

Investing for Successful Retirement

UD Osher – OLLI

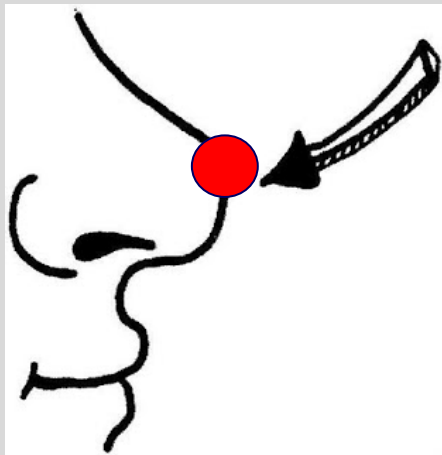
Spring 2026

□ **Rajeev A. Vaidya**

□ **Ron Materniak**

Disclaimer in plain language

Disclaimer – in plain language:



Opinions are like noses, everyone has one !

You are going to see mine in this course !!

We are simply sharing our perspective.

This is not investment advice or recommendation.

Ron, and I are not a financial advisors.

This course is for educational purposes only.

Form your own opinion, make your own investment decisions.

Sixth Class – Mar. 11th

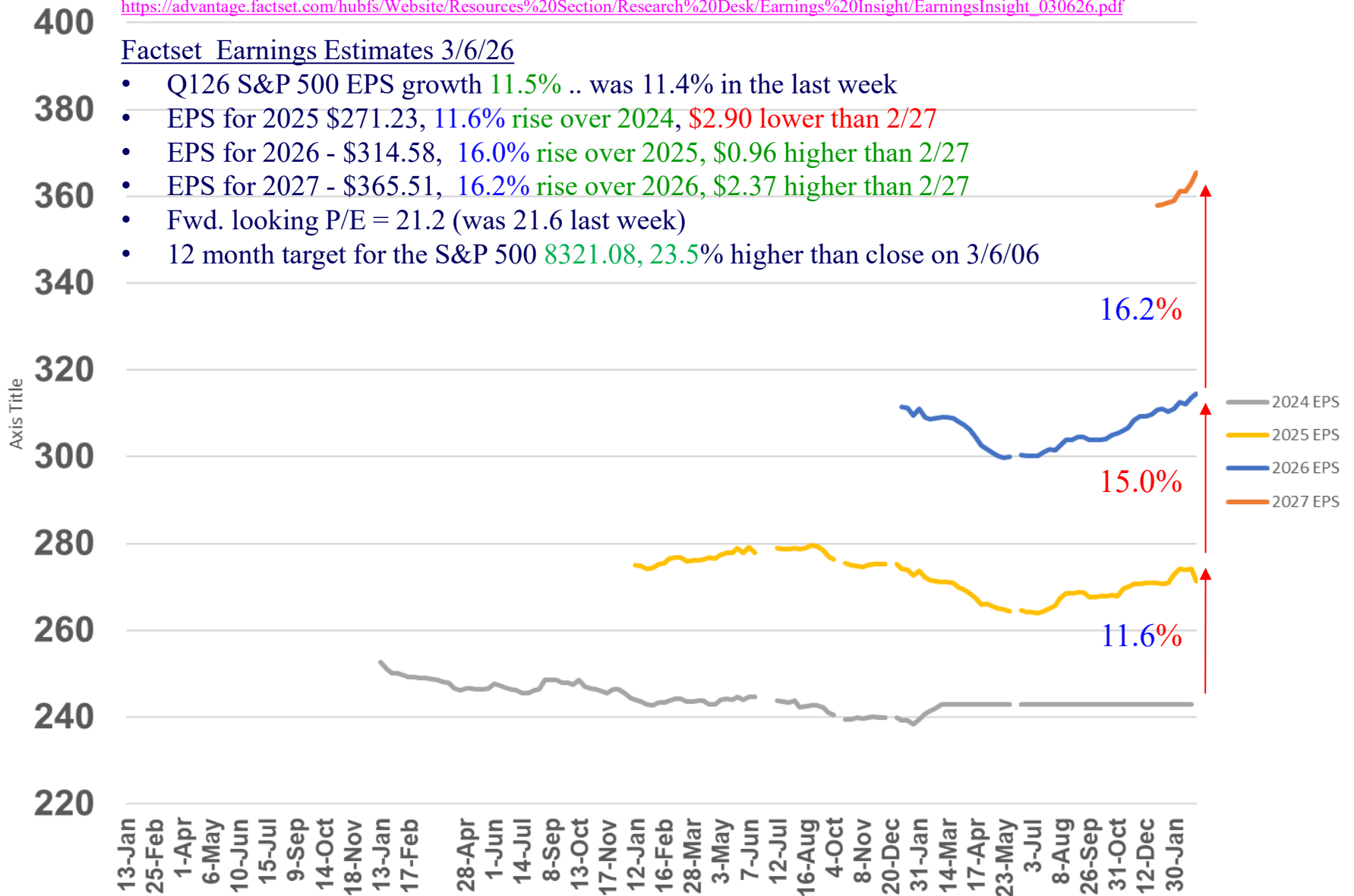
- Market Update
- Deep Dive into ETFs and Mutual funds - Part 2
 - ETFs for various asset classes
 - Using ETFs with an asset allocation strategy
 - The simplest sound investment strategy you can follow
- Questions

Factset(R) - S&P 500 Calendar year earnings forecast

https://advantage.factset.com/hubfs/Website/Resources%20Section/Research%20Desk/Earnings%20Insight/EarningsInsight_030626.pdf

Factset Earnings Estimates 3/6/26

- Q126 S&P 500 EPS growth 11.5% .. was 11.4% in the last week
- EPS for 2025 \$271.23, 11.6% rise over 2024, \$2.90 lower than 2/27
- EPS for 2026 - \$314.58, 16.0% rise over 2025, \$0.96 higher than 2/27
- EPS for 2027 - \$365.51, 16.2% rise over 2026, \$2.37 higher than 2/27
- Fwd. looking P/E = 21.2 (was 21.6 last week)
- 12 month target for the S&P 500 8321.08, 23.5% higher than close on 3/6/06

