25%.
    - **3rd signal:** (Moving average cross-over) reduce equity by another 25%.
    - **4th signal:** (Trend change) ? reduce equity by another 25% and short the market.

We will be posting a live version of our indicators at [RIAPro.net](http://RIAPro.net); (currently in beta); as shown below.



The 4-signals above also run in reverse. So, when a signal reverses itself, equity risk is increased in the model as is the case this week. With that signal in place, we must now increase our portfolio allocation model to 100% of target. However, it is important to note these signals are based on weekly data and are intermediate-term in nature. **Therefore, by the time these longer-term indicators are triggered, the very short-term conditions of the market are generally either very overbought, or oversold. So, Do I Buy Or Not?** At this juncture, most individuals tend to let their emotions get the better of them and they make critical errors with their portfolios. Emotional buying and selling almost always leads you into doing exactly the opposite of what you should do. Currently, the market has registered a 'buy signal,' which means we need to be following our checklist to ensure we are making sound investment decisions:

- What is the allocation model going to look like between asset classes?
- How will those choices affect the volatility of my portfolio relative to the market?

- What is the inherent risk of being wrong with my choices?
- **What is my exit point to sell as the market goes up?**
- **Where is my exit point to sell if the market goes down?**
- What specific investments will I use to fill each piece of my allocation model?
- How does each of those investments affect the portfolio as a whole as well as each other?
- Where is my greatest and least amount of exposure in my portfolio?
- Have I properly hedged my risk in my portfolio in case of a catastrophic event?

**If you can't answer the majority of these questions ? you should not be putting your money in the market.** These are the questions that we ask ourselves every day with our portfolio

allocation structures and you should be doing the same. This is basic portfolio management. Investing without understanding the risk and implications is like driving with your eyes closed. You may be fine for a while but you are going to get seriously hurt somewhere along the way. There is **NO RULE** which states you have to jump into the market with both feet today. This is not a competition or game that you are trying to beat. Who cares if your neighbor made 1% more than you last year. Comparison is the one thing that will lead you to take far more risk in your portfolio than you realize. **While you will love the portfolio as it rises with the market; you will rue the day when the market declines.** Being a contrarian investor, and going against the grain of the mainstream media, feels like an abomination of nature. However, being a successful investor requires a strict diet of discipline and patience combined with proper planning and execution. Emotions have no place within your investment program and need to be checked at the door. Unfortunately, being emotionless about your money is a very difficult thing for most investors to accomplish. As humans, we tend to extrapolate the success or failure within our portfolios as success and failure of ourselves as individuals. This is patently wrong. **As investors, we will lose more often than we would like ? the difference is limiting the losses and maximizing the winnings.** This explains why there are so few really successful investors in the world. With this in mind, it doesn't mean that you can't do well as an investor. It just means that you must pay attention to the risks inherent in the market and act accordingly. ? Yes, the market is on a ?buy? signal. ? Yes, we need to add exposure as shown in the 401k plan manager below. ? No, it doesn't mean that you need to act immediately. However, it does mean that we need to pay close attention to developments over the next couple of weeks to be sure the intersection is clear and that we can proceed to the next traffic light safely. Hopefully, we can catch it ?green? if not, we will obey the signal, stop, and wait for our turn once again. **While the model is being increased back to 100% of target, we will selectively add equity exposure during short-term corrective actions in the market.** As I noted last week:

**?With our portfolios nearly fully allocated, there are not a lot of actions we need to take currently as the markets continue to trend higher for now.**

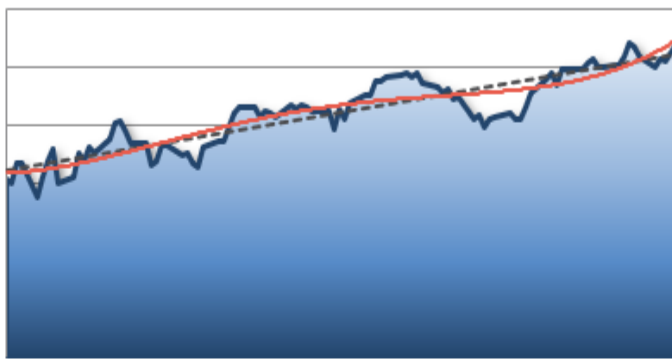
We will continue to monitor our exposure and hedge risk accordingly, but with the weekly ?buy signal? registered, we are keeping our hedges limited and are widening our stops just a bit. **As noted above, a short-term correction is needed before adding further equity exposure to portfolios.** That correction likely started on Friday, and I will not be surprised to see it continue into next week. A retest of 2800 is likely at this point, which would keep Pathway #1 intact. However, a violation of that level will likely trigger a short-term sell signal, which could push the market back towards previous support at 2740. There is a lot of support forming at 2740, which should be supportive of the market over the next couple of months. A violation of that level suggests something has likely broken and more protective actions should be taken.

