



# Investing Evolved and Your Portfolio

## Pursue Your Goals with Confidence

Investing Evolved can help you and your financial advisor determine the right investment mix to meet your goals, feel comfortable with the amount of risk in your portfolio, and work toward achieving your long-term financial goals.



# Investing Evolved Overview

Our approach to portfolio construction is designed to keep you invested through all market cycles, up and down. It allows for more equity exposure in your portfolio, which can help you get closer to your financial goals over the long term, complemented with updated risk management techniques that provide a steadier experience during times of market stress. We call our portfolio construction approach **Investing Evolved**.



## Three Investment Approaches

**1** **Core Markets** provide exposure to growth in domestic and global economies

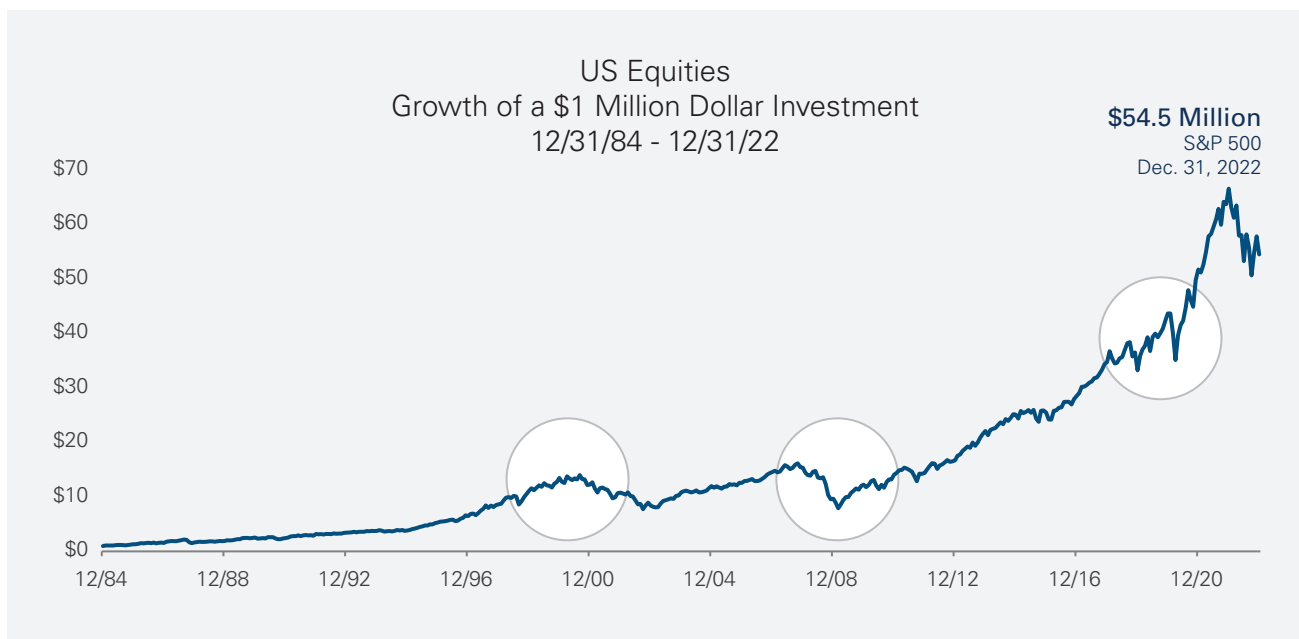
**2** **Tactical Strategies** provide supplemental returns through active equity management

**3** **Diversifying Strategies** help manage equity risk, particularly during times of steep market declines

## Investors have been rewarded over time, despite market declines

Historically, equities have been the best asset class for investors to participate in long-term economic growth and increase the value of their portfolios, despite market pullbacks. As shown in the chart below, a \$1 million dollar portfolio invested in the S&P 500 at the close of 1984 would have grown to over \$66.5 million by the close of 2021.

Investing Evolved allows you to have more of your money allocated to the stock market, with supplemental risk-management strategies that can give you the confidence to stay invested during market declines.