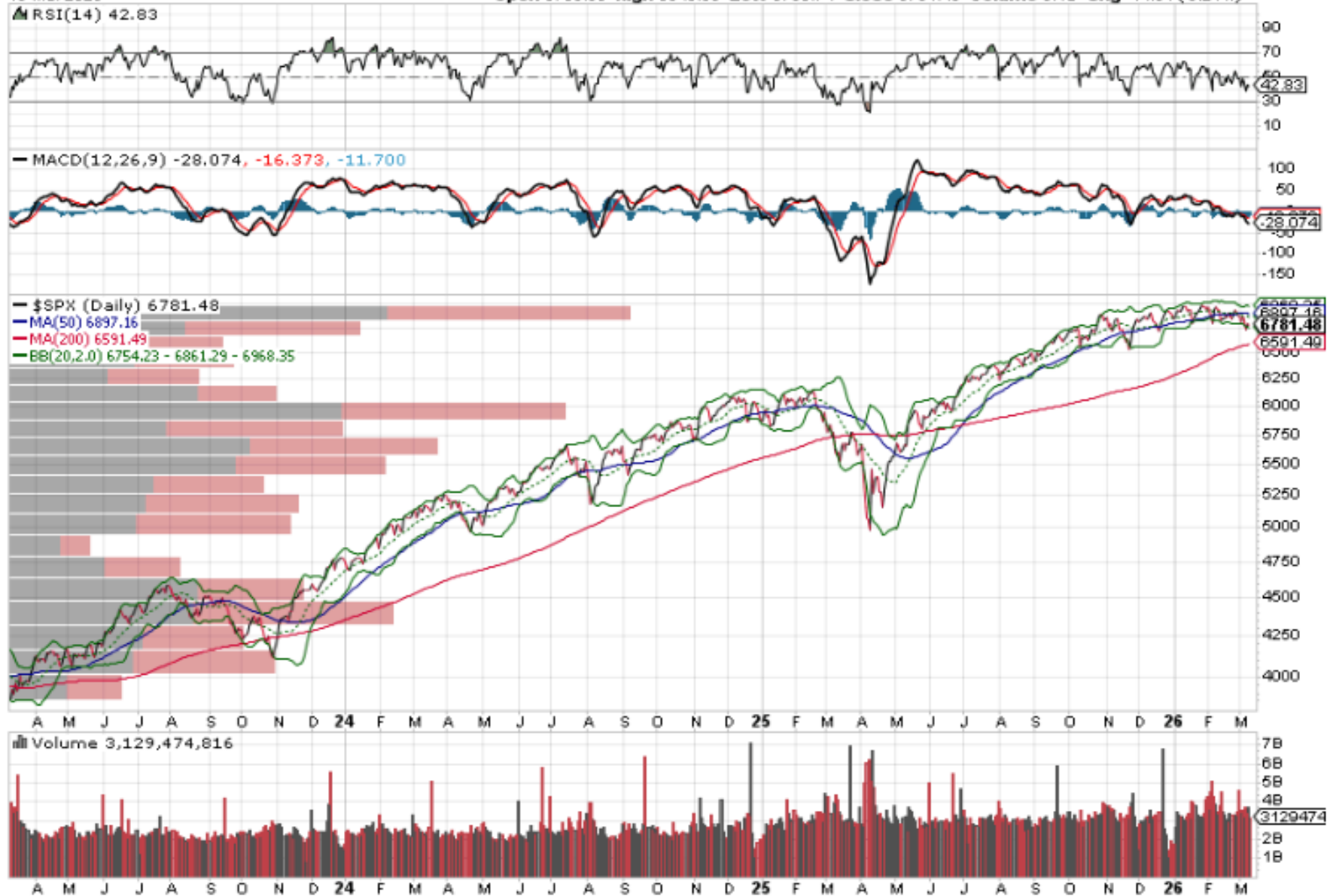


\$SPX S&P 500 Large Cap Index INDX

10-Mar-2026

Open 6798.56 High 6845.08 Low 6750.74 Close 6781.48 Volume 3.1B Chg -14.51 (-0.21%)

© StockCharts.com



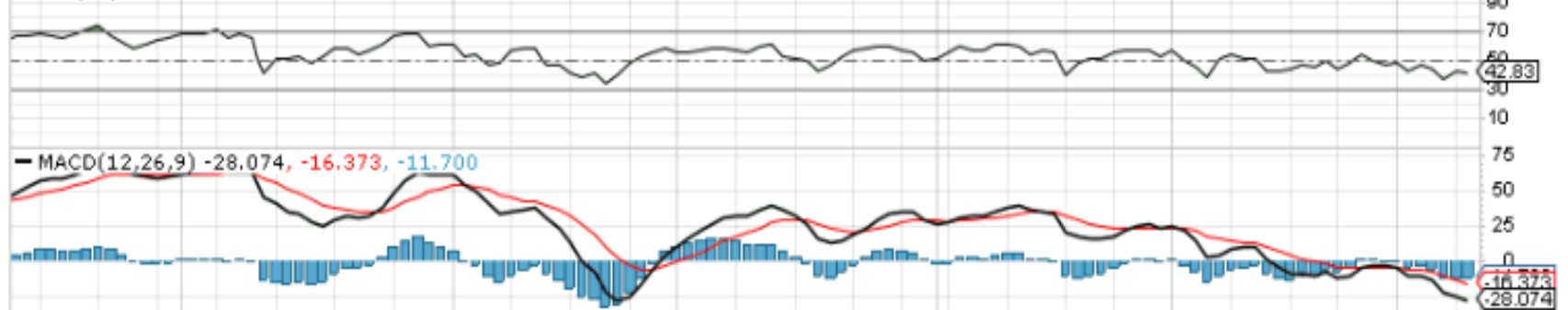
\$SPX S&P 500 Large Cap Index INDX

© StockCharts.com

10-Mar-2026

Open 6796.56 High 6845.08 Low 6759.74 Close 6781.48 Volume 3.1B Chg -14.51 (-0.21%)