**Until that happens, we will give the markets the benefit of the doubt for now.**

# Market & Sector Analysis

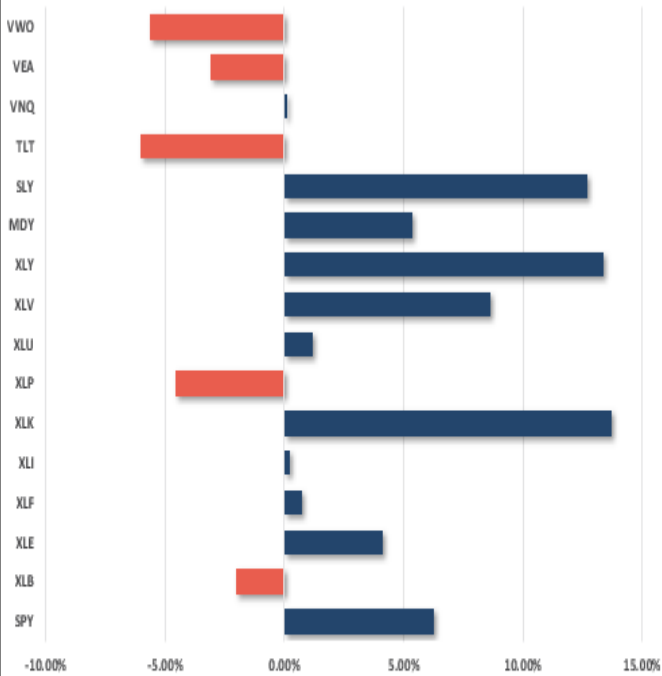
## Data Analysis Of The Market & Sectors For Traders

### S&P 500 Tear Sheet

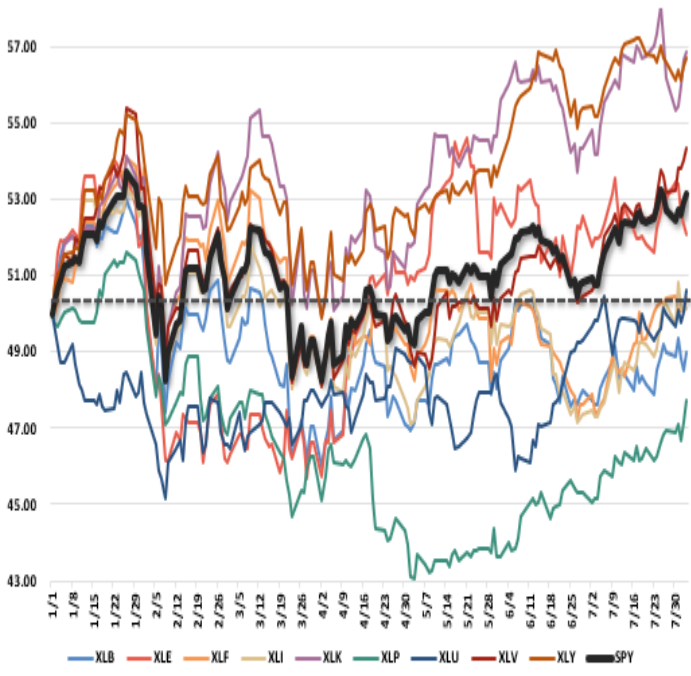
3 Month SPY Price									SPY RISK INFO					
									Item		T 2-Yr	T 1-Yr.	YTD	% Diff YTD/T1- YR
									Price Return		31.19%	14.84%	6.27%	(57.72%)
									Max Drawdown		-11.76%	-11.76%	-11.76%	0.00%
									Sharpe		1.55	1.25	0.69	(0.44)
									Sortino		1.76	1.36	0.78	(0.43)
									Volatility		10.55	12.59	15.49	0.23
									Daily VaR-5%		0.22	(3.09)	(12.96)	3.19
									Mnthly VaR-5%		4.35	1.82	(7.29)	(5.00)
S&P 500 Fundamental Analysis									S&P 500 Market Cap Analysis					
Item	2 years ago	1 year ago	Current	1 Yr % Change	5 Year High	5 year Low	% From High	% From Low	Item	12-M Ago	Current	% Chg		
Dividend Yield	2.04%	1.90%	1.77%	(7.23%)	2.17%	1.67%	(18.31%)	5.85%	Shares	2,446.8	2,415.3	(1.29%)		
P/E Ratio	19.26	20.69	19.65	(5.29%)	21.48	16.00	(8.5%)	22.82%	Sales	56,397	59,395	5.32%		
P/S Ratio	2.81	3.12	3.48	10.26%	3.52	2.20	(1.24%)	58.08%	SPS	23.0	24.6	6.69%		
P/B Ratio	3.21	3.55	4.03	12.05%	3.99	2.72	1.22%	48.19%	Earnings	7,506	8,348	11.22%		
ROE	15.06%	15.88%	16.58%	4.23%	16.58%	15.00%	0.00%	10.54%	EPS TTM	3.6	4.1	14.05%		
ROA	2.83%	2.95%	3.13%	5.77%	3.13%	2.82%	0.00%	10.74%	Dividend	1.4	1.5	9.45%		
S&P 500 Asset Allocation														
Sector	1 Year Price Return	Weight	Beta	P/E	P/E High-5yr (Mo.)	P/E Low-5Yr (Mo.)	P/E % From Peak	ROE	DIV. YIELD	TTM Earnings Yield	Current Forward Earnings	Forward PE		
Energy	16.12%	6.15%	1.05	26.40	144.07	12.52	(81.7%)	7.1%	2.8%	3.15%	3.98	16.99		
Materials	9.37%	2.57%	1.38	17.38	22.14	13.94	(21.5%)	9.9%	2.0%	5.23%	4.69	15.00		
Industrials	8.34%	9.79%	1.05	18.89	22.14	14.74	(14.7%)	14.4%	1.9%	5.04%	5.08	15.58		
Discretionary	24.22%	12.64%	1.07	24.86	25.85	19.95	(3.8%)	22.0%	1.2%	3.81%	4.26	19.96		
Staples	(1.25%)	6.77%	0.69	19.46	22.83	17.38	(14.7%)	24.6%	2.9%	4.98%	3.93	17.07		
Health Care	13.23%	14.49%	0.97	17.80	20.41	15.76	(12.8%)	26.6%	1.7%	5.42%	6.08	15.16		
Financials	11.05%	14.07%	1.20	15.54	18.49	11.68	(15.9%)	10.4%	1.7%	6.19%	5.44	12.19		
Technology	29.90%	25.84%	1.15	22.64	24.63	15.63	(8.1%)	31.5%	1.0%	4.06%	5.55	20.95		
Telecom	(7.53%)	1.95%	0.56	10.92	16.40	11.04	(33.4%)	17.6%	5.6%	8.73%	3.65	10.25		
Utilities	(1.27%)	2.88%	0.29	16.97	19.62	14.87	(13.5%)	11.0%	3.5%	5.77%	3.45	16.30		
Real Estate	3.29%	2.81%	0.70	18.95	24.39	17.61	(22.3%)	8.9%	3.4%	5.24%	3.90	17.76		
Momentum Analysis														
Item	Price	ROC 50-Days	50-DMA	# Days Since Cross	% Dev 50-Day	200-DMA	# Days Since Cross	% Dev 200-Day	% Dev 50-200 DMA	% From 52-W High	% From 52-W Low	Buy/Sell		
Large Cap	283.60	4.21%	276.76	22	2.47%	270.34	85	4.91%	2.37%	-1.06%	17.27%	Buy		
Mid Cap	363.96	2.69%	360.61	2	0.93%	349.00	89	4.29%	3.33%	-0.75%	18.44%	Buy		