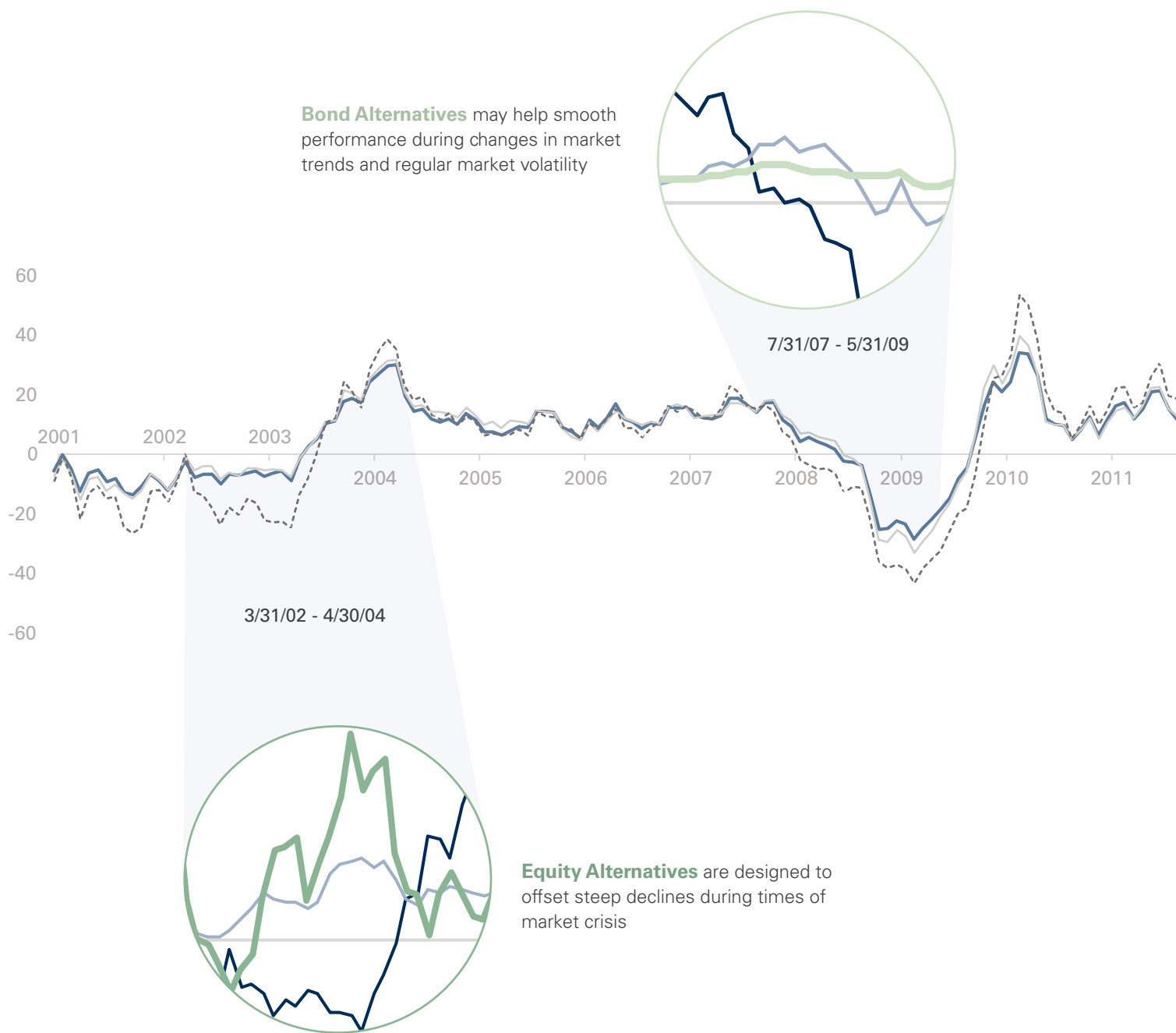


US Equities represented by S&P 500 Index. Past performance is no guarantee of future results.

