



Savant Investment Maxims

As a reflection on our 25 years of managing investment portfolios, we are re-introducing this foundational set of 30 maxims we originally constructed in 1993. These maxims were slightly updated in 2003, but are essentially unchanged since their inception, illustrating that our long-standing philosophical beliefs still hold true today as a guide to managing investments and helping plan ideal futures for our clients.

ON DECISION MAKING:

1. Well-informed investors always attempt to make decisions in their own best interest.
2. Seek out unbiased sources of investment information.
3. Fear, greed, indifference, impatience, poor discipline, and lack of complete information are investor's worst enemies.
4. Effective investment strategy compensates for investor's tendency towards overconfidence by designing policy to minimize human error.
5. Complexity ought to be introduced only when it increases overall utility.
6. The pain of losing generally exceeds the pleasure of winning.
7. Investors don't rely on emotions. They ignore short-term trends and avoid hot tips.

ON INVESTMENT RETURN AND RISK:

1. The objective of all long-term investors should be to optimize after-tax, real (inflation-adjusted) returns.
2. Investment risk is more than large swings in value: Understand, measure and evaluate all forms of risk.
3. A dollar today is not a dollar tomorrow: Inflation is a long-term investor's silent enemy.
4. Past performance is not indicative of future performance.
5. Long-term investment returns equal an asset's underlying productivity (growth).
6. Bear markets are always temporary: Human nature causes the global economy to grow over time.

Updated: 8-20-21

866.489.0500 | savantwealth.com

INVESTMENTS | FINANCIAL PLANNING | TAX | PRIVATE TRUST | RETIREMENT PLANS

SAVANT



WEALTH
MANAGEMENT
EST 1986

Savant Investment Maxims *Continued*

ON PLANNING:

1. Investing is a process requiring commitment of up front planning time and ongoing review time to maximize potential for success.
2. Financial, life, estate and income tax planning should serve as the foundation for effective and integrative investment strategy.
3. Investing ought not be an end in itself, but rather a means to closely align one's "path and plan" with their "Ideal Future".
4. Successful long-term investing requires maintaining a comprehensive and strategic investment plan.

ON ASSET ALLOCATION:

1. Asset allocation is the primary determinant of long-term investment performance.
2. Broad global diversification increases portfolio return and reduces overall portfolio risk.
3. We live in a world economy, invest globally to reduce risk and increase returns.
4. Ownership assets (i.e. stocks and real estate) provide real (inflation-adjusted) long-term portfolio growth.
5. Debt assets (i.e. bonds and cash equivalents) provide stability and preservation of capital.
6. Invest for "total return" to optimize risk, return and taxes.
7. Buy low, sell high wins: Use strategic asset allocation combined with disciplined rebalancing to do so.

ON INVESTMENT EXECUTION:

1. "Stock picking" and "market timing" hurt investment performance since no one is able to consistently predict short-term economic trends and market events.
2. Passive investment strategies, in aggregate, must outperform actively managed strategies.
3. The surest way to enhance long-term returns is to reduce expenses.
4. Avoid sales charges and commissions.
5. When making investment decisions, an investment's merit should always be considered before government policy or tax benefits.
6. Boring works! New and interesting investments are designed to be easily sold. Evidence-based investments will withstand the test of time.

Savant Wealth Management ("Savant") is an SEC registered investment adviser headquartered in Rockford, Illinois. Past performance may not be indicative of future results. Different types of investments involve varying degrees of risk. Therefore, it should not be assumed that future performance of any specific investment or investment strategy, including the investments and/or investment strategies recommended and/or undertaken by Savant, or any non-investment related services, will be profitable, equal any historical performance levels, be suitable for your portfolio or individual situation, or prove successful. A copy of our current written disclosure Brochure discussing our advisory services and fees is available upon request or at www.savantwealth.com. The scope of the services to be provided depends upon the needs of the client and the terms of the engagement.

Updated: 8-20-21

866.489.0500 | savantwealth.com

INVESTMENTS | FINANCIAL PLANNING | TAX | PRIVATE TRUST | RETIREMENT PLANS

SAVANT



WEALTH
MANAGEMENT
EST 1986