▲ RSI(14) 42.83



W \$SPX (Daily) 6781.48

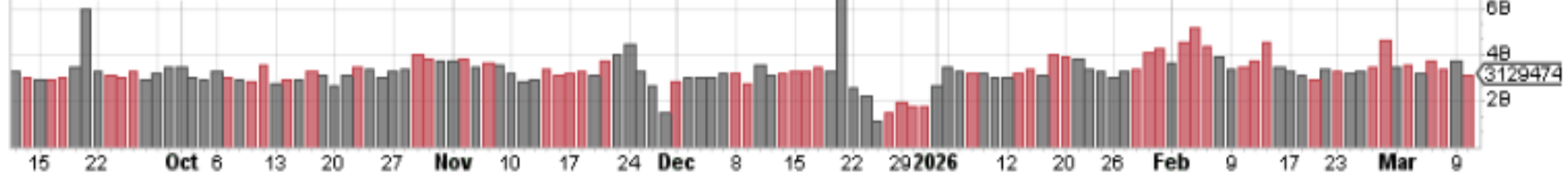
MA(50) 6897.16

MA(200) 6591.49

BB(20,2,0) 6754.23 - 6861.29 - 6968.35



Volume 3,129,474,816



Market Breadth – another way

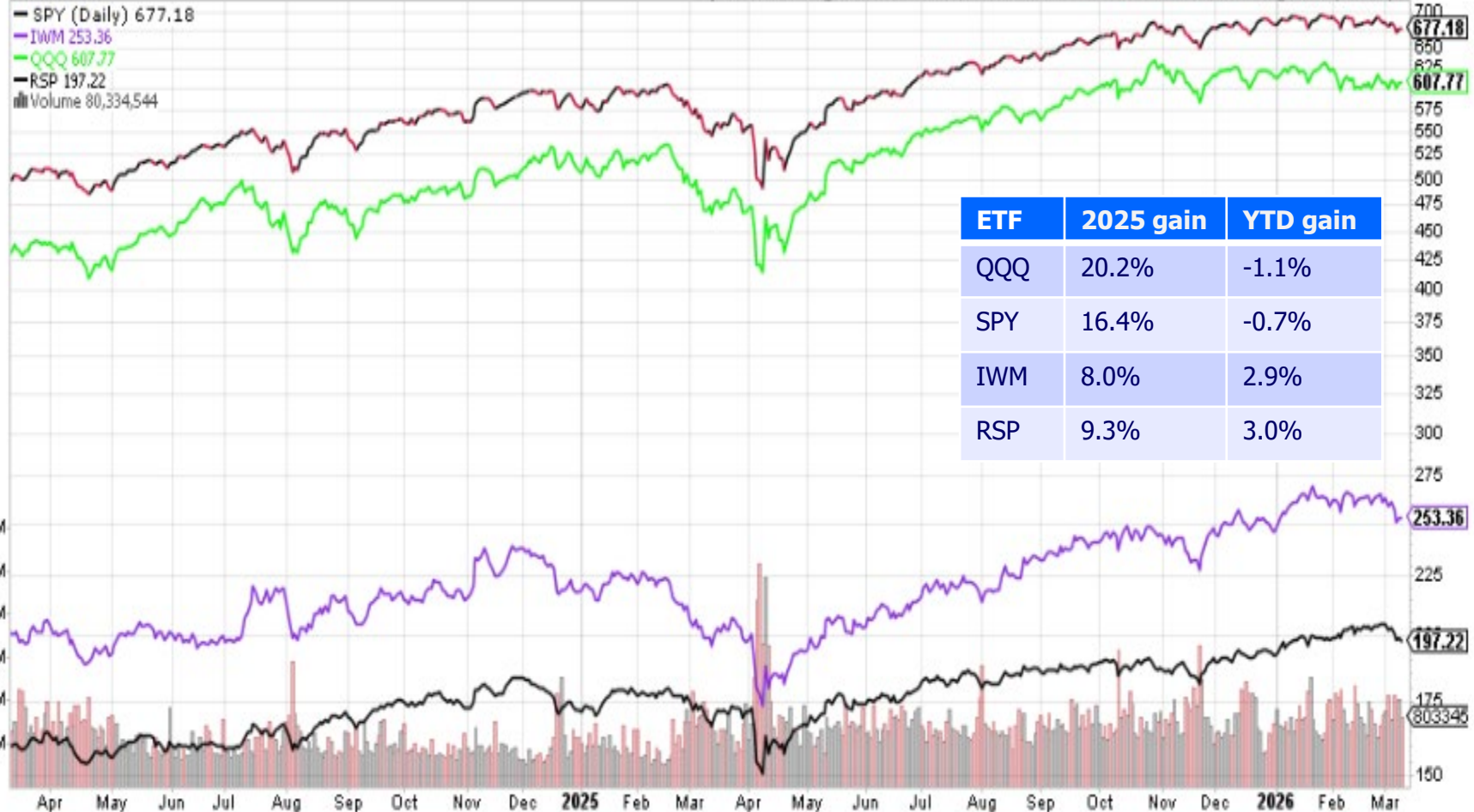
SPY SPDR S&P 500 ETF NYSE

10-Mar-2026

Open 677.72 High 683.36 Low 674.76 Close 677.18 Volume 80.3M Chg -1.09 (-0.16%)

© StockCharts.com

— SPY (Daily) 677.18
 — IWM 253.36
 — QQQ 607.77
 — RSP 197.22
 Volume 80,334,544



— \$NYAD Cumulative 64533.00
— MA(50) 64472.36

Open 64533.00 High 64533.00 Low 64533.00 Close 64533.00 Chg -127.00 (-0.20%)



A/D line on SPY, Russell 2000, NASDAQ and NASDAQ – 100 – no longer in the charts each week

<https://www.marketinout.com/chart/market.php?breadth=advance-decline-line>

Weekly Market direction

guywerner@verizon.net

COLUMNS C,D,E BY DAVE (IN THE NORTH) SMITH			DIST DAYS		DOW AVERAGE					S&P 500 TRIPLE SCREEN					NASDAQ TRIPLE SCREEN							
	DATE	MARKET PULSE (IBD)	S&P 500	NASDAQ	8-20 EMA	MACD	RSI	CLOSING	Δ	%CHANGE	8-20 EMA	MACD	RSI	CLOSING	Δ	%CHANGE	8-20 EMA	MACD	RSI	CLOSING	Δ	%CHANGE
SAT	02/21/26	FOR THE WEEK						125	0.25%					73	1.07%						340	1.51%
SUN	02/22/26	YTD						1,562	3.25%					64	0.93%						-355	-1.53%
MON	02/23/26	UPTREND UNDER PRESSURE (40% - 60%)	6	7	F	F	F	48,804	-821	-1.65%	F	F	F	6,837	-72	-1.04%	F	F	F	22,627	-259	-1.13%
TUE	02/24/26	UPTREND UNDER PRESSURE (40% - 60%)	6	7	F	F	F	49,174	370	0.76%	F	F	0	6,890	53	0.78%	F	0	F	22,863	236	1.04%
WED	02/25/26	CONFIRMED UP (60% - 80%)	5	7	F	F	P	49,482	308	0.63%	F	0	P	6,946	56	0.81%	F	P	P	23,152	289	1.26%
THUR	02/26/26	CONFIRMED UP (60% - 80%)	6	8	P	F	P	49,499	17	0.03%	F	0	P	6,908	-38	-0.55%	F	P	F	22,878	-274	-1.18%
FRI	02/27/26	UPTREND UNDER PRESSURE (40% - 60%)	7	9	F	F	F	48,977	-522	-1.05%	F	0	F	6,878	-30	-0.43%	F	0	F	22,668	-210	-0.92%
SAT	02/28/26	FOR THE WEEK						-648	-1.31%					-31	-0.45%						-218	-0.95%
SUN	03/01/26	YTD						914	1.90%					33	0.48%						-573	-2.47%
MON	03/02/26	"WAG THE DOG"	7	9	F	F	F	48,904	-73	-0.15%	F	0	F	6,881	3	0.04%	F	0	F	22,748	80	0.35%
TUE	03/03/26	STILL WAGGING THE DOG	8	10	F	F	F	48,501	-403	-0.82%	F	F	F	6,816	-65	-0.94%	F	0	F	22,516	-232	-1.02%
WED	03/04/26	STILL WAGGING THE DOG	8	10	F	F	F	48,739	238	0.49%	F	F	F	6,869	53	0.78%	F	0	F	22,807	291	1.29%
THUR	03/05/26	STILL WAGGING THE DOG	9	10	F	F	F	47,954	-785	-1.61%	F	F	F	6,830	-39	-0.57%	F	0	F	22,748	-59	-0.26%
FRI	03/06/26	STILL WAGGING THE DOG JOBS FRI	9	10	F	F	F	47,501	-453	-0.94%	F	F	F	6,740	-90	-1.32%	F	F	F	22,387	-361	-1.59%
SAT	03/07/26	FOR THE WEEK						-1,476	-3.01%					-138	-2.01%						-281	-1.24%
SUN	03/08/26	YTD						-562	-1.17%					-105	-1.53%						-854	-3.67%
MON	03/09/26	STILL WAGGING THE DOG			F	F	F	47,740	239	0.50%	F	F	F	6,795	55	0.82%	F	0	F	22,695	308	1.38%
TUE	03/10/26	STILL WAGGING THE DOG			F	F	F	47,706	-34	-0.07%	F	F	F	6,781	-14	-0.21%	F	0	F	22,697	2	0.01%