# Performance Analysis

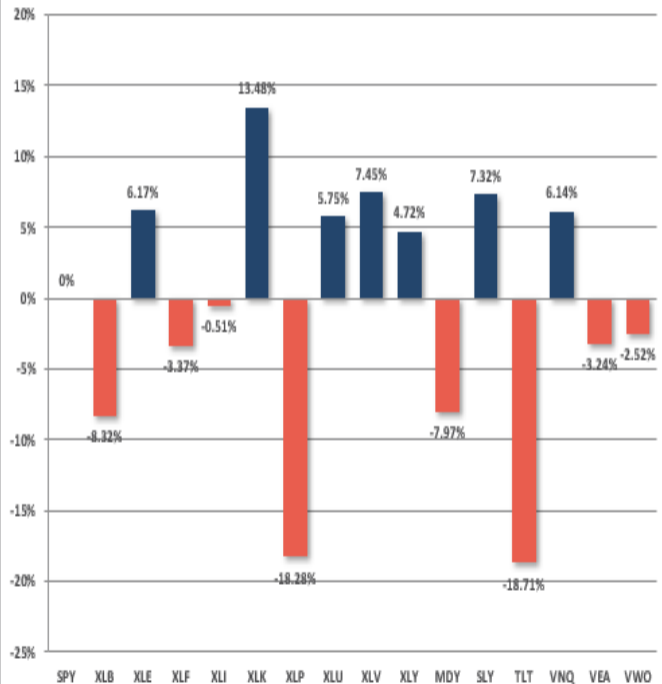
Year To Date Performance



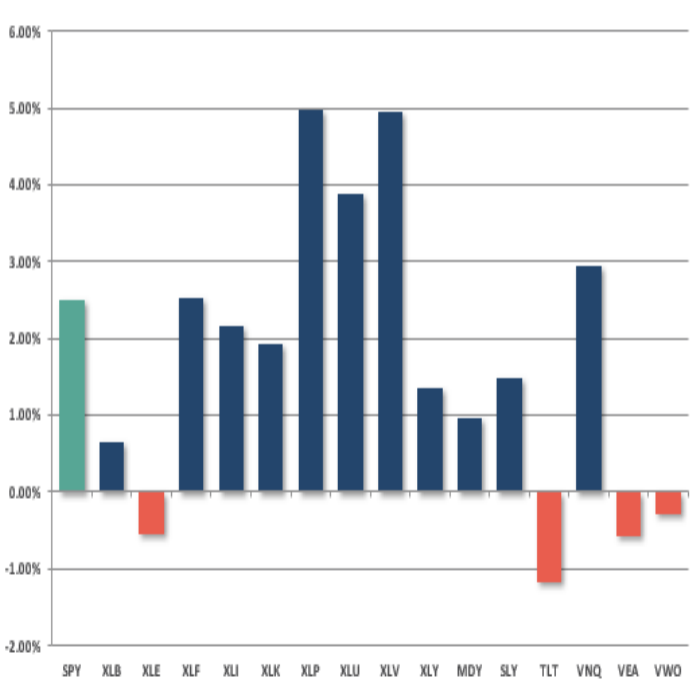
YTD Price - S&P Sectors Recalibrated To \$50/share



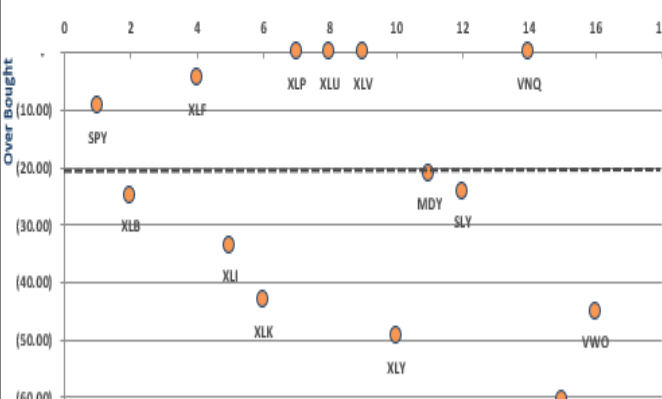
Year To Date Performance Relative To S&P 500