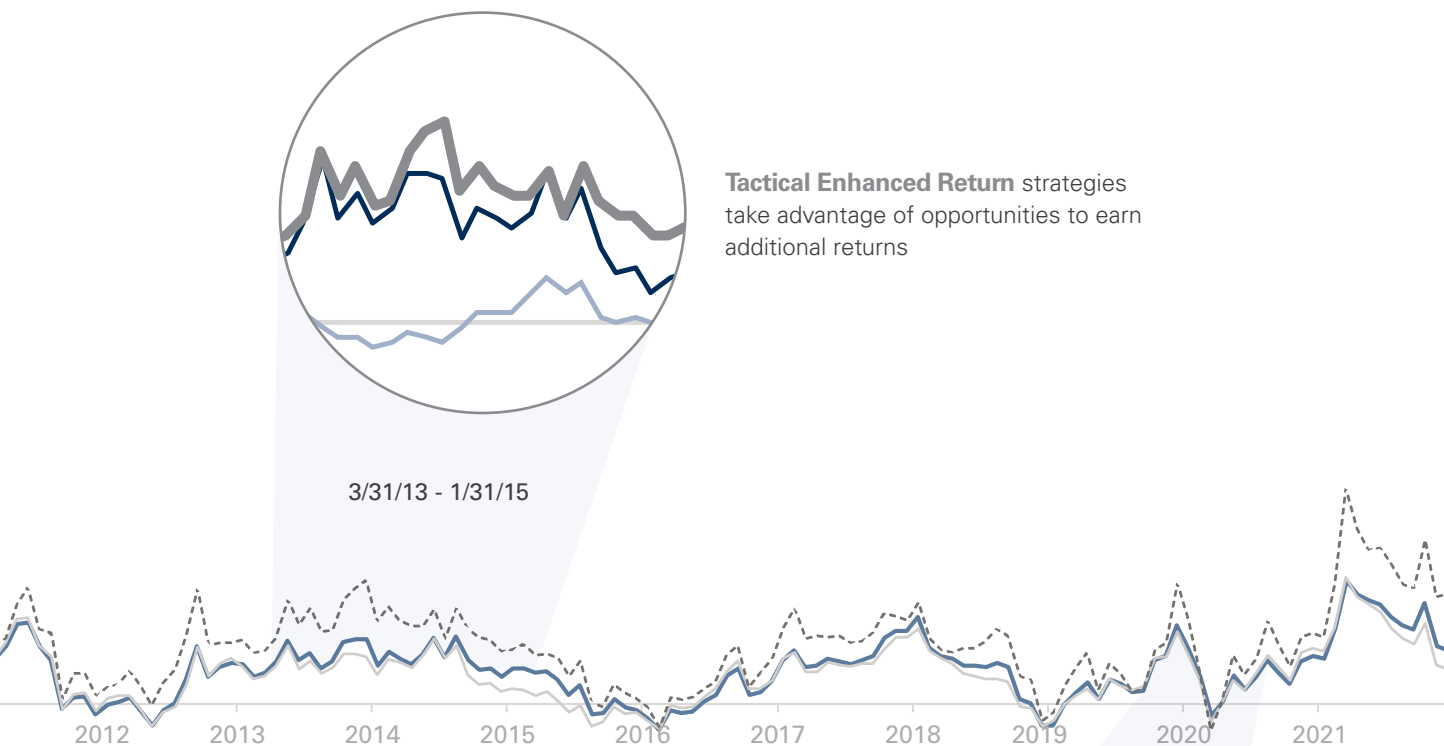
Source: AssetMark

# Portfolio Explainer

When utilized in a portfolio, the Investing Evolved approach can help provide a smoother investment experience over the long term, helping investors stay in the market and achieve their financial goals.



**Core Market Equities** are represented by the MSCI ACWI, a market capitalization weighted index designed to measure the stock performance of countries considered to represent both developed and emerging markets. **Core Market Bonds** are represented by the Bloomberg Global Aggregate, an index that measures investment-grade debt from twenty-four local currency markets. **Tactical Enhanced Return Focus** is represented by the S&P 500, a market cap weighted index that is considered representative of the US equity market. **Tactical Limit Loss Focus** is represented by the S&P 500 Risk Controlled 10% Index, an index based on the S&P 500 index, which is dynamically adjusted to a target volatility level. **Equity Alternatives** are represented by the SG Trend Index which calculates the net daily rate of return for a pool of trend-following hedge managers. **Bonds & Bond Alternatives** are represented by



**Benchmark Return Jan 2001 - Dec 2022**

- Investing Evolved Benchmark
- 60/40 Benchmark
- S&P 500 Index

---

- Core Market Equities
- Core Market Bonds
- Tactical Limit Loss
- Tactical Enhanced Return
- Bond Alternatives
- Equity Alternatives