Updated every Sunday – find it at:

<https://drive.google.com/drive/folders/1ubPfPWptgWpje7djb3yEDmtGXHXTe6u?usp=sharing>

Market Summary – Stockcharts®

Stockcharts.com → Main Screen → Market Analysis

New feature – Market Summary

	ST	MT	LT
Stocks (SPY)	↓	↓	↑
Bonds (TLT)	↑	↑	↑
Commodities (DBC)	↑	↑	↑
US Dollar (\$USD)	↑	↑	↓

	ST	MT	LT
S&P 500 (SPY)	↓	↓	↑
S&P 400 (MDY)	↓	↑	↑
Russell 2000 (IWM)	↓	↑	↑
NASDAQ 100 (QQQ)	↑	↓	↑

US govt bonds – TLT & SGOV

SGOV – Short term 0 to 3 month US treasuries



U.S. Dollar

\$USD US Dollar - Cash Settle FOREX

10-Mar-2026 8:08pm

\$USD (Weekly) 98.94

MA(40) 98.33

Volume undef


Open 98.86 High 99.69 Low 98.49 Last 98.94 Chg -0.04 (-0.04%)

© StockCharts.com




Impact of wars on the S&P 500

Impact of U.S. Wars on the S&P 500

War / Conflict 	Duration Type	Approx. Timeframe	S&P 500 Performance During Conflict
Pearl Harbor	Short (Initial)	Dec 1941	Immediate 3.5% drop in day after; market rebounded quickly
Gulf War	Short	1990–1991	Quick, sharp drop, followed by rapid recovery (~14-16% gain in months)
Cuban Missile Crisis	Short	Oct 1962	Fell ~7% in first few days; recovered losses in ~2 weeks
Ukraine Invasion	Short/Mid	2022	Initial fall >7%; recovered within a month
World War II	Long	1941–1945	Up 16.9% (Large Cap) - Market grew despite the chaos
Korean War	Long	1950–1953	18.7% annualized return
Vietnam War	Long	1964–1975	6.4% annualized return
Iraq War	Long	2003–2011	Strong positive returns, generally shaking off initial volatility
Afghanistan War	Long	2001–2021	3.26% total annualized return over the long period

Key Takeaways on Market Performance

- **Initial Shock:** Immediate, short-term, knee-jerk selling is common due to uncertainty.
- **Medium/Long Term:** Markets often shrug off the conflict, with 12-month returns after the start of a conflict being positive roughly 70% of the time.
- **Resilience:** In 19 of 20 post-WWII conflicts, the market returned to pre-war levels within an average of 28 days.
- **Drivers:** The market's long-term path is driven more by corporate earnings and economic conditions than by war headlines.
- **Sectors:** Defense and energy sectors often outperform, while consumer-related stocks may suffer from rising fuel costs. 

Sources:

- AI – Google - 3 references cited
- Microsoft CoPilot – multiple references

Economic conditions matter more

- Inflation
- Interest Rates
- Recessions
- Corporate earnings growth
- Federal Reserve actions

Sixth Class – Mar. 11th

- Market Update
- Deep Dive into ETFs and Mutual funds - Part 2
 - ETFs for various asset classes
 - Using ETFs with an asset allocation strategy
 - The simplest investment strategy you can follow – an illustrative example, not investment advice
- Questions

What do you want in a Fund?

- Reputable Sponsor
- Liquidity
- Delivers exposure to the asset class / index you want exposure to
 - Fits your asset allocation plan
 - Matches performance of the asset class
- Low Expense Ratio and transaction fees
- Rated well by rating agencies

Metrics for ETF performance

Metric	Definition / what it measures	Range	Good
Alpha	Excess return delivered relative to underlying index.	Zero is center	higher
Beta	Relative volatility of the fund compared to that of its benchmark index.	One is center	lower
R Squared	Percentage of a funds price movement that can be explained by changes in value of the underlying index	0 - 100	depends
Standard Deviation	Measure of the historical dispersion of a funds returns around its mean.		lower
Sharpe Ratio	Measure of excess return of a fund over the risk free return divided by its standard deviation. Estimates if a funds return comes from smart investing decisions or excess risk.		Higher
Expense Ratio	How much the manager charges to run the ETF		Lower
Liquidity	How much volume is traded every day (Bid - Ask spread)		High

What's in the ETF

□ Portfolio

- Companies or individual investments
- Percent of holdings in that investment
- Number of holdings – depth or concentration
- Turnover

Morningstar® - ETF rating system

- Fund analyst or Proprietary quantitative algorithm
- Star system – 1 to 5 stars launched in 1986
 - 3 years of data minimum
 - Performance relative to other funds with similar asset classes, strategies.
 - How much risk is taken relative to others and benchmarks. Less is better.
 - 3 is average
 - 1 or 2 have underperformed
 - 4 or 5 have done the best in the comparison group.
- Medalist ratings – Negative, Neutral, Bronze, Silver and Gold
 - Launched in May 2023 – combined Analyst and Quantitative Rating
 - Predicted future performance of strategy based on *Net Alpha*
 - Evaluates 3 factors on a 5 point scale – high, above avg., avg., below avg., low
 - People
 - Process
 - Parent
 - Performance
 - Fees relative to excess return delivered
 - Higher bar for active strategies – must beat benchmark with performance justifying risk and fees
- Algorithmic ratings launched in 2017. Sustainability ratings in 2019

Even the pros can't do it !!

