The Active Manager

NAAIM

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Hedging Bond Risk With Inverse ETFs

WHILE NOT THE ONLY FACTOR TO AFFECT bond prices, U.S. interest rates have possibly the greatest influence. And in the current environment, bond investors should be wary of interest rate risk. An increase in rates could trigger potentially significant losses in unprepared bond portfolios. A bond hedge can decrease your exposure to interest rate changes by moving counter to bond prices. Here we discuss how a bond hedge using inverse bond ETFs could work.

Your Bond Portfolio May Be at Risk

Bonds are often viewed as a critical component of a diversified asset allocation strategy, potentially providing a steady income stream and stability to a portfolio. And bonds have performed well for more than 35 years. The 10-year U.S. Treasury Bond, for example, returned approximately 8.2% annually from 1981 to 2017—relative to the S&P 500's annualized return of 11%.

Bond prices generally move opposite bond yields and interest rates. Over the past few decades, while bond prices have climbed, bond yields have fallen to historic lows. Using the 10-year U.S. Treasury Bond again as an example, yields fell from a high of 15.8% in 1981 to a low of 1.4% in 2016. More recently, however, we have seen bond yields and interest rates beginning to rise. So, what does this mean for your bond holdings?

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The views and opinions of the authors are not necessarily those of NAAIM, its officers or Board of Directors.

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President's Letter

Steve Williamson

IT IS A PLEASURE TO SERVE THE NAAIM membership as President. One of the greatest benefits of being a NAAIM member truly is the spirit of collaboration within our organization. Through NAAIM, I have been able to get to know other advisors with an active management focus who don't view each other as competition, but rather as collaborators, willing to share ideas and to help other members if needed.

This really came to the forefront over the past year, when I served the association as Vice President and chair of the agenda committee. Midway through the year, I separated from my business partner resulting in a fair amount of upheaval within my business. The agenda committee volunteers stepped up to assure that the Outlook and Uncommon Knowledge conferences ran smoothly with exceptional speakers, and they provided invaluable perspectives on my advisory practice and how to make it more successful. This is truly a great group of people. I am proud to be associated with NAAIM and its future.

My key objective as President is to help grow our organization and add value to the membership. NAAIM is more than a two-conferences-a-year organization. We need to communicate our programs better and strengthen interaction between members. NAAIM member Len Fox has developed a third-party verified trading model with good historical results that members can use. It's been a great way to invest, but too few members know about the program. We need to get the word out better on the model and NAAIM's many strengths. In the coming months, you will see a lot of focus on re-energizing regional peer group exchanges. For many years, NAAIM has had a very successful regional program in Ohio. We need to clone that success in other areas.

NAAIM's strength is its members and our willingness to network and share ideas. A key responsibility of the board is to foster an environment where networking thrives.

Networking will be a key focus of our upcoming Outlook conference in Chicago, Monday-Tuesday, November 5-6, 2018. Agenda Chair Matt Spangler and his committee are bringing in high quality speakers from the industry as well as NAAIM members to focus on the priorities of the current market environment, from government regulations to trading techniques. It is promising to be a very strong conference with good ideas and insights.

The NAAIM committees are also hard at work. Much of the work of the association occurs at the committee level. This is a great level at which to start getting involved in NAAIM and help shape the future of the association.

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Dave Moenning Captures Top Honors in the NAAIM Shark Tank Competition

Dave Moenning

DAVE MOENNING, FOUNDER and chief investment officer of Heritage Capital Research in Denver, Colorado, and a past president of NAAIM, took home first place in the 2018 National Association of Active Investment Managers (NAAIM) Shark Tank, held at the conclusion of NAAIM's Uncommon Knowledge conference.

Dave presented his flagship risk management strategy – HCR's Tactical Asset Allocation Program (TAAP), which strives to stay in tune with the major cycles in the stock market while limiting turnover. "The program was developed as a risk management overlay for financial advisors who are not active managers. It is a means of allowing them to be fully invested in bull markets, pare back their risk exposure in uncertain markets, and attempt to preserve capital in bear markets," Dave explained.

