



# **Safian Investment Research**

A Division of Brunham Securities Inc. & Burnham Asset Management Corp.

**"LOSS OF CAPITAL IS FAR MORE REGRETTABLE THAN A LOSS OF OPPORTUNITY"**

- Kenneth Safian

## **THE "NEW APPROACH"**

### **MONEY MANAGEMENT PROGRAM**

#### **Professional Money Management for the Individual Investor**

Portfolio Diversification Lower Cost Personalized Service

#### **THE NEW APPROACH**

In recent years, technological advances, new complex investment vehicles, the growth of asset indexing, program trading, as well as the globalization of the economy, has led to the domination of the securities markets by large institutions. Such developments make it more difficult for the individual investor to manage his or her own funds and achieve competitive rates of return. As individuals turn to professionals for assistance, they are left to choose from a relatively small percentage of qualified managers, often incurring high fees, and, at times, poor service.

To address the needs of the individual investor, we have designed a money management program that combines more than 30 years of investment expertise with superior, personalized service available at a low cost. Using Fidelity Investment Advisor Group, one of the world's largest providers of financial services, we are able to offer our clients broad investment diversification at a substantially reduced cost. Many mutual funds, including most of those of Fidelity and other families, are available to us on a no-load basis.

Our firm uses its expertise to select those mutual funds which will achieve an asset mix deemed most appropriate to meet the needs of an individual investor. If bonds seem especially attractive or a client prefers a balanced portfolio, we purchase high quality bonds with maturities that best suit the clients' financial needs. We offer expertise in asset allocation and sufficient diversification in the markets through the mutual funds we select. Our fee for managing this type of portfolio is substantially less than that charged by most other management services, and, at no extra cost, our clients also have the option of receiving our comprehensive institutional research.

### **PERSONALIZED SERVICE**

Each quarter our clients receive a portfolio appraisal outlining performance results and a letter detailing our current assessment of the economy and securities markets. At year end, we will provide relevant tax information including realized gains and losses and a dividend and interest breakdown. At all times, we encourage clients to contact us personally when further explanation or advice is desired.

### **OUR INVESTMENT PHILOSOPHY**

We are considered a "top-down" money manager, using sector analysis in structuring a portfolio. We have documented that individual stocks tend to move within their sectors, not independently, and that differing trends among sectors frequently exist. Following this philosophy, we can be a value manager at one investment phase and a growth manager at another. As a result, our style may change according to our analysis of investment conditions.

We follow more than 1,000 series on the securities markets and economy (many of which we developed) to determine the industry groups that harbor the best potential rewards. With that information as a base, we then assess our clients' capital and determine what percentages should be invested in stocks, bonds and cash. At times, the data may show conflicting trends, making the investment outlook unsure. Money managers make most of their mistakes when business conditions reflect uncertainty or transition and the majority of investors are bullish. When, in our judgement, such conditions exist, we reduce our clients' exposure to the market, thus reducing any disruption to the value of their portfolios. Above all, the cornerstone of our investment philosophy is preservation of capital; we believe that loss of capital is far more regrettable than a loss of opportunity.

### **EXPERIENCE**

Ken Safian has been in the institutional research and money management business since 1962. He has been interviewed frequently by the financial press, including Barrons, The Wall Street Journal and The New York Times. In addition, he has appeared on Wall Street Week, CNBC and CNN. The firm has gained prominence in the industry by providing large institutions, domestic and abroad, with high quality research and investment strategy services. A brochure describing our unique institutional research is available upon request. We encourage you to investigate the depth of our research as well as our performance record.