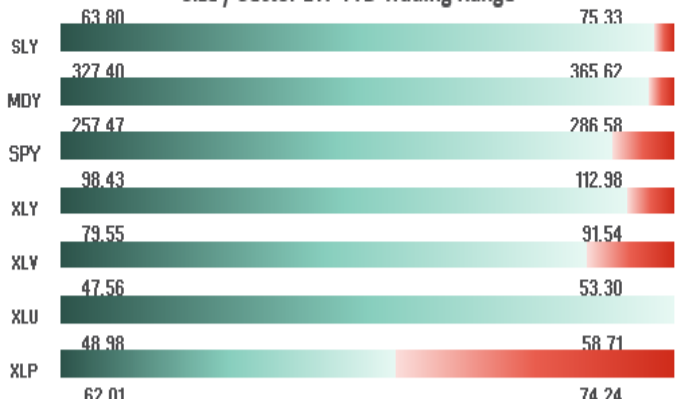
Price Deviation From 50-Day Moving Average



Overbought/Oversold 14-Periods



Size / Sector ETF YTD Trading Range





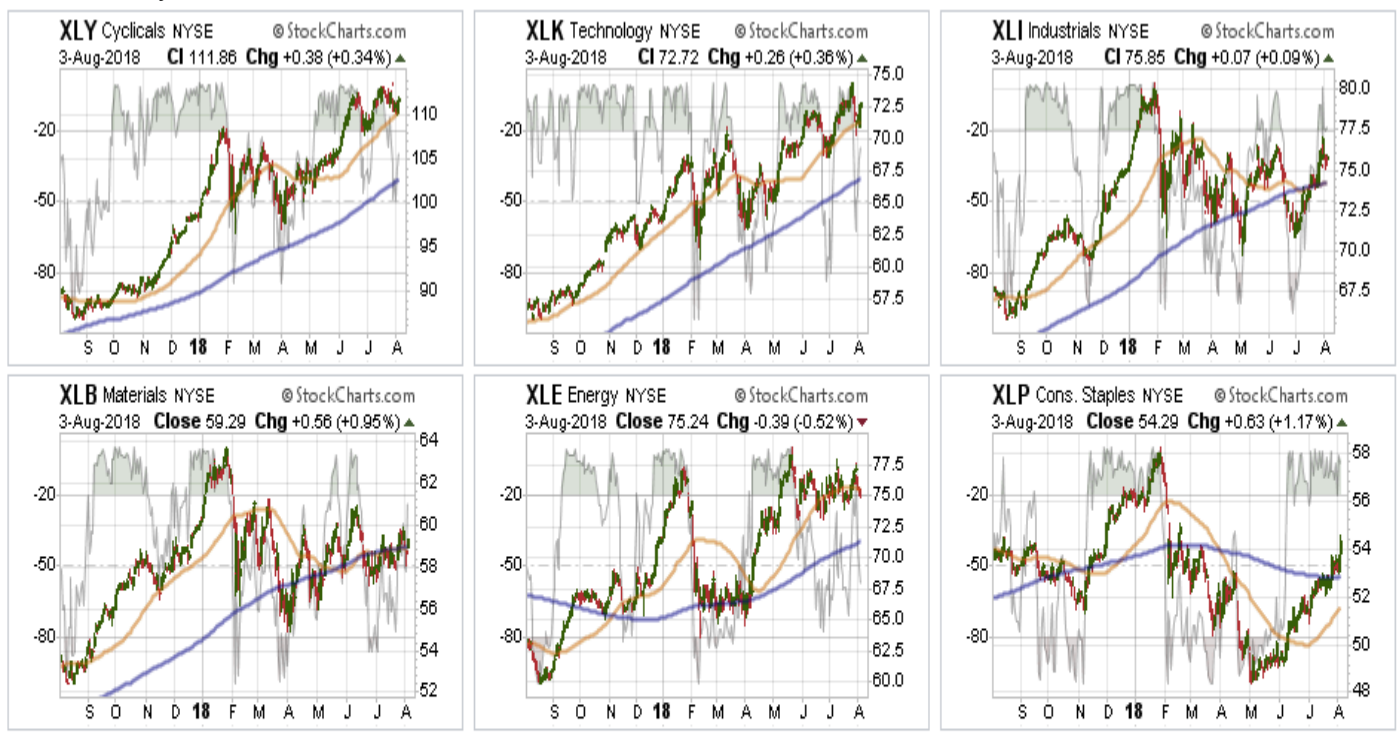
# ETF Model Relative Performance Analysis

