# THE EXPOSURE INDEX

The Exposure Index is the numerical representation of our process of dynamic portfolio management. We have discovered that, after years of traditional methods, there is a better way to manage your portfolio than the "set it and forget it" approach. The stock market is an ever-changing financial environment, and this requires a strategy that is flexible and adaptable to these changes. We have developed a process of advising that enables our clients to realize their dreams while protecting their portfolio from unacceptable losses that can severely impact long-term goals. The Index meter depicts just that, the monitoring and adjusting of our exposure to the risk of the equities markets. The process is critical to upholding our management philosophy of ***"a disciplined risk reduction strategy is critical to the success of any financial plan."***

Wealth preservation is every bit as important as wealth accumulation. We are firmly committed to a process that navigates the markets and moves with them. Although risk is inherent in virtually all investments, subjecting a portfolio to significant downturns as you remain fully invested simply does not make sense-in fact it can be devastating. A 20% loss requires a 25% gain just to mitigate the loss and break even. We simply can't say it enough, but "Lasting wealth is a matter of timing..."

***"If your portfolio is always standing still it will eventually get run over."***

A simple, actively managed strategy that looks to participate in the majority of an uptrend, and hedge the majority of a downtrend, can produce better returns than broad-based passive allocations that rely solely on the markets going higher. Unfortunately, this market over-optimism leads to the time worn approach of a very fragile, overly diversified portfolio that is in part self-serving on the part of the large financial institutions. They want to encourage you to at least maintain, and hopefully increase, your exposure to mutual funds, and manage the risk by simply rebalancing a static portfolio. This is like shifting deck chairs on the Titanic…
Conversely, our non-emotional, dynamic, price-driven methods can earn more consistent returns over time, mitigate drawdowns, and help take the anxiety out of inevitable investment risk. An actively managed portfolio that is sensitive to the anticipated upside potential vs. downside risk is always much more sensible and effective than staying fully invested and subjecting your future to the total whim of the markets. It's our better way that enables you to build financial poise and expand all your expectations…