Funds that consistently outperformed the S&P 500 index

Hold period	% of funds that beat the index
1 year	27.39%
3 years	35.13%
5 years	13.09%
10 years	14.02%

SPIVA Scorecard – Published by the S&P DJI

https://www.spglobal.com/spdji/en/research-insights/spiva/?utm_source=pdf_spiva

Passive – Index ETFs

□ Hierarchy

□ Total market

□ Segments of markets

- Sectors within markets
 - Companies within the sector

This is not
investment
advice

US Equity Markets – Style

- Total US stock market – VTI, ITOT, SCHB (total global stocks – VT)

- Style – Growth vs. Value

	Growth	Blend	Value
Large	VOOG	VV, VOO	VOOV
Mid	VOT	VO	VOE
Small	VBK	VB, DFAS, SMLF	VBR

- DOW – DGT
- Nasdaq - ONEQ
- S&P 500 – VOO, IVV, SPLG, EQWL(equal weighted)
- Style – Dividend (Funds distribute both qualified and non-qualified dividends reported in the 1099 DIV)
 - High Dividend – VYM
 - Value focus - QDEF
 - Growing Dividend – VIG, VIGI, TDVG
 - International – EDIV
 - Small Cap - DGRS

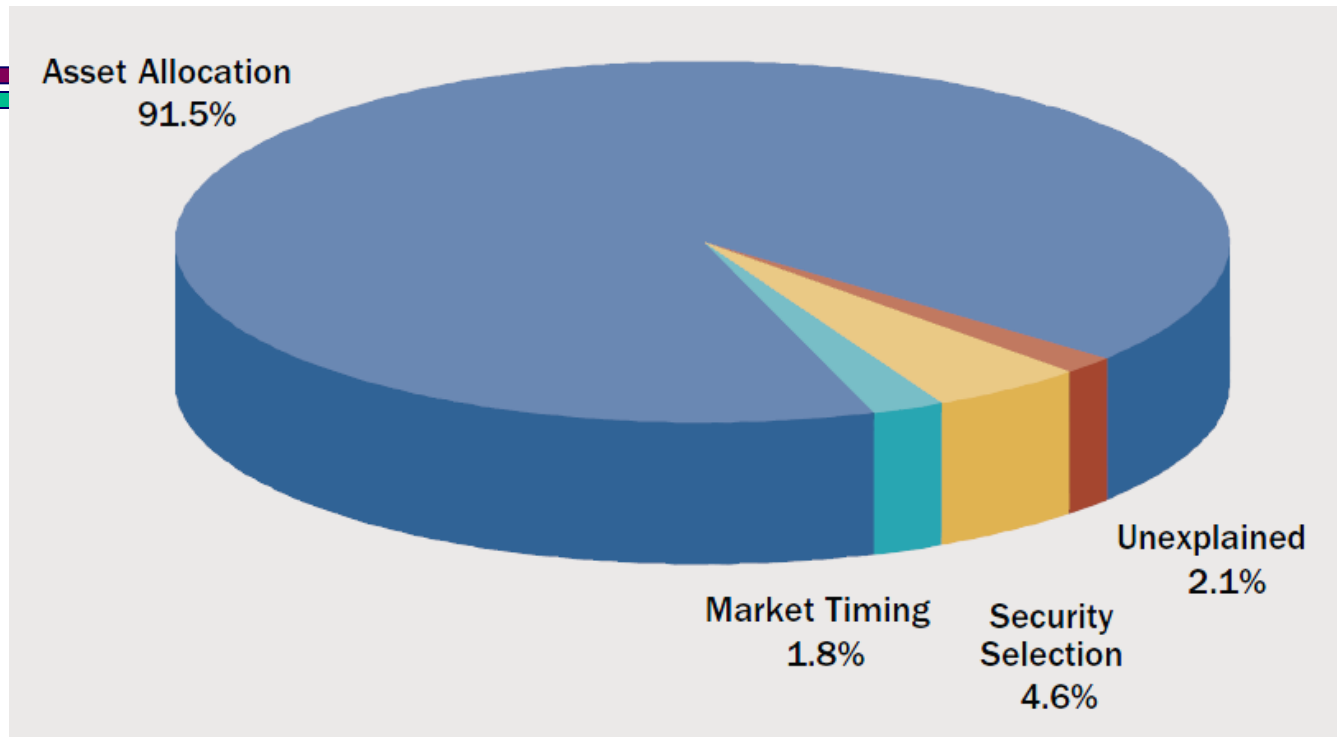
This is not
investment
advice

US Bond Market

- Total Bond Market – FBND, BND, IUSB, AGG (total global bond market – BNDW)
- Total Corporate Bonds – VTC
- High Yield Bonds – **HYZD**, HYGH, SJNK, SHYG, HYDB, FALN, HYGV
- Total Tax – Exempt – VTEB
- Inflation Protected (TIPS) – TDTF, SCHP

	Short	Intermediate	Long Term
Treasuries	VGSH	VGIT	VGLT
Corporate	VCSH	VCIT	VCLT
Total Bond Mkt.	BSV	BIV	BLV

Determinants Of Portfolio Return Variation



Research has shown that **asset allocation has a far greater effect on the variability of returns than picking the right stock/mutual fund or timing the market.**