	RELATIVE PERFORMANCE	Ticker	ETF NAME	Current Price	Model Position Price Changes Relative to Index					SHORT WMA	LONG WMA	% DEV - Short M/A	% DEV - Long M/A	Buy / Sell Signal
					1 Week	4 Week	12 Weeks	24 Weeks	52 Weeks					
	BENCHMARK	IVV	ISHARS-SP500	285.55	0.77	3.01	4.04	3.80	14.65	277.57	274.17	2.88%	4.15%	BUY
TACTICAL	SECTORS	XLB	SPDR-MATLS SELS	59.29	(0.79)	(1.57)	(3.36)	(5.77)	(6.02)	58.96	59.50	0.57%	-0.35%	SELL
		XLE	SPDR-EGY SELS	75.24	(2.59)	(3.58)	(5.98)	6.65	(0.03)	75.94	72.88	-0.92%	3.24%	BUY
		XLF	SPDR-FINL SELS	28.12	(0.81)	2.43	(4.53)	(6.77)	(3.90)	27.57	28.06	2.01%	0.22%	SELL
		XLI	SPDR-INDU SELS	75.85	(0.98)	2.11	(2.51)	(5.67)	(4.53)	74.34	75.35	2.02%	0.67%	SELL
		XLK	SPDR-TECH SELS	72.72	0.44	(0.67)	0.03	4.44	11.58	70.91	68.14	2.55%	6.72%	BUY
		XLP	SPDR-CONS STPL	54.29	0.93	0.96	5.55	(6.16)	(15.98)	51.25	53.24	5.93%	1.96%	SELL
		XLU	SPDR-UTIL SELS	53.30	0.48	(2.76)	1.76	2.54	(15.54)	50.99	50.79	4.53%	4.94%	BUY
		XLV	SPDR-HLTH CR	89.81	1.33	1.41	4.13	1.35	(1.65)	84.91	84.39	5.78%	6.42%	BUY
		XLY	SPDR-CONS DISCR	111.86	(0.58)	(1.59)	2.61	2.94	8.23	109.19	105.32	2.44%	6.21%	BUY
	SIZE	MGK	VANGD-MG CAP GR	123.87	0.10	(0.71)	1.02	2.78	5.76	120.44	116.86	2.84%	6.00%	BUY
		IJR	ISHARS-SP SC600	86.61	0.47	(2.56)	2.72	8.20	8.83	84.49	80.34	2.50%	7.80%	BUY
CORE	Equal Weight Market	RSP	GUGG-SP5 EQ ETF	105.32	(0.27)	(1.09)	(0.50)	(0.73)	(2.44)	103.01	102.06	2.24%	3.19%	BUY
	Dividend	VIG	VANGD-DIV APPRC	106.38	(0.50)	0.53	0.41	(1.47)	(0.84)	103.42	102.96	2.86%	3.32%	BUY
	Real Estate	VNQ	VIPERS-REIT	83.08	2.38	(2.94)	2.09	6.54	(15.72)	79.95	78.30	3.92%	6.10%	BUY
	International	IDV	ISHARS-INTL SD	32.90	(0.99)	(2.70)	(7.91)	(6.81)	(16.88)	33.04	33.57	-0.42%	-2.00%	SELL
		VWO	VANGD-FTSE EM	43.32	(1.73)	(0.48)	(10.09)	(14.11)	(14.47)	43.89	45.86	-1.29%	-5.54%	SELL
FI	Intermediate Duration	TLT	ISHARS-20+YTB	119.22	(0.97)	(5.88)	(4.05)	(3.37)	(19.22)	120.06	120.89	-0.70%	-1.38%	SELL
	International	BNDX	VANGD-TTL INT B	54.57	(1.03)	(3.43)	(4.00)	(2.80)	(14.76)	54.57	54.47	-0.01%	0.18%	BUY
	High Yield	HYG	ISHARS-IBX HYCB	85.95	(0.73)	(2.28)	(3.78)	(4.38)	(17.53)	85.60	86.07	0.40%	-0.14%	SELL
	Cash	BSV	VANGD-SHT TRM B	78.09										

REAL INVESTMENT ADVICE

## Sector & Market Analysis:

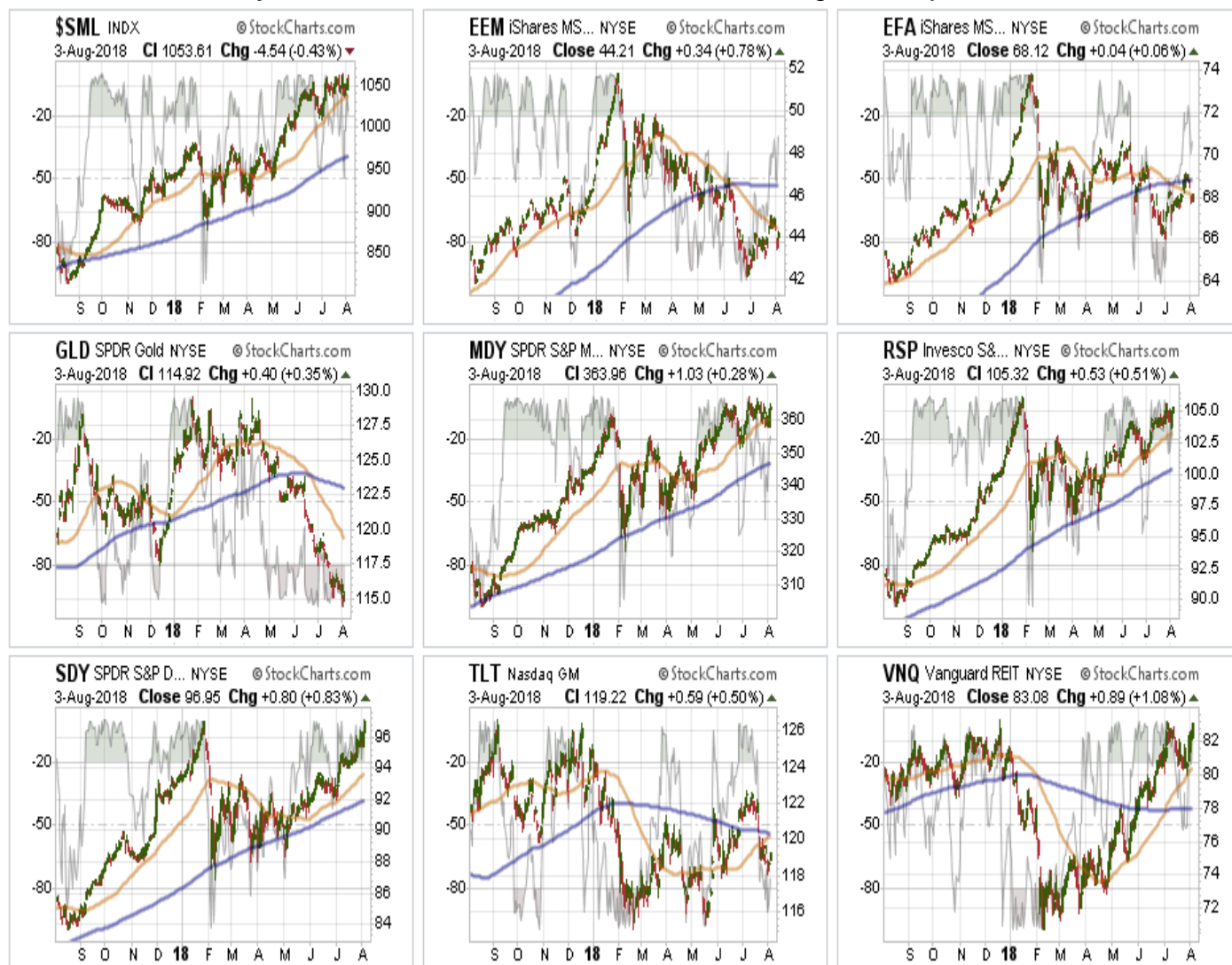
Last week, this section wasn't available due to my travels. Therefore, changes in this week's commentary is based on two week's of data.