TAAP is designed as a real-world approach for what financial advisors want from a risk managed strategy. The program also reflects the fact that the stock market tends to rise the vast majority of the time. "In my experience, financial advisors definitely want their clients to 'make hay while the sun shines' on the market. But they also don't want client portfolios 100% at risk when the market action is uncertain or severely negative," he said. TAAP's goal is to stay in tune with the risk/reward environment of the market and to get the big moves mostly right, most of the time.

"We're not trying to hit home runs," he added. "The idea is that by consistently keeping exposure to risk in line with the state of the overall market environment, we can lose less when the bears come to call and come out ahead in the long run." By combining two market models that drive the decision – a technical model with six independent signals and a fundamental model that looks at indicators related to the economy and equity environment – TAAP strives to reduce volatility and provide results superior to the S&P 500 over the long run.

Performance data provided in the Shark Tank presentation was based on the results of accounts managed with the strategy from the start of 2016 through March 2018, net of a 1.6% management fee, typical of what many financial advisors charge. Accounts were allocated up to 50% in an S&P 500 index fund, and up to 50% in what Dave deems the leading equity index (from a universe of the Dow Jones Industrials, S&P 500, Nasdaq Composite, Russell 1000 or Russell 2000 index). The period included a "mini bear" from the fall of 2015 through early 2016, and increased market volatility in 2018. The system outperformed the S&P 500 benchmark for the period. Although it signaled the need for a lower risk exposure earlier in 2018, as of the start of May, the TAAP model is currently fully invested, Dave said.

Heritage Capital Research (HCR) is an independent, privately owned investment research firm located in the Denver area. Dave has been an independent money manager since 1987, including as a partner in a private money management firm and founding his own advisory firm, Heritage Capital Management, which emphasized a risk managed approach to the markets. Most recently, he was Chief Investment Officer for a RIA firm responsible for $1.2 billion. For more information visit www.heritagecapitalresearch.com

Shark Tank Competitors included

- Paul Glance with Glance LLC from Troy, Michigan
- Tom Hardin with Canterbury Investment Management of Zionsville, Indiana
- David Moenning of Heritage Capital Research from Arvada, Colorado
- Jay Peroni, CFP with Signal Research Group LLC of Edmond Okahoma
- Jody Team with Team Financial Strategies from Abilene, Texas
- Steve Williamson with Blackstone Wealth Management of Canton, Ohio

Shark Tank Competitors from left to right – Dave Moenning, Steve Williamson, Jody Team, Jay Peroni and Tom Hardin. Not pictured Paul Glance.

Tulane University Professors Win the 2018 NAAIM Founders Award

Dr. Shuoyuan He

Dr. Gans Narayanamoorthy

PROFESSORS SHUOYUAN HE AND GANS Narayanamoorthy of Tulane University in New Orleans, LA, were named the 2018 first place winners of the National Association of Active Investment Managers (NAAIM) Founders Award for Advances in Active Management. Professors He and Narayanamoorthy received $5,000 and presented their paper - **Earnings Acceleration and Stock Returns** - at the NAAIM Uncommon Knowledge Conference in Orlando, FA.

Academic research tends to lean towards the belief that markets are efficient and price contains all the known information about a stock. Professors He and Narayanamoorthy set out in their paper to test what drives inefficiencies in the financial markets that leaves "money on the table" and opportunities for trading strategies to produce above market returns.

Their paper determined that earnings acceleration, defined as the quarter-over-quarter change in earnings growth, has significant power to explain future excess returns. These excess returns are robust to a wide range of previously documented anomalies as well as a battery of risk controls. While earnings momentum can potentially capture price trend one quarter ahead, earnings *acceleration* has positive implications for second and third quarter pricing. Different patterns of earnings acceleration provide opportunities for long-short hedge trades that create return in excess of the market over the period of the study.

"Mispricing clearly occurs in the financial markets. In our research, we asked, are investors missing something fundamental?" Dr. Narayanamoorthy explained at the NAAIM conference. "The anomaly of earnings acceleration demonstrates robustness and provides support for the use of technical analysis in the development of trading strategies."