Source: Ibbotson Associates, Chicago

Dr. Richard Jakotowicz – University of Delaware



Asset class returns

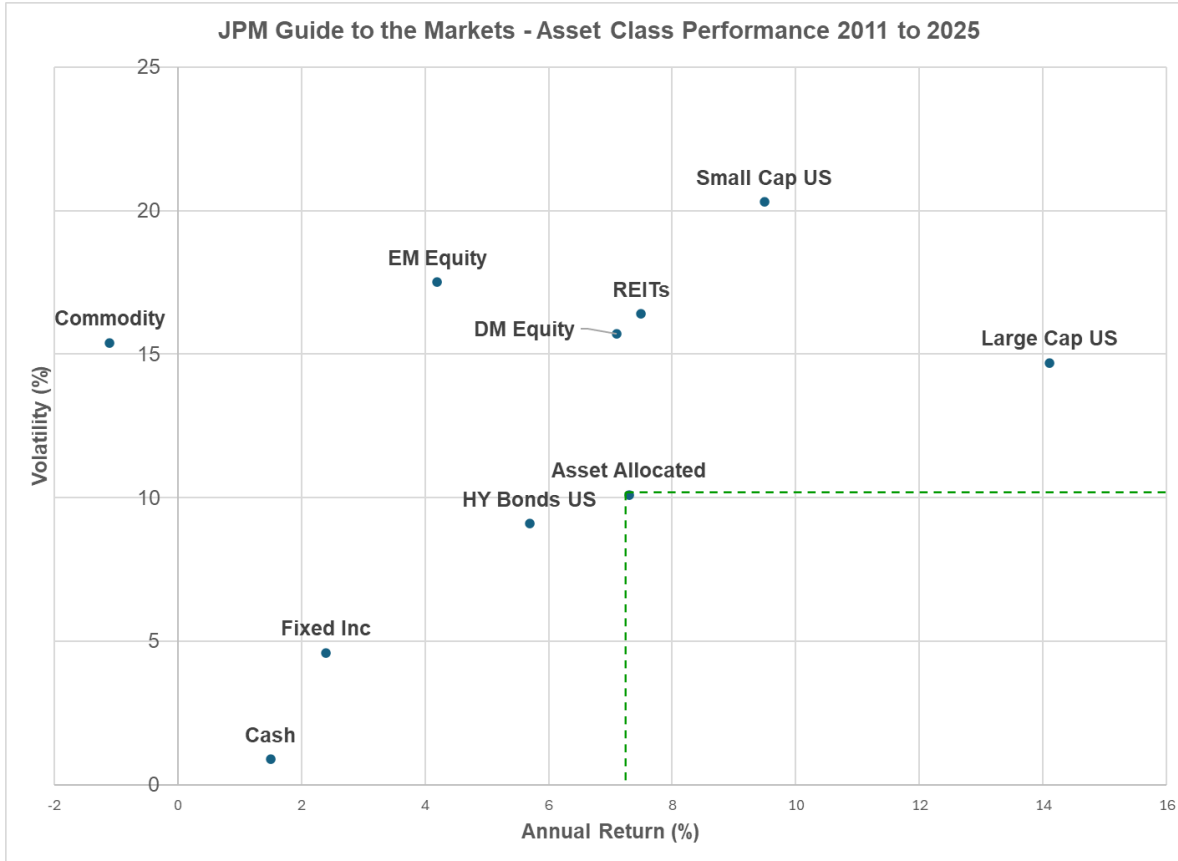
GTM U.S. 56

2011 - 2025		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	YTD
Ann.	Vol.																
Large Cap	Small Cap	RBTs	RBTs	Small Cap	RBTs	RBTs	Small Cap	EM Equity	Cash	Large Cap	Small Cap	RBTs	Comdty.	Large Cap	Large Cap	EM Equity	EM Equity
14.1%	20.3%	8.3%	19.7%	38.8%	28.0%	2.8%	21.3%	37.8%	1.8%	31.5%	20.0%	41.3%	16.1%	26.3%	25.0%	34.4%	14.9%
Small Cap	EM Equity	Fixed Income	High Yield	Large Cap	Large Cap	Large Cap	High Yield	DM Equity	Fixed Income	RBTs	EM Equity	Large Cap	Cash	DM Equity	Small Cap	DM Equity	Comdty.
9.5%	17.5%	7.8%	19.6%	32.4%	13.7%	1.4%	14.3%	25.6%	0.0%	28.7%	18.7%	28.7%	1.5%	18.9%	11.5%	31.9%	11.6%
RBTs	RBTs	High Yield	EM Equity	DM Equity	Fixed Income	Fixed Income	Large Cap	Large Cap	RBTs	Small Cap	Large Cap	Comdty.	High Yield	Small Cap	Asset Alloc.	Large Cap	RBTs
7.8%	16.4%	3.1%	18.6%	23.3%	6.0%	0.5%	12.0%	21.8%	-4.0%	25.5%	18.4%	27.1%	-12.7%	16.9%	10.0%	17.9%	10.5%
Asset Alloc.	DM Equity	Large Cap	DM Equity	Asset Alloc.	Asset Alloc.	Cash	Comdty.	Small Cap	High Yield	DM Equity	Asset Alloc.	Small Cap	Fixed Income	Asset Alloc.	High Yield	Asset Alloc.	DM Equity
7.3%	15.7%	2.1%	17.9%	14.9%	5.2%	0.0%	11.8%	14.6%	-4.1%	22.7%	10.6%	14.8%	-13.0%	14.1%	9.2%	15.8%	10.1%
DM Equity	Comdty.	Cash	Small Cap	High Yield	Small Cap	DM Equity	EM Equity	Asset Alloc.	Large Cap	Asset Alloc.	DM Equity	Asset Alloc.	Asset Alloc.	High Yield	EM Equity	Comdty.	Small Cap
7.1%	15.4%	0.1%	16.3%	7.3%	4.9%	-0.4%	11.6%	14.6%	-4.4%	19.5%	8.3%	13.5%	-13.9%	14.0%	8.1%	15.8%	6.2%
High Yield	Large Cap	Asset Alloc.	Large Cap	RBTs	Cash	Asset Alloc.	RBTs	High Yield	Asset Alloc.	EM Equity	Fixed Income	DM Equity	DM Equity	RBTs	Comdty.	Small Cap	Asset Alloc.
5.7%	14.7%	-0.7%	16.0%	2.9%	0.0%	-2.0%	8.6%	10.4%	-5.8%	18.9%	7.5%	11.8%	-14.0%	11.4%	5.4%	12.8%	4.7%
EM Equity	Asset Alloc.	Small Cap	Asset Alloc.	Cash	High Yield	High Yield	Asset Alloc.	RBTs	Small Cap	High Yield	High Yield	High Yield	Large Cap	EM Equity	Cash	High Yield	Fixed Income
4.2%	10.1%	-4.2%	12.2%	0.0%	0.0%	-2.7%	8.3%	8.7%	-11.0%	12.6%	7.0%	1.0%	-18.1%	10.3%	5.3%	12.1%	1.7%
Fixed Income	High Yield	DM Equity	Fixed Income	Fixed Income	EM Equity	Small Cap	Fixed Income	Fixed Income	Comdty.	Fixed Income	Cash	Cash	EM Equity	Fixed Income	RBTs	Fixed Income	High Yield
2.4%	9.1%	-11.7%	4.2%	-2.0%	-1.8%	-4.4%	2.6%	3.5%	-11.2%	8.7%	0.5%	0.0%	-19.7%	5.5%	4.9%	7.3%	1.2%
Cash	Fixed Income	Comdty.	Cash	EM Equity	DM Equity	EM Equity	DM Equity	Comdty.	DM Equity	Comdty.	Comdty.	Fixed Income	Small Cap	Cash	DM Equity	Cash	Large Cap
1.5%	4.6%	-13.3%	0.1%	-2.3%	-4.5%	-14.6%	1.5%	1.7%	-13.4%	7.7%	-3.1%	-1.5%	-20.4%	5.1%	4.3%	4.3%	0.7%
Comdty.	Cash	EM Equity	Comdty.	Comdty.	Comdty.	Comdty.	Cash	Cash	EM Equity	Cash	RBTs	EM Equity	RBTs	Comdty.	Fixed Income	RBTs	Cash
-1.1%	0.9%	-18.2%	-1.1%	-9.5%	-17.0%	-24.7%	0.3%	0.8%	-14.2%	2.2%	-5.1%	-2.2%	-24.9%	-7.9%	1.3%	2.3%	0.6%

