



Strategies

Second, implement strategies with absolute return as the measure of success.

Stock Investment Strategy

Utilize cutting edge securities

W&M is unique. We are experienced Exchange Traded Fund (ETF) active managers. ETFs offer superior opportunities and efficiently deliver low cost, liquidity, and diversification.

ETFs are portfolios of stocks or bonds that mimic hundreds of different indices such as the S&P 500. They are designed to move in the direction of the particular index or opposite it.

Investor portfolios may be constructed with large, mid, and small capitalization stocks and EFTs. Styles may be tilted toward value or growth. International market investments may be accessed. Investments also may be made in alternative economic sectors such as gold, commodities, real estate, and energy, and in specific industries such as technology and healthcare.

We endeavor to identify business cycle, market, sector, industry, style, and capitalization trends that may provide opportunities for gain or that may limit downside risk.



Other factors also may impact returns positively and negatively. They include investment timing decisions, geopolitical events, the ETFs selected, their individual performance, and portfolio asset allocation.

Dependent upon our perceptions, trading activity may be relatively dormant for extended periods of time or suddenly may become quite active. ETF positions may be concentrated with large positions in one or more ETFs as a percentage of portfolio or total equity assets. When done, that may increase or decrease risk. Potentially any ETF perhaps risky in itself may be purchased with the expectation that it may offset another ETF to which it may have a low correlation in a volatile market, thus a "loose" hedge. However, that hedge may or may not be effective and the directional long/short weighting of the overall portfolio may or may not be correct.

Bond Investment Strategy

Research based decision making

Buy, sell, and hold decisions are derived from one principal concept above all else, preserve overall portfolio capital.

We endeavor to identify inflation and interest rate trends. Utilizing a broad range of economic data and external analyses, we make internal forecasts that guide our bond positions.



The decision making process is research based and deliberative. The driving force is value. Value to us begins with an emphasis on risk management and current income in evaluating opportunities presented by changes in the yield curve.

As interest rates increase, maturities may be shortened. As interest rates decline, maturities may be lengthened. Bonds purchased usually are A rated or better. Most often they will be relatively short term.

However, bond ETFs usually are utilized.

Cash Investment Strategy

Cash is an earning asset

Cash is actively invested as a significant asset class in our strategies.

When we think that stocks or bonds may offer better opportunities, cash positions may be substantially reduced. Regardless, large cash positions may be maintained.

Individual short term securities, including commercial paper, may be purchased; however, money market fund investments most often are made.



Sell Strategy

Losses are curtailed

Losses may be difficult to make up without great risk.

Appreciated security positions often are reduced or sold before losses reach ten percent of the original investment amount.

We think that avoiding significant mistakes is a key to long term investment success. No matter the cost basis, a ten percent loss may trigger a complete position sale unless we see extenuating circumstances. Hedged positions often override all criteria.



Third Party Portfolio Management Alternative strategies

There may be times when greater risk or alternatives are desired for the opportunity of higher returns or when another investment style may enhance portfolios. In such instances, W&M can assist with due diligence, manager selection, portfolio structure, and continuing performance review.

Should you prefer investment decision making or portfolio management by a selected third party (someone other than W&M), the investment policy, and the fee and service structure will vary.

Utilizing third party managers or advisors who do not follow the W&M investment process present a different set of risk and return alternatives for which W&M does not accept fiduciary responsibility.