Dr. Shuoyuan He is a Visiting Professor of Accounting in the A.B. Freeman School of Business at Tulane University. She received her Ph.D. in accountancy from the University of Illinois at Urbana-Champaign, where she subsequently taught as a Visiting Professor.

Dr. Gans Narayanamoorthy teaches Advanced Financial Accounting and Accounting for Business and Financial Risk at the A.B. Freeman School of Business at Tulane University. His research has been published extensively in top accounting journals and focuses on capital markets in accounting, with particular emphasis on market efficiency and litigation risk and bank accounting. Before entering academia, he worked as an investment banker, managing public offerings of large corporations, including Fortune 500 companies.

To download the 2018 Founders Award Paper – visit http://www.naaim.org/programs/founders-award/

More Winners from the 2018 Uncommon Knowledge Conference

NAAIM held its 26th annual golf tournament at Celebration Golf Club on the Sunday prior to conference - April 22. Capturing 1st place was the Guggenheim team of Dave Taucher, John McClure and Kristine Warner. Marty Kerns won closest to the hole on #3, while Paul Schatz won closest to the crooked line hole - # 9. Closest to the pin hole were Ron Rough on hole #16 and Steve Williamson on hole #13. Longest drive went to Ed Kushma on hole #6.

Special thanks to sponsors Advisor's Preferred/CEROS, Direxion, Guggenheim and ProFunds for making the tournament possible through their support.

Hedging Bond Risk With Inverse ETFs

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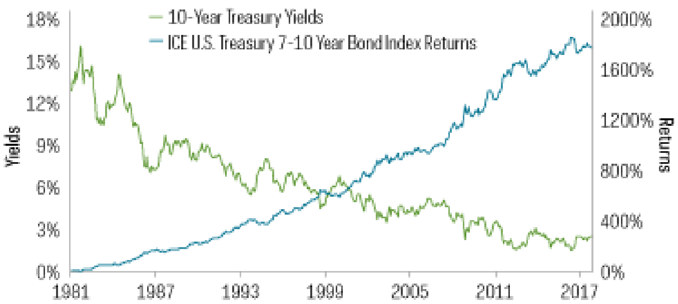
10-Year U.S. Treasury Bond History: Yields vs. Returns



Source: Bloomberg. For illustrative purposes only. Past performance does not guarantee future results.

Measuring the Impact of Rising Rates

To quantify the potential impact of rising rates on your portfolio, it is helpful to look at duration. Duration is an approximate measure of the sensitivity of the price of a bond (or bond portfolio) to a change in interest rates. Higher duration generally means greater sensitivity. Longer fixed-rate maturities that are not callable tend to have higher durations, while floating-rate bonds, bonds with shorter maturities or bonds that are callable in the near term tend to have lower durations.

The table below highlights the impact of interest rate changes on hypothetical $100,000 bond portfolios of varying durations. Just a 1% rise in interest rates could cause the value of a $100,000 bond portfolio with a duration of 6.0 to decline by 6% to $94,000—possibly offsetting years' worth of interest income. A 2% increase could drive the value down to $88,000. So even a small shift in interest rates could trigger a substantial change in the value of your bond portfolio. Of course, bonds and bond portfolios can be negatively or positively influenced by other factors as well (i.e., credit, reinvestment, inflation, prepayment and liquidity risk).

Preparing Your Portfolio for Rising Rates

Duration and interest rates may not concern individual bond holders who plan to keep them until maturity. However, if you invest in bond funds or might need to liquidate your bonds prior to maturity, you may want to manage interest rate risk. There are two general approaches for a rising-rate environment that can be used separately or in combination: portfolio restructuring and portfolio hedging.

Restructuring looks to mitigate interest rate risk by changing your portfolio's core strategy. You might reallocate your bond holdings to other asset classes, or switch to shorter-maturity or lower-duration bond investments with less rate sensitivity. Keep in mind, selling bonds could trigger tax consequences and affect your income from fixed income securities.

A hedge aims to move in the opposite direction to the investment at risk. When bond prices fall, the value of your hedge should rise to partially offset your losses. It is important to understand where your fixed income portfolio falls on the yield curve and to consider the appropriate exposure of a corresponding hedge. Of course, if bond prices rise, a hedge would reduce returns.