Source: Bloomberg, FactSet, MSCI, NAREIT, Russell, Standard & Poor's, J.P. Morgan Asset Management. Large Cap: S&P 500, Small Cap: Russell 2000, EM Equity: MSCI EME, DM Equity: MSCI EAFE, Comdty: Bloomberg Commodity Index, High Yield: Bloomberg Global HY Index, Fixed Income: Bloomberg U.S. Aggregate, REITs: NAREIT Equity REIT Index, Cash: Bloomberg 1-3m Treasury. The "Asset Allocation" portfolio is for illustrative purposes only and assumes annual rebalancing with the following weights: 25% in the S&P 500, 10% in the Russell 2000, 15% in the MSCI EAFE, 5% in the MSCI EME, 25% in the Bloomberg U.S. Aggregate, 5% in the Bloomberg 1-3m Treasury, 5% in the Bloomberg Global High Yield Index, 5% in the Bloomberg Commodity Index and 5% in the NAREIT Equity REIT Index. Annualized (Ann.) return and volatility (Vol.) represents the period from 12/31/2010 to 12/31/2025. Please see the disclosure page at the end for index definitions. All data represent total return for stated period. Past performance is no guarantee of future results. Guide to the Markets - U.S. Data are as of February 27, 2026.

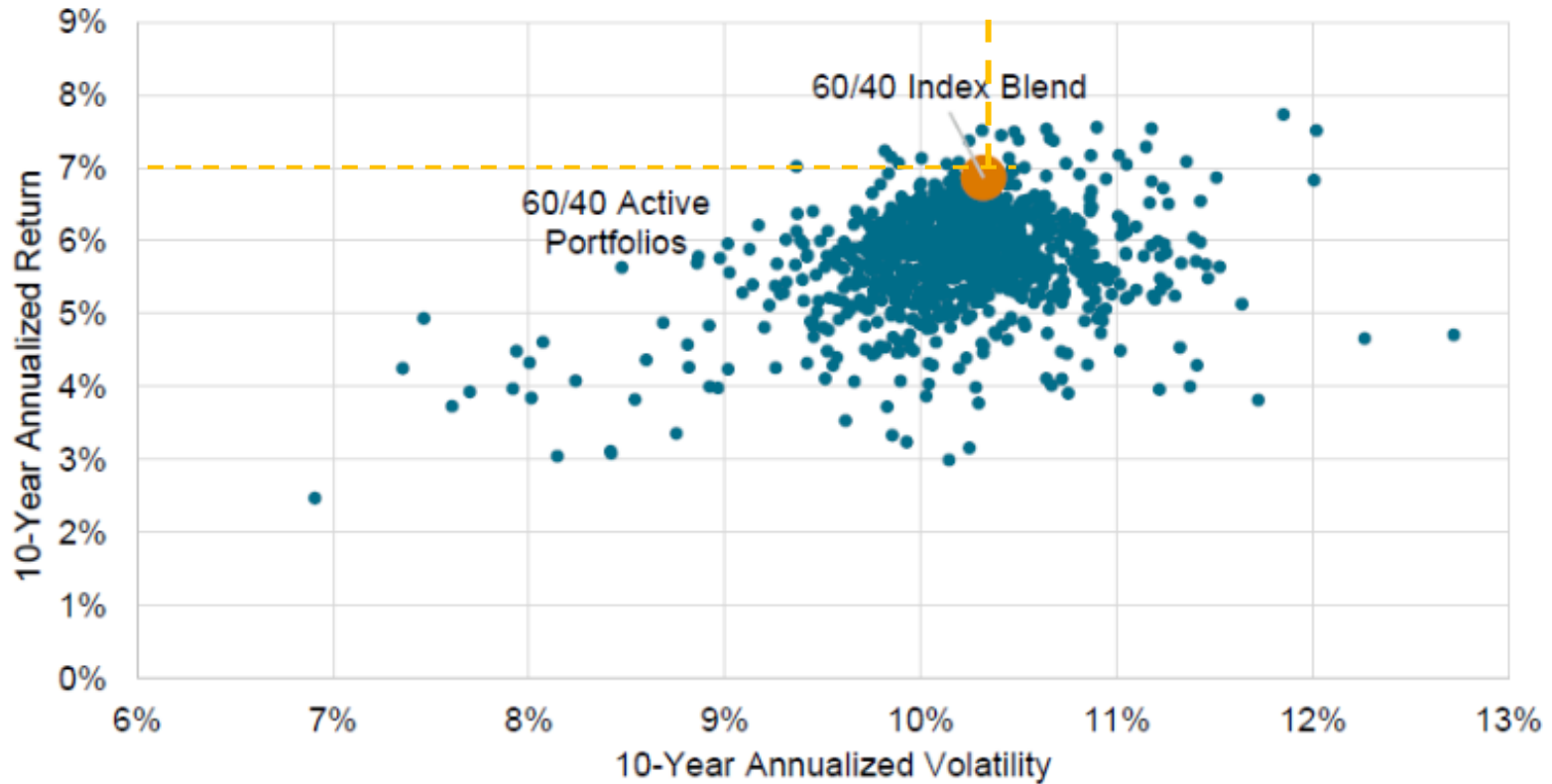
Investing Principles

JPM Guide – Asset Class Returns



Asset Class	Annual return (%)	Volatility (%)	Example ETF
Large Cap US	14.1	14.7	VV
Small Cap US	9.5	20.3	VB
REITs	7.5	16.4	VNQ
DM Equity	7.1	15.7	VEA
HY Bonds US	5.7	9.1	VYM
EM Equity	4.2	17.5	VEU
Fixed Inc	2.4	4.6	BND
Cash	1.5	0.9	MINT
Commodity	-1.1	15.4	BCD
Asset Allocated	7.3	10.1	

Exhibit 1: 60/40 Index and Active Performance Illustration



Source: S&P Dow Jones Indices LLC, CRSP. Data as of Dec. 31, 2024. Data represent 1,000 randomly selected 60/40 portfolios of active funds and the 60/40 blend of indices (see later sections for details). Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Three essential steps

- Work with your financial advisor and figure out an asset allocation that is right for you
 - The size of your portfolio vs. your annual expenditure needs
 - Your investment time horizon
 - Your liquidity needs
 - Your risk tolerance
- Rebalance the portfolio from time to time to stay on chosen allocation strategy.
- Reassess your allocation strategy from time to time or after a major life event.

