



*“At Concannon we are committed to providing conservative disciplined portfolio management tailored to satisfy our client’s financial goals.”*

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We begin the investment process by preparing a comprehensive review of the client’s current account positions bearing in mind the information generated through the planning process. This review will provide the client with a detailed report discussing comparative rates of return, volatility, tax implications, asset classification and allocation, and expense ratios. Using this information we will then begin to make suitable recommendations to bring the existing portfolio in line with the client’s stated objectives.

Management of each portfolio is performed on an individual basis though it is not uncommon to have similar themes among clients with common financial needs. Rather than duplicate research among all accounts, we will attempt, when appropriate to incorporate our best ideas among many accounts. This approach allows us to perform detailed research and analysis in regards to individual holdings, sectors, industries, as well as macro-economic conditions.

Research is performed internally and a wide range of sources is accessed so that the majority of time is spent in critical thinking and analysis, rather than data gathering. Some of the leading providers of data from both private and public sources are incorporated into our daily process of portfolio review and strategic planning. Though we are not averse to using outside research, we are careful to apply a stringent analysis of the underlying premises incorporated into the reports in order to test the analysis being offered.

Portfolios are developed using the following guidelines:

A portfolio should be designed with the objective to meet a specific need, whether it is income, growth for retirement, or wealth accumulation for subsequent generations. This will provide the foundation on which to build the portfolio.

Identifying the appropriate asset classes and the percentage to be allocated is the initial step in constructing a portfolio. In other words, given the current economic, political, and geo-political, and market environment, we determine what percentage of a client’s portfolio should be directed toward fixed income assets, real estate, commodities, international equities, or domestic equities.

Once the broad asset classes have been assigned, specific sectors and industries are selected that will hopefully take advantage of imbalances within the markets based upon our macro view. Percentage weightings of each sector and industry are developed to ensure a broadly diversified portfolio that should generate strong risk-adjusted returns.

Finally, a detailed analysis is performed using a bottom up approach to select securities that will best represent the desired sectors and industries that have been identified as appropriate for our client’s portfolios. Whether using individual equities, exchange traded funds, or alternative investments, each position is selected and monitored by applying a rigorous analysis of the fundamentals.

By developing an appropriate strategy for each client and applying a disciplined, conservative approach to portfolio management, our clients should expect consistent results not only today but tomorrow.