Hedging with Inverse Bond ETFs

Hedging with inverse bond ETFs is a flexible approach to managing interest rate risk that can help preserve capital and keep your asset allocation in line with your long-term investment goals. In addition, hedging may help avoid triggering a taxable event from selling appreciated bonds. Remember, there

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$100,000 Bond Portfolio: Duration vs. % Change in Interest Rates

Change in Interest Rates	4.0	5.0	6.0	7.0	8.0	9.0	10.0
+2%	-$8,000	-$10,000	-$12,000	-$14,000	-$16,000	-$18,000	-$20,000
+1%	-$4,000	-$5,000	-$6,000	-$7,000	-$8,000	-$9,000	-$10,000
-1%	$4,000	$5,000	$6,000	$7,000	$8,000	$9,000	$10,000
-2%	$8,000	$10,000	$12,000	$14,000	$16,000	$18,000	$20,000

Source: McGraw-Hill Financial Communications. Values are approximate; there is no guarantee the actual changes in portfolio values would equal amounts shown here. In addition, larger rate increases will likely result in smaller changes in value than indicated by duration, as duration is accurate only for small changes in yields.

Hedging Bond Risk With Inverse ETFs

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are disadvantages and risks with inverse ETFs too, so be sure to read the prospectus for a more complete description.

Consider a hypothetical $100,000 bond portfolio with a duration of 6.0. As illustrated in the table above, a 1% rise in rates could cause $6,000 in loses. Let's say an investor were to add $10,000 in an inverse 7–10 Treasury bond ETF with a duration of -7.6. The 1% rise in rates could cause the $10,000 hedge to gain $760. The net loss for the combined portfolio, then, would be reduced to $5,240.

Another way to quantify this scenario is to compare the portfolio's duration with and without the hedge. As previously mentioned, the -1x inverse bond ETF acts as if it has a duration of -7.6. When added to the $100,000 bond portfolio with a duration of 6.0, the combined $110,000 bond portfolio behaves as if it has a less rate-sensitive duration of 4.8.

Considerations for Using Inverse ETFs

Most inverse ETFs aim to provide a multiple of the return of a benchmark for a single day, before fees and expenses. To maintain their investment objectives, inverse funds rebalance their exposure to their underlying benchmarks each day. As a result of daily fund rebalancing, an investor holding an inverse ETF longer term is unlikely to continue to receive the fund's multiple times the benchmark's returns. As long as the ETF is held, compounding can cause the investor's exposure to the underlying benchmark to continue to deviate from the fund's stated objective. Investors using inverse ETFs over periods longer than one day are encouraged to actively monitor their investments, as frequently as daily, and to consider a rebalancing strategy for their holdings.

The Takeaway

Bond yields and interest rate have been on the rise. If you invest in bonds, you may want to consider a strategy to mitigate interest rate risk. Applying a bond hedge, using inverse bond ETFs, can decrease your exposure to interest rate changes without disturbing your long-term investment goals.

An Introduction to Policy Investing

JON CLEMENTS

WASHINGTON D.C. IS THE HUB OF U.S. POLICYMAKING.

The Constitution is the founding document of the United States. Articles I and II establish the legislative and executive branches, while Article III establishes the judicial branch. Behind the scenes are government agencies, congressional staffers, and cabinet secretaries counseling the President. The system is designed to create and implement U.S. policy.

At EventShares, we group policy into four broad categories: Fiscal, Trade, Regulatory, and Monetary.

- **Fiscal** is defined by the level of government spending and taxing. It's driven by government budgets and appropriations, tax rates, and debt levels.
- **Trade** relates to the regulations and agreements controlling imports and exports. It includes taxes, tariffs, and the resulting trade deficits and surpluses.
- **Regulatory** is the use of regulations, reforms, and other instruments to achieve the government's objectives.
- **Monetary** is the process by which the country's monetary authority, the Federal Reserve, determines the size and growth rate of the money supply and interest rate levels.