**Discretionary and Technology** After recommending to take some profits out of the Technology sector, the \$FB episode led to sell-off back to the 50-dma support. The same occurred with the discretionary sector as well. The trends for both remain very bullish right now, and the pullback provides an opportunity to rebalance sector holdings back to target weights.

**Healthcare, Staples, and Utilities** after cooling briefly, money has once again flowed strongly into the sector. Healthcare, in particular, has gotten very extended and taking some profits and rebalancing back to portfolio weight makes sense. Despite the recent uptick in rates, Utilities have also continued to perform nicely after a long basing period earlier this year. Staples also continue to improve. **Financial, Energy, Industrial, and Material** stocks showed a bit of improvement this past week. Industrials were the only sector in the group to climb back above its 50-dma but remains below several previous tops. While the trend for Energy remains in place, for now, we remain underweight holdings due to lack of relative performance. We currently have no weighting in Industrial or Materials as the

continues to negatively impact the companies in the sectors. The decline of the continues to weigh on major banks.



**Small-Cap and Mid Cap** continue to perform well as of late. We noted two weeks ago, that after small and mid-caps broke out of a multi-top trading range, we needed a pull-back to add further exposure. That pullback to the 50-dma happened and we added exposure to portfolios with stops at the 50-dma. On any further weakness in the markets that hold supports and we increase exposure further to get us to full target weights in our models. **Emerging and International Markets** were removed in January from portfolios on the basis that and rising rates were not good for these groups. Furthermore, we noted that global economic

growth was slowing which provided substantial risk. That recommendation to focus on domestic holdings in allocations has paid off well in recent months. **With emerging markets and international markets continuing to languish, there is no reason to add exposure at this time.** Remain domestically focused to reduce the drag on overall portfolio performance. **Dividends and Equal weight** continue to hold their own and we continue to hold our allocations to these *core holdings*. **Gold** we haven't owned Gold since early 2013. However, we suggested three months ago to close out existing positions due to a violation of critical stop levels. We then recommended that again given the cross of the 50-dma back below the 200-dma. That bounce came and went and gold broke to new lows. **With gold very oversold on a short-term basis, if you are still long the metal, your stop has been lowered from \$117 two weeks ago, to \$114 this week. A rally sale point has also declined from the previous level of \$121 to \$117.50.** **Bonds** This past week, bonds sold off on concerns of a major issuance of new bonds by the Treasury to fill the Government's funding gap. With the 50-dma about to cross back above the 200-dma, the technical backdrop continues to build for adding bonds to portfolios. However, be patient and let's see what happens next week. As noted previously, **we remain out of trading positions currently but remain long** *core* **bond holdings mostly in floating rate and shorter duration exposure. REITs** keep bouncing off the 50-dma like clockwork. Despite rising rates, the sector has continued to catch a share of money flows and the entire backdrop is bullish for REITs. However, with the sector very overbought, take profits and rebalance back to weight and look for pullbacks to support to add exposure. The table below **shows thoughts on specific actions related to the current market environment.**

*(These are not recommendations or solicitations to take any action. This is for informational purposes only related to market extremes and contrarian positioning within portfolios. Use at your own risk and peril.)*

						OVERWEIGHT	BUY	HOLD	REDUCE	SELL	Notes
		Over Bought / Sold	50/200 DMA	Trend	Action						
XLY	Discretionary	OB	Positive	Positive	Hold			X			Hold
XLK	Technology	OB	Positive	Positive	Hold			X			Hold
XLI	Industrials	OB	Negative	Negative	Hold			X			Hold
XLB	Materials	Improving	Negative	Negative	Warning			X			50-dma Xver Of 200-dma
XLE	Energy	Neutral	Positive	Positive	Hold			X			Hold
XLP	Staples	OB	Negative	Improving	Hold			X			Hold
XLV	Health Care	OB	Positive	Positive	Hold			X			Rebalance To Target
XLU	Utilities	OB	Improving	Positive	Hold			X			Hold
XLF	Financials	OB	Negative	Negative	Warning			X			Hold
\$SML	Small Caps	OB	Positive	Positive	Hold			X			Hold
EEM	Emerging Mkt	Neutral	Negative	Negative	Sell			X			No Position
EFA	International	OB	Negative	Positive	Sell			X			No Position
GLD	Gold	OS	Negative	Warning	Sell					X	Stop Loss Violated
MDY	Mid Cap	OB	Positive	Positive	Hold			X			Hold
RSP	SP500 Equal Wgt	OB	Positive	Positive	Hold			X			Hold
SDY	SP500 Dividend	OB	Positive	Positive	Hold			X			Hold
TLT	20+ Yr. Bond	OS	Improving	Neutral	Hold			X			No Trading Position / Long Bonds
VNQ	REIT's	OB	Positive	Positive	Hold			X			Hold
LEGEND: X = THIS WEEK => PREVIOUS DECLINING <= PREVIOUS IMPROVING							X	No Position			