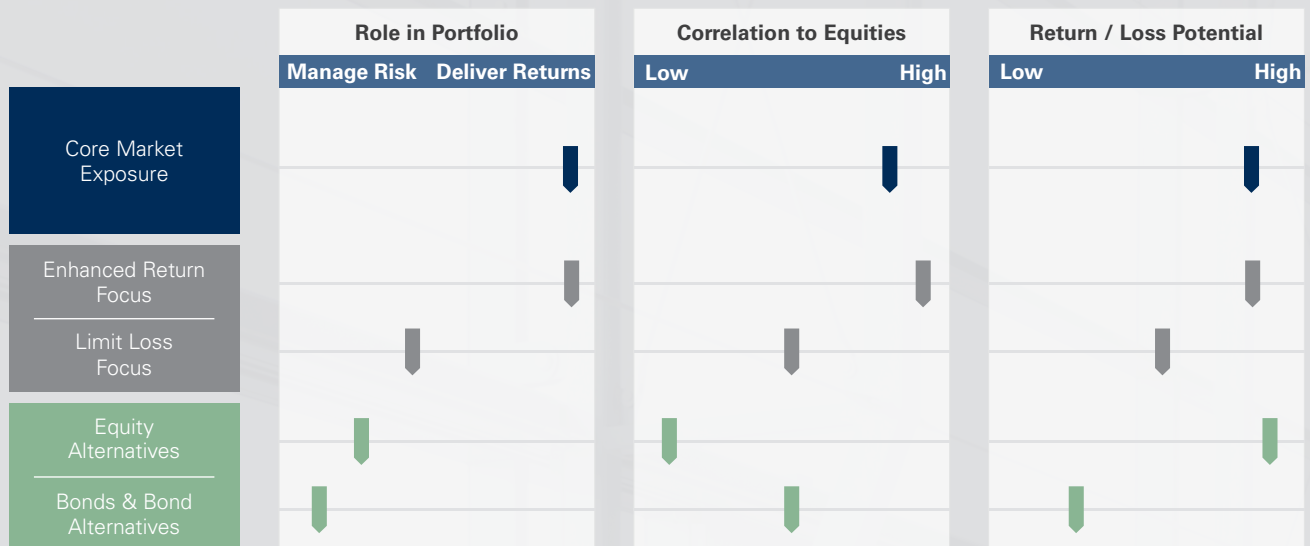


Source: AssetMark

the Bloomberg US Government/Credit index which represents investment-grade US-dollar denominated fixed-rate Treasuries, government-related and corporate securities. **The 60/40 Benchmark** is 60% MSCI ACWI and 40% Bloomberg Global Aggregate indexes. **The Investing Evolved benchmark** is a blend represented by the Profile 3 Portfolio (60% Global Blend 75/25 (75% MSCI ACWI, 25% Bloomberg Global Aggregate Bond), 10% S&P 500, 15% S&P 500 Daily Risk Control 10%, 10% SG Trend, 5% Bloomberg US Aggregate Bond). It is not possible to invest directly in an index. Illustrated performance doesn't account for management fees, which would reduce performance.

## Three approaches, each with a specific role in a portfolio

You've worked with your advisor to determine how much risk you're willing (and able) to take to reach your financial goals. An Investing Evolved portfolio contains a range of investment strategies, each with a specific function and purpose.