In our view, only monetary policy is closely followed by investors. The remaining three policy groups are less scrutinized, with investors passively consuming most Washington, D.C. news. Instead, they rely on fundamental and technical analysis to identify policy catalysts at the individual company level. For these investors, policy is not a top-down, macro catalyst, but rather a series of one-time, market-moving headlines. Along those line, many investors tend to incorrectly equate policy with politics. We think this causes them to discount policy in the portfolio-management process and underestimate its potential impacts. While both policy and politics originate in Washington, D.C., they are not equivalent. Politics represents government conflict and debate, while policy is the resulting legislation.

These misconceptions about policy offer an opportunity: investing in policy trends that create mispriced assets.

Mispricing can result from numerous fundamental misconceptions or concerns about business-model disruption. In instances of regulatory concerns, short-term volatility may offer an opportunity to buy or sell a security as the market becomes irrational due to policy-related headlines. Below are examples of previous fundamental misconceptions driven by policy.

- **Profitability:** i.e. increased compliance costs under Dodd-Frank or increased competition due to airline deregulation in the 1970s.
- **Revenue:** i.e. decrease in uninsured population under the Affordable Care Act and resulting Medicaid expansion, or new contracts for defense companies under the George W. Bush and Trump administrations.
- **Market Share:** i.e. SunPower's solar panels being subject to Trump administration tariffs while First Solar's solar panels were not.

Policy trends occur when changing rules and regulations alter industry dynamics, company business models, and global trade.

The resulting impacts from policy can be positive, negative, or a mixture of both. They can last days, months, or years. The common theme is the fundamental disruption of a company. For example, some past long-term policy trends include: (1) Dodd-Frank, (2) the Affordable Care Act, and (3) Bush defense spending in the early 2000s.

Policy investing has three key features: its status as a (1) leading indicator with a (2) long-term horizon that is (3) historically uncorrelated to broader markets.

We view policy as a leading indicator with long-term implications because it forces businesses to pivot. Company leadership teams must adapt to survive or risk falling behind. The resulting changes can impact operations and cause investors to revalue companies.

It's important to note that policymaking tends to occur independently of economic cycles. This is because Congress typically debates and passes legislation without considering stock market movements. The government can't pause just because of a recession. In fact, policymaking may be more important during an economic downturn as the government attempts to implement reforms.

Once enacted, policy tends to unfold over multiple years as government agencies refine laws by issuing interpretive guidance. This creates a long-tail effect (often uncorrelated to the broader markets), during which investors may continue

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A practical guide to building better portfolios:

Develop a balanced approach to blending active and passive strategies

A JOHN HANCOCK PUBLICATION

MAKING A DECISION BETWEEN ACTIVE OR passive approaches—or alternatives that seek a middle ground between active and passive, such as strategic beta—is an important step in building a portfolio. But it can be confusing: How can you reasonably decide how to allocate across these different investment categories within any given market segment? At John Hancock Investments, we have taken up this question and provided some practical guidelines for portfolio construction.

Metrics to dispel the active/passive either-or

When building a client's portfolio, we believe it rarely pays to go all active or all passive. The answer is more commonly somewhere in the middle. To help find the right balance, we look at two metrics—the historical propensity for and magnitude of active strategies' outperformance.

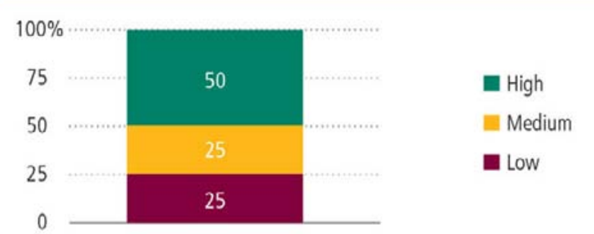
When these metrics suggest high results, we read that as an argument for an active tilt; when they offer low or mixed results, we think that argues in favor of passive and strategic beta.

Consider the propensity to outperform

Sometimes, the desire for higher efficiencies around taxes and fees can drive advisors to elect passive investment options for their clients. Actively managed products carry high costs, the argument goes, so passive must be the better way to go. But what if it isn't?

To develop a more objective approach to making the choice between active and passive, we sought to identify, across the Morningstar style box, the propensity or percentage of active managers that were able to outperform their indexes over rolling 10-year periods in a 20-year timeframe. The results were surprising.

