



FEATURES

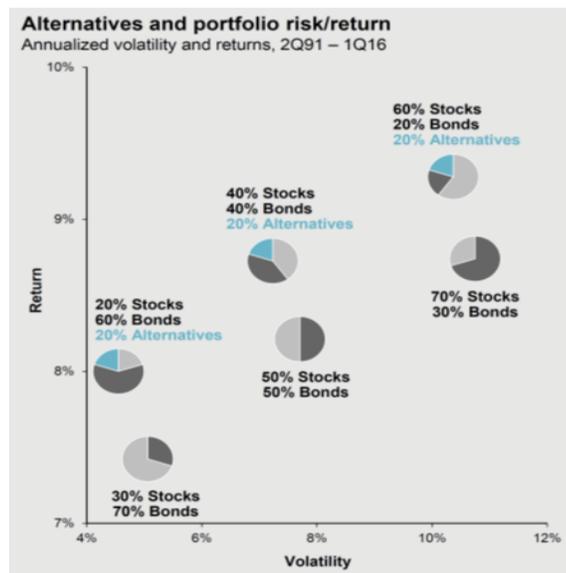
- Seeks investments with low correlations to stocks, bonds, and one another
- Low correlation can potentially offer risk and return benefits over long cycles
- Pairing Alternative with other KWB strategies may dampen overall portfolio volatility

INVESTMENT HORIZON: INTERMEDIATE/LONG TERM (5-7 YEARS)

“There is nothing riskier than the widespread perception that there is no risk.” Howard Marks

TAKING ADVANTAGE OF LOW CORRELATION TO DAMPEN OVERALL VOLATILITY

Many portfolios consist of two main investments, stocks and bonds. The theory behind holding both is that while one zigs, the other usually zags. This zig-zag tendency refers to correlation. With the Alternative strategy, we add a third investment bucket to portfolios that has low correlation to both stocks and bonds. We believe pairing the Alternative strategy with another strategy in our lineup can strive to produce lower portfolio risk while boosting returns over time.



Source: Cambridge Associates, HFRI, Barclay's, FactSet, NCREIF, Standard & Poor's, J.P. Morgan Asset Management. The portfolios that do not contain alternatives are a mix of the S&P 500 and the Barclays U.S. Aggregate. The 20% allocation to alternatives shown reflects the following: 10% in hedge funds (HFR FW Comp.), 5% in private equity and 5% in private real estate. The volatility & returns are based on data from 1Q91 to 4Q15, encompassing 25 years of data.

Benchmark: N/A
Current expense ratio: 1.67%
Investment Objectives: N/A

Asset allocation does not ensure a profit or protect against a loss. This information is presented as an introduction to the portfolio strategy and is for educational purposes. As such, it is not intended as a solicitation or offer. Prospective investors should contact his/her advisor for more detailed portfolio information and the product's suitability in meeting your financial investment objectives.

Different types of investments involve varying degrees of risk and there can be no assurance that any specific investment will either be suitable or profitable for a client or prospective client's investment portfolio.

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