### 1 Core Markets provide exposure to growth in domestic and global economies

#### Core Market Exposure

**Why:** Participation in economic growth

**What:** Broad market exposure – mainly stocks and bonds

**What to expect:** Performance that will rise and fall with the market, with occasional deep declines

Core Markets

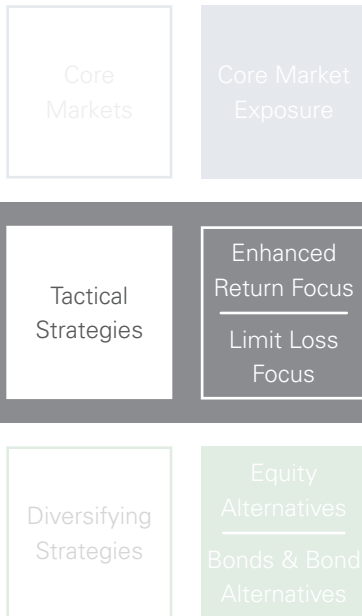
Core Market Exposure

Tactical Strategies

Enhanced Return Focus  
Limit Loss Focus

Diversifying Strategies

Equity Alternatives  
Bonds & Bond Alternatives



## 2 Tactical strategies provide supplemental returns through active equity management

### Enhanced Return

**Why:** Take advantage of alpha opportunities

**What:** Focused strategy attempting to beat an index, typically equities

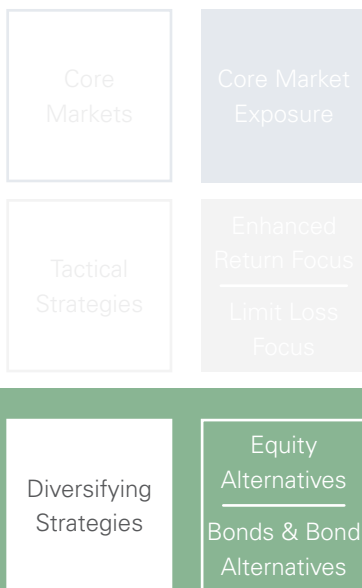
**What to expect:** Seeks excess returns relative to the broad market index

### Limit Loss

**Why:** Limit participation in large, extended drawdowns

**What:** Dynamic equity exposure driven by discrete signals

**What to expect:** Seeks to limit losses in extended downturns; lagging returns may occur in sudden market rebounds



## 3 Diversifying strategies help manage equity risk, particularly during times of steep market declines

### Equity Alternatives

**Why:** Manage equity risk, particularly during times of steep market declines

**What:** Trend-following managed futures, taking long and short positions

**What to expect:** Works to provide market crisis alpha; can lag equities for long periods

### Bonds & Bond Alternatives

**Why:** Limit participation in large, extended drawdowns

**What:** Dynamic equity exposure driven by discrete signals

**What to expect:** Seeks to limit losses in extended downturns; lagging returns in sudden market rebounds

**AssetMark, Inc.**

1655 Grant Street  
10th Floor  
Concord, CA 94520-2445  
800-664-5345

**Important Information**

This is for informational purposes only, is not a solicitation, and should not be considered investment, legal or tax advice. The information has been drawn from sources believed to be reliable, but its accuracy is not guaranteed, and is subject to change. Investors seeking more information should contact their financial advisor. Financial advisors may seek more information by contacting AssetMark at 800-664-5345.

**Investing involves risk, including the possible loss of principal. Past performance does not guarantee future results.** Asset allocation cannot eliminate the risk of fluctuating prices and uncertain returns. There is no guarantee that a diversified portfolio will outperform a non-diversified portfolio. No investment strategy, such as asset allocation, can guarantee a profit or protect against loss. Actual client results will vary based on investment selection, timing, market conditions, and tax situation.

It is not possible to invest directly in an index. Indexes are unmanaged, do not incur management fees, costs and expenses and cannot be invested in directly. Index performance assumes the reinvestment of dividends.

Investments in equities, bonds, options, and other securities, whether held individually or through mutual funds and exchange traded funds, can decline significantly in response to adverse market conditions, company-specific events, changes in interest and exchange rates, and domestic, international, economic, and political developments.

Bloomberg® and the referenced Bloomberg Index are service marks of Bloomberg Finance L.P. and its affiliates, (collectively, "Bloomberg") and are used under license. Bloomberg does not approve or endorse this material, nor guarantees the accuracy or completeness of any information herein. Bloomberg and AssetMark, Inc. are separate and unaffiliated companies.

Please read the Terms of Use posted at [www.ewealthmanager.com](http://www.ewealthmanager.com) that govern the use of these materials and also be advised:

AssetMark uses financial market information ("Information") from third-party providers ("Providers") in reports ("Materials"). The Information includes, but is not limited to, financial market data, quotes, news, analyst opinions and research reports. The Materials are for informational purposes only, not a solicitation or for use in the creation/management/offering/sale of any financial instrument or product based thereon and should not be considered investment, legal or tax advice. The Information has been drawn from sources believed to be reliable, but its accuracy and timeliness is not guaranteed, and is subject to change. You agree that neither AssetMark nor the Providers are liable for the use of the Information.

You agree not to redistribute the Information to recipients not authorized by AssetMark. You agree that the Providers are considered to be third-party beneficiaries of the Terms of Use.

AssetMark, Inc. is an investment adviser registered with the U.S. Securities and Exchange Commission.

©2023 AssetMark, Inc. All rights reserved.

30687 | C22-18721 | 06/2023 | EXP 06/30/2025