This is not investment advice

Asset Allocated ETFs

Symbol	Name	Exp Ratio	AUM	30 SEC yield	Strategy
AOA	iShares Core 80/20 Aggressive Allocation ETF	0.15%	2.9B	2.22%	Global (hedged) stocks and bonds. Fund of funds. First number is % in Stocks. Second % in Bonds
AOM	iShares Core 40/60 Moderate Allocation ETF	0.15%	1.5B	3.06%	
AOK	iShares Core 30/70 Conservative Allocation ETF	0.15%	0.7B	3.27%	

Typical Bond Weightings by Fund

Because each ETF has a different target for stocks vs. bonds, the actual "weight" of these bond funds in your portfolio varies:

Ticker	Total Bond Target	Est. IUSB Weight	Est. IAGG Weight
AOA (Aggressive)	20%	~15% - 17%	~3%
AOM (Moderate)	60%	~50% - 52%	~8% - 10%
AOK (Conservative)	70%	~58% - 60%	~10% - 12%

Stock Weightings by Fund

The following table shows the estimated percentage of the total portfolio allocated to each specific stock fund as of early 2026.

Ticker	Portfolio Type	IVV (US Large)	IDEV (Intl Dev)	IEMG (Emerging)	IJH (US Mid)	IJR (US Small)	Total Stock %
AOA	Aggressive	45.0%	22.6%	9.0%	2.6%	1.2%	~80.4%
AOM	Moderate	23.2%	11.4%	4.6%	1.3%	0.6%	~41.1%
AOK	Conservative	17.5%	8.6%	3.5%	1.0%	0.5%	~31.1%

7 iShares ETFs in the portfolio – IVV, IJH, IJR, IDEV, IEMG, IUSB, IAGG

- Heavy large cap exposure in stocks
- International funds are hedged to the US dollar. 40% of equity slice of the portfolio.
- Very small cash holdings – 0.09% to 0.16% - held in BlackRock cash funds
- Auto rebalancing.

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advice

Dynamic Asset Allocation ETFs

- **Gadsden Dynamic Multi-Asset ETF (GDMA)**: Actively manages exposure across asset classes to navigate different market conditions.
- **VanEck Inflation Allocation ETF (RAAX)**: Dynamically allocates across various asset classes designed to perform well during inflationary periods.
- **WisdomTree Efficient Core Funds (NTSX, NTSI, RAAX)**: These funds (e.g., NTSX) combine 90% U.S. large-cap stocks with 60% treasury futures to gain capital efficiency.
- **Pacer Trendpilot US Large Cap ETF (PTLC)**: Uses a trend-following strategy to switch between 100% equity and a mix of equity/treasuries.
- **State Street SPDR SSGA Global Allocation ETF (GAL)**: An actively managed "fund of funds" that shifts global exposure.
- **ClearShares OCIO ETF (OCIO)**: Operates like an Outsourced Chief Investment Officer, actively allocating to various asset classes.
- **iMGP DBi Managed Futures Strategy ETF (DBMF)**: Uses a dynamic, long/short approach across asset classes to provide non-correlated returns.

Simplest strategies (examples)

- Let a financial advisor you trust do all your work
 - Will typically cost you $\sim 1\%$ of your assets in fees per year.

- Choose a roboadvisor (lower cost than an advisor)
 - Almost every broker offers one. Betterment and Wealthfront are alternatives.
 - Charles Schwab roboadvisor - "Intelligent Portfolios"
 - 10 portfolios with various amounts of risk and different strategies
 - 0% additional fees – all portfolios use Charles Schwab ETFs with low fees
 - Pick the one you want
 - Put your money in it – your work is done
 - Limit withdrawals to make your money last over your lifetime

Simplest self managed strategy (an illustrative example)

- 3 ETFs ... One for Stocks, one for Bonds, one for Cash
 - US focused (example) – VTI, BND, MINT
 - Global focused (example) – VT, BNDW, MINT

- Decide on an asset allocation that is right for you

- As an illustrative example only
 - 5% in cash – in active short term bond ETF (like MINT)
 - Rest Aggressive – 60 stocks 40 bonds

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Simplest strategy (an illustrative example)

Year	Annual Returns		60/40 Returns
	VTI	BND	
2025	17.1	7.08	13.1
2024	23.81	1.38	14.84
2023	26.05	5.65	17.69
2022	-19.52	-13.11	-17.16
2021	25.68	-1.86	15.17
2020	21.08	7.71	15.93
2019	30.67	8.83	21.93
2018	-5.24	-0.11	-3.19
2017	21.21	3.57	14.95
2016	12.82	2.49	8.63
2015	-1.6	0.56	-0.3
2014	10.51	5.82	8.03
2013	30.9	-2.1	18.5
2012	13.97	3.89	10.34
2011	-0.97	7.83	2.01
2010	15.19	6.2	11.39
2009	25.99	3.63	17.65
2008	-38.35	6.87	-22.66
2007	3.52	6.1	4.27

Year	Annual Returns		60/40 Returns
	VT	BNDW	
2025	22.43	5.02	15.66
2024	16.49	2.41	11.66
2023	22.02	7.19	16.09
2022	-18.00	-12.88	-16.35
2021	18.27	-2.1	10.52
2020	16.59	6.22	13.24
2019	26.81	8.37	19.63

This is not investment advice

- 60% equities, 40% bonds
- The 60/40 column shows the blended annual return using this allocation
- Data from Microsoft CoPilot not independently checked.

Simplest self managed strategy (an illustrative example)

This is not
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advice

- Put your funds into the allocation you have chosen with your advisor.
- Every month look at your statements
 - If allocation is within 3 to 5 % of your chosen allocation – do nothing.
 - If the allocation has drifted beyond the 3-5% limit, sell the ETF that has done well, buy the ETF that has not and reset the portfolio to the target allocation.
- Every January limit your drawdown for spending to 4% of year end balance.
- Every 3rd to 5th birthday, or after a significant life or macroeconomic or geopolitical event, sit down with your financial advisor and adjust the allocation to fit your new situation.

Sources of information for ETFs

- Morningstar
 - Paid subscription gives access to more content including medalist funds etc.
 - 2 part rating system – Stars for prior performance; Medals for future outlook
- AAI ETF database
 - Annual list of ETFs and performance (requires membership)
- Your Brokers website
 - ETF prospectus
 - ETF selection tools
 - ETF comparison tools
 - CFRA or other analyst reports on ETFs
- <https://etfdb.com/>
 - ETF database website – a lot of free information
 - Paid subscription provides more

Sixth Class – Mar. 18th

- Market Update
- Withdrawal Strategies that work
 - Dr. Craig Isrealson – Leader Financial Planning Program – Utah Valley Univ.

- No class on March 25th – Spring break
- 7th class – Ron Materniak
- Tentative full semester schedule is now on the class website
 - Will change if market conditions make other topics more relevant
 - Will change based on availability of external speaker – Private Equity

Thanks !!

□ Happy Investing !!

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Please use this email address
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□ **Class website**

□ <http://udel.edu/~diyinvst>