Propensity of managers to outperform index



Source: John Hancock Investments.

The heaviest weight of categories falls in the medium-propensity zone—defined as categories in which 25% to 50% of the managers were able to outperform the category index. Only one category—mid-cap blend—sits in the low-propensity tier. While this suggests that it may be prudent to tilt toward passive in some categories, a good portion of the style box contains categories in which 25% to 50% of the managers were able to outperform their index. In our view, this shows that there are widespread opportunities to identify outperforming active funds.

Consider the magnitude of outperformance

In addition to looking at the likelihood of outperformance, it helps to understand where the biggest pots of potential alpha may be found among the available investment options. In other words, if you could pick top-performing active managers across any investment category, where could you arguably get the most bang for your buck?

Again, using 10-year rolling periods to frame our conclusions, we ranked categories by their average excess returns. As our chart shows, over rolling 10-year periods, the 1st percentile foreign small/mid-cap growth fund outperformed the benchmark by 655 basis points annually. Clearly, this is a category in which top managers may deliver higher expected

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Propensity to outperform, across the style box

% of all-active peer group outperforming the index

Category	10-year rolling average
Foreign small mid growth	81
Small value	68
Foreign large growth	61
Small blend	60
Small growth	59
Large growth	53
Foreign small mid value	49
Mid growth	48
Foreign large value	47
Foreign large blend	45
Large value	43
Diversified EM equity	41
Large blend	38
Mid value	33
Foreign small mid blend*	30
Mid blend	25

*5-year rolling average used due to lack of category performance history.

Source: MPI Stylus, using data provided by Morningstar for constituent active funds, and their respective representative indexes, as of 6/30/17.

A practical guide to building better portfolios:

Develop a balanced approach to blending active and passive strategies

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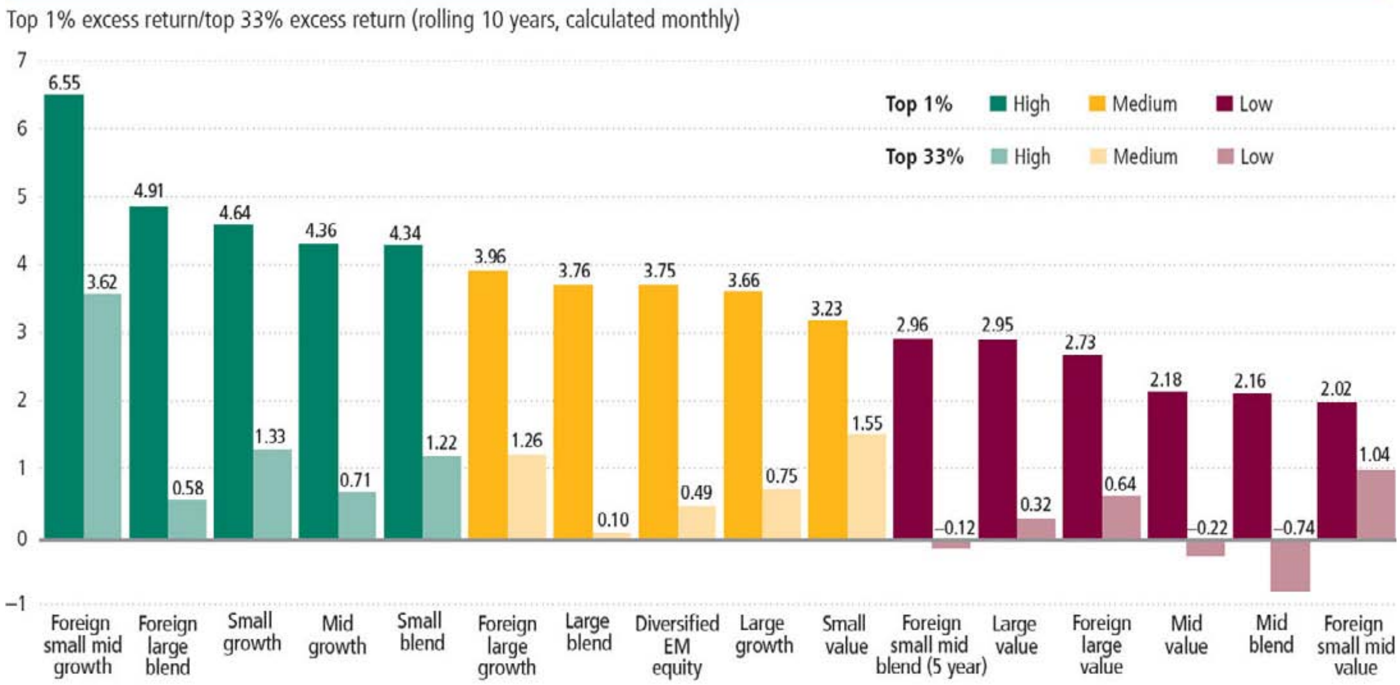
return potential. Contrast that with a 1st percentile mid-cap blend equity fund, which on average outperformed the benchmark by 216 basis points annually.

