Better Returns. Less Risk. Lower Taxes.

As the saying goes, there's no such thing as a dumb question—and that is especially true when it comes to investing. The goal of every investor is to create a more efficient portfolio that maximizes returns while taking the least amount of risk possible. But many investors aren't familiar with the details of what is going on in their portfolio. Do you really know the answers to the following questions?

- **How much risk am I taking?**
- **Are my returns acceptable given the amount of risk?**
- **How much am I paying in fees?**
- **What could I be doing better?**

The TownSquare Portfolio Audit is designed to analyze your current portfolio and identify exactly what problems and potential opportunities exist. You may be paying higher fees than expected, taking more risk than you think, and getting lower performance than equivalent investments. Want to find out?

Key areas of analysis include:

Asset Allocation and Diversification

A landmark study cited in the Financial Analysts Journal shows that about 90% of the variability of average total returns is the result of asset allocation policy[1]. What is the make-up of your portfolio and is it appropriate for you?

Portfolio Structure and Efficiency

Portfolio structure refers to the implementation of the investment strategy. What types of investment vehicles are you using in your portfolio and what are the underlying holdings of those vehicles? How much expense is being generated from unnecessary trading? How much overlap exists?

Portfolio Risk

How much risk are you taking? Are you taking any unnecessary risks? What about inflation and underperformance risk?

Expenses

How much are you paying in advisory and portfolio management fees? Are you aware of all undisclosed costs that you could be paying in your portfolio such as trading commissions, soft dollars paid by the fund to its trading partners, trading desk spreads, and front-end loads?

Tax Efficiency

Taxes can erode 20% to 50% of your earnings, which is why paying attention to tax management is so important. Disorganized portfolios and active trading create unnecessary tax. Carefully and strategically realizing gains, avoiding short-term capital gains, and strategically harvesting losses to offset taxable gains can add significant value to the net after-tax return of taxable accounts.

Performance

How have similar investments with similar risk profiles performed over the same time period? Are those returns consistent with the amount of risk you are taking? How have similar investments performed over the same time period?

Call your financial advisor for your free portfolio audit

[1] *Does Asset Allocation Policy Explain 40, 90, or 100 Percent of Performance?* Financial Analysts Journal, January/February 2000.

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