## Portfolio/Client Update:

As I noted last week, the market's improvement allowed us the ability to further increase equity exposure in portfolios in anticipation of registering a confirmed buy signal. With the retest of the 2013266080; Maginot Line 2013266080; this past week, we will look to further increase equity exposure on opportunity. However, given the August and September are historically weak months for the market, we will remain a bit more cautious on the how and when we increase holdings in our models. The cluster of support at the 50- and 100-dma remains in place which limits much of the downside risk currently. However, we are quite aware of the risk stemming from tariff talk and further tightening of Fed policy. As we noted several weeks ago:

*While we are not raging long-term bulls, we do think that with earnings season in process the bias will be to the upside. There is a high probability of a substantive rally over the next couple of weeks.*

While that has indeed been the case, we continue to follow our process internally with an inherent focus on the risk to client capital.

- **New clients:** 2013266080; We added 50% of target equity allocations for new clients. We will look to add further exposure opportunistically. 2013266080;
- **Equity Model:** 2013266080; We previously added 50% of target allocations. We dollar cost averaged into those holdings opportunistically. We recently added new positions to the model and will continue to look for opportunity accordingly. 2013266080; 2013266080;

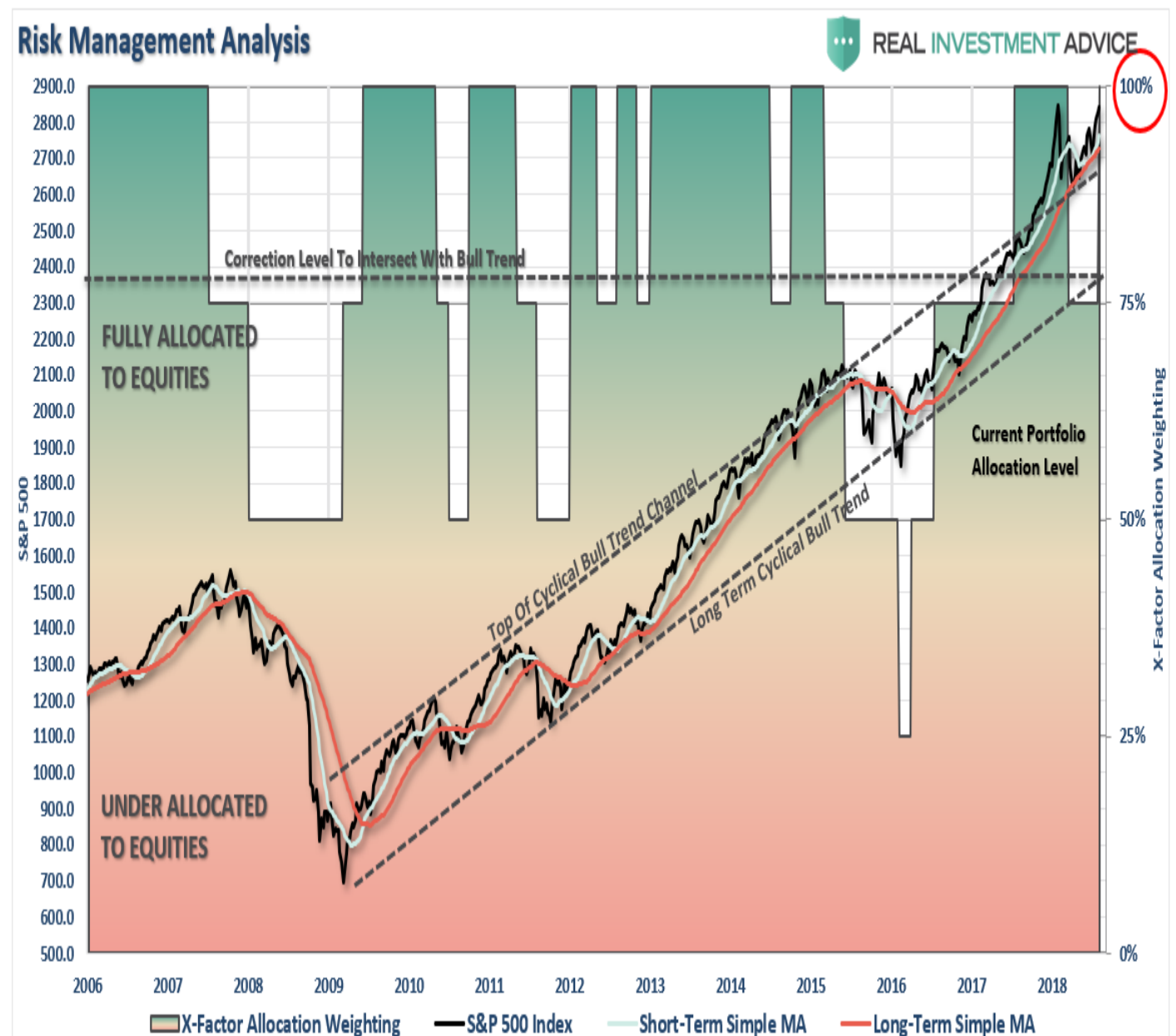


- **Equity/ETF blended** models were brought closer to target allocations as we added to core holdings.
- **Option-Wrapped Equity Model** were brought closer to target allocations and collars will be implemented.