Develop a framework for allocation

To develop a framework for equity allocations, it helps to consider the big picture of propensity and magnitude signals. Where signals tend to be uniformly high—as with small-cap growth—it may be reasonable to tilt toward actively managed funds. Where the signal is uniformly medium—as with large-cap blend—it may be worth considering equal allocations to active, passive, and strategic beta. And where signals are more mixed or uniformly low, passive and strategic beta approaches may arguably warrant the lion's share of your attention.

For a more in-depth discussion of how to draw up a framework for equity allocations, we encourage advisors to review our white paper, "Combining active, passive, and strategic beta investing," available on our website at jhinvestments.com/etf.

Magnitude of potential outperformance



Source: MPI Stylus, using data provided by Morningstar for constituent funds and their respective representative indexes, from 7/1/77 through 6/30/17.

An Introduction to Policy Investing

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to reprice a stock as the policy is refined. For example, the Affordable Care Act was passed in 2010, with Medicaid and Medicare expansion in the following years. However, the policy reversed course six years later when Donald Trump ended government subsidy payments and 2017 tax reform repealed the individual mandate tax penalty.

Fortunately for investors, policymaking is highly publicized.

The benefit of policymaking is that most of the policy-making process in the nation's capital is made public. Understanding which resources to use may help identify policy trends:

- **Congressional Hearings**: Hearings and legislative markups are open to the public and allow investors to watch policymaking in real-time.
- **Federal Register**: The official journal of the U.S. federal government. It is published daily and serves as an outlet for the government to announce public changes to its rules, policies, and interpretative guidance.
- **House and Senate Committee Websites**: Each committee within the House and Senate maintains a website with replays of past hearings and markups, as well as future committee agendas.
- **Congress.gov:** The website is a hub for all things Capitol Hill and provides real-time updates on individual bills and the upcoming week's agenda. Users can also set up alerts to track specific bills and review roll call votes for prior bills and amendments.

In addition to the above government-run resources, the media adds another level of transparency as it monitors the nation's policymaking process. By utilizing sources like these, investors may be able to forecast and model policy with increased accuracy.

Policy has the biggest impact on the small- to mid-cap (SMID) segment of a portfolio.

We think most large cap companies are too diversified for policy to make an impact. While these companies may have one impacted segment, multiple unrelated segments could diversify away the policy impact.

Conversely, SMID cap stocks tend to be less diversified and less followed by major research analysts. It's more difficult for a smaller company to absorb a policy and minimize the impact, whether it's good or bad.

Jon Clements is a Co-Founder of EventShares and the President of the Board of Directors. Before co-founding EventShares in 2016, Jon was with Goldman Sachs in New York City. He holds a BSBA degree in Finance from the University of Missouri.

President's Letter

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To give you an idea of my background, I have been investing since I was 14 years old and have been professionally involved in the financial market for the last 13 years. I started in the teaching profession, receiving a bachelor's degree in education and social studies with an emphasis in economics, and going on to earn my Master's degree from the University of Akron in arts and education technology. I taught 6th through 12th grades for five years, managing money as a sideline. When I reached the point where I was making more investing part time than I was teaching full time, it was time to change my focus.

