

Broaden your investment horizons

(ON SCREEN) Open on a basket of eggs. One egg is labelled with a dollar sign and the words “Stocks” and “Bonds” appear.

(NARRATOR) “Don’t put all your eggs in one basket...” That’s common advice for investors, and for good reason. Spreading assets across different baskets – such as stocks and bonds – can help to lower risk if one or more baskets hit a rough patch in the markets.

(ON SCREEN) An image of a barn labelled “Diversification” appears, then is replaced with another barn labelled “Active Asset Allocation.”

(NARRATOR) While diversification is a good thing, there is another investment approach that can be effective but that you may not be aware of: it’s called active asset allocation.

(ON SCREEN) Baskets of eggs move along a conveyer belt. Baskets are labelled “Stocks”, “Bonds” and “ETFs” and each basket has a different amount of eggs inside.

(NARRATOR) What active asset allocation really means is that the amount of resources designated for each type of investment fund can be changed, depending on what the financial markets are doing.

(ON SCREEN) Additional baskets labelled “Stocks”, “Bonds”, “Mutual Funds” and “Global Equities” are shown. A mechanical arm, controlled by an expert, moves eggs from one basket to another.

(NARRATOR) In other words, the numbers of eggs in each basket can be moved around strategically to help reduce risk and maximize returns over time. Deciding how many eggs to put in each basket and when, is done by experienced experts on behalf of investors.

What’s most important to investors, of course, is that the ability to adjust a portfolio’s positioning has been shown to reduce risk and improve returns over longer periods of time.

(ON SCREEN) The eggs are packaged and placed on a store shelf. Signs read “Sale! Reduce Risk” and “Sale! Improve Returns”

(NARRATOR) This active approach helps investors stay focused on their short-term and long-term financial goals regardless of market ups and downs.

(ON SCREEN) Image of a telephone and the text “Speak to your advisor.”

(NARRATOR) Talk to your advisor about whether strategic, active asset allocation can help you achieve your financial objectives.

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