Again, we are moving cautiously, and opportunistically, as we continue to work toward minimizing risk as much as possible. While market action has improved on a short-term basis, we remain very aware of the long-term risks associated with rising rates, excessive valuations and extended cycles. **It is important to understand that when we add to our equity allocations, ALL purchases are initially trades that can, and will, be closed out quickly if they fail to work as anticipated.** This is why we step into positions initially. Once a trade begins to work as anticipated, it is then brought to the appropriate portfolio weight and becomes a long-term investment. **We will unwind these action either by reducing, selling, or hedging, if the market environment changes for the worse.**

## THE REAL 401k PLAN MANAGER

The Real 401k Plan Manager ? A Conservative Strategy For Long-Term Investors



There are 4-steps to allocation changes based on 25% reduction increments. As noted in the chart above a 100% allocation level is equal to 60% stocks. I never advocate being 100% out of the market as it is far too difficult to reverse course when the market changes from a negative to a positive trend. Emotions keep us from taking the correct action.

401k Plan Manager Allocation Shift

## Buy Signal Is In?

The market did trigger a weekly confirmed ?buy? two week?s ago as we previously discussed. However, as noted in the main part of missive above, by the time these signals occur the market has generally gotten either overbought or oversold in the short-term. There is ?no requirement? to make immediate adjustments to your 401k plan. As you will note in the chart above, there have previously been&#2013266080;?buy signals?&#2013266080;which were reversed a few months later. This could well be one of those times given some the condition of the macro environment. However, for now, while we do recommend some caution, particularly if you are closer to retirement, follow the rules below:

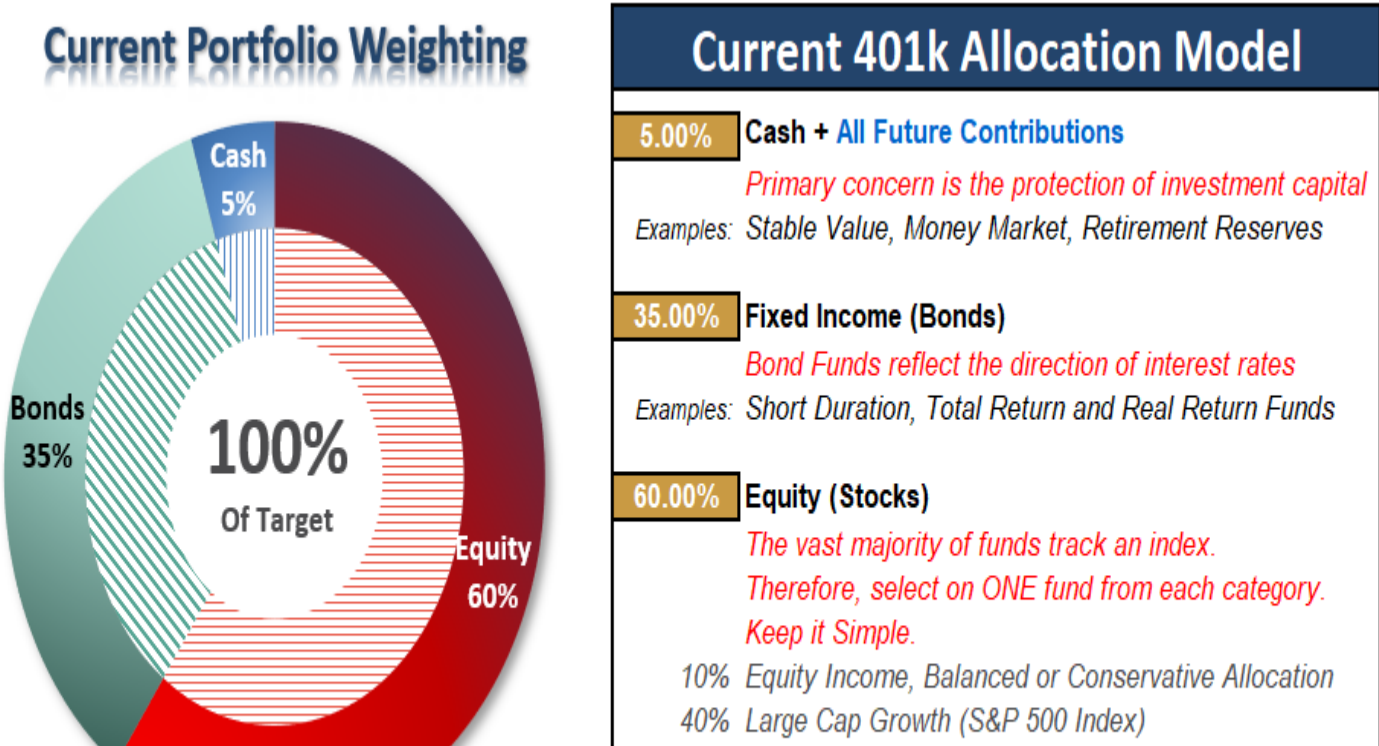
- If you are&#2013266080;**overweight**&#2013266080;**equities**&#2013266080;? reduce international and emerging market exposure.
- If you are&#2013266080;**underweight equities**&#2013266080;? begin increasing exposure towards equity in small steps. (1/3 of what is required to reach target allocations.)
- If you are at&#2013266080;**target equity allocations**&#2013266080;currently, do nothing for now.

While we officially upgraded our allocation model back to 100% exposure, there is no rush to immediately begin adding additional equity risk. Do so opportunistically.

If you need help after reading the alert; don?t hesitate to&#2013266080;[contact me](#).

## Current 401-k Allocation Model

The 401k plan allocation plan below follows the K.I.S.S. principle. By keeping the allocation extremely simplified it allows for better control of the allocation and a closer tracking to the benchmark objective over time.(If you want to make it more complicated you can, however, statistics show that simply adding more funds does not increase performance to any great degree.)



## 401k Choice Matching List

The list below shows sample 401k plan funds for each major category. In reality, the majority of funds all track their indices fairly closely. Therefore, if you don't see your exact fund listed, look for a fund that is similar in nature.

[401k Selection List](#)