My investment approach is centered on using options in a fairly conservative strategy that looks to reduce risk and maximize return through different types of options. My goal is to conservatively grow client assets while "doing no harm." I am also licensed in life and health insurance in Ohio and hold 6, 7 and 66 securities licenses.

On the personal side, I have lived in Ohio my whole life and thoroughly enjoy all the state has to offer. My wife Melissa and I have three young children and everyone is big into sports. Which means I spend a lot of my time coaching – primarily softball and baseball - as well as teaching the kids golf and more. I also serve on local non-profit boards, including a prostate cancer awareness group.

I look forward to getting to know the NAAIM members more both professionally and personally over the coming year, and welcome your comments and ideas as we move forward.

Enjoy the summer. If my market expectations are on target, a pretty good run up is starting that should carry the market through October, when uncertainty over the elections may cause a downturn. Once the elections are behind us, I am expecting the market to finish the year with a nice big run, making new highs in the S&P and Dow that carry through to highs for the Russell and Nasdaq indices as well.

Sincerely,
Steve Williamson
NAAIM President 2018-2019

Vision

NAAIM is the premier organization whose purpose is to establish active investment management as the preeminent principle used in helping investors achieve their financial goals.

Mission Statement

We are active investment managers who use systematic models and strategies to take emotion out of the investment process, helping investors improve their returns and reduce risk. Through a mastermind alliance of members and firms we continuously improve our state of the art investment models and client acquisition strategies through education, mentoring and collaboration among investment advisors and firms of all sizes.

Meet NAAIM's 2018-2019 Officers and Board of Directors

NAAIM IS VERY MUCH AN ASSOCIATION FOR active investment advisors by active investment advisors. The programs, agendas and innovations of NAAIM are the result of a very hard-working volunteer board of directors. We woud like to take a moment to introduce you to the team that will be leading NAAIM forward in 2018-2019 and welcome you to contact the board members with your ideas and support.

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Thank you for everything you do for the association!

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646-952-8688

NAAIM's OUTLOOK Conference is Back in Chicago this Fall

NAAIM RETURNS TO THE CHICAGO O'HARE Airport vicinity Monday, November 5 through Tuesday, November 6 for its annual OUTLOOK Conference. The event will be held at the Chicago Marriott O'Hare, 8535 W. Higgins Road, Chicago, Il. Make your reservations early by contacting the Marriott at (773) 693-4444 and mention NAAIM to receive the group room rate.

Outlook is designed for networking with the agenda based on current concerns of the membership, and a strong member presence among the speakers and panelists. Look for more information in your email as summer draws to a close and we move into what appears to be a volatile election year.

For more information about the conference and to register for OUTLOOK online visit: www.NAAIM.org/events/OUTLOOK or complete the attached registrations form and return it to NAAIM.

Chicago Marriott O'Hare entry

NATIONAL ASSOCIATION OF ACTIVE INVESTMENT MANAGERS

NAAIM Outlook 2018

November 5 & 6

Marriott Chicago O'Hare

FIRST & LAST NAME ***(PLEASE PRINT)***

1)______________________________

2)______________________________

3)______________________________

EMAIL ADDRESS:

1)______________________________

2)______________________________

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COMPANY:

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ADDRESS: ______________________________

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PHONE NUMBER:

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Attendee Registration Fee:
Circle Choice

- **NAAIM Member -- $400**
- **Member w/AUM $10,000,000 or less -- $200**
- **Not-Yet Member -- $600**

Method of Payment:

- ❑ Check Enclosed (payable to NAAIM)
- ❑ MasterCard
- ❑ Visa
- ❑ Amex
- ❑ Discover Card

NAAIM prefers payment by check

Credit card billing address if different from company address:

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CREDIT CARD # **EXP. DATE**

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NAME AS IT APPEARS ON CARD

NAAIM has negotiated a group rate of $159.00 single/double at Marriott Chicago O'Hare. To make reservations online visit: Marriott Chicago O'Hare or call (773) 693-4444. The deadline to receive the NAAIM group rate is October 14, 2018.

N A A I M

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