UBS

Our essential investing principles

By following these core principles, we provide our clients with a strategic approach to pursuing financial well-being.

#1 Goals-based approach
Based on your needs, we'll structure your investment plan around three buckets of assets. Each is built with a specific purpose to align your wealth with specific goals: liquidity for near-term needs, longevity for intermediate to long-term needs and legacy for needs that go beyond your own to help improve the lives of others.

#2 Selective process
We'll identify investment solutions that have a sustainable process and risk-adjusted returns that are better than relevant benchmarks. Our approach begins with a 14-question assessment to better understand your investment experience, preferences and risk tolerance. Based on your input, our portfolios are thoughtfully designed to add value using solutions with potential for outperformance or portfolio risk reduction.

#3 Compounding growth
We'll focus on growing your wealth over the long-term. The power of compounding tends to increase over time and is often underestimated. For example, the rule of 72 says your money will double every 10 years if it earns an annual return of 7.2%.

#4 Cost efficiency
Our equity portfolios own stocks directly along with low-cost ETFs. We provide clients with an option for nearly zero cost third-party management for stock and bond investments leveraging actively managed stock and bond portfolios. In constructing portfolios, we use our zero-cost portfolio to determine if third-party fees are justified due to an expectation of outperformance or risk reduction.

#5 Tax awareness
Tax management is a high priority for our clients. And for us too. Our advice looks at harvesting losses, investing in the most tax-efficient securities, optimizing accounts, providing advanced planning advice on trusts and coordinating with your CPA and attorney.

#6 Systematic rebalancing
We'll rebalance portfolios regularly to align with changing markets. During corrections and bear markets, our team goes into action on your behalf by rebalancing your portfolio to add equities on sale and loss harvesting to create tax credits. The most damaging action investors take historically is selling into a bear market. Our role is to help you systematically rebalance your portfolio by bringing equities back to your targeted asset allocation level during periods of heightened volatility.

#7 Rules-based decisions
In volatile markets, we eliminate reactive behavior and judgment by executing a systematic process. For example, our most common approach to implementing lump sums is to invest funds right away into bonds and alternatives while using a dollar-cost average program for equities. For equities, our programs span over three to twelve months with accelerated buy-ins on market declines.

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