

# Our Investment Philosophy

At Niehaus Financial Services, each client's circumstances are unique. Therefore, the guidance we provide is specific to each client's situation. Still, our underlying investment philosophy influences our approach with all clients. The general principles that we use to determine our investment recommendations are listed below.

## We advocate:

### Goal-Oriented, Purposeful Asset Allocation Decisions

- Determine your asset allocation according to the time horizon for use of your money
- Generate income by selling from what is in favor (avoid selling stocks when they are down)
- Make decisions based on logic, not emotion

### Diversifying Your Investments

- Own bonds and fixed investments for safety and stability
- Add large cap, small cap, and international stocks for growth potential, while spreading risk
- Rebalance as needed

### Professional Investment Management

- Limit individual stock exposure
- Use long-tenured, successful money managers, with an understandable approach
- Measure investment performance over longer periods (rely on Morningstar and Lipper for comparisons)

### Carefully-Planned, Calculated Implementation

- Hold meaningful positions
- Shift assets gradually instead of dramatic overhauls
- Proceed with caution when adding to asset classes that have recently outperformed

### Flexibility In Your Investment Plan

- Establish an emergency fund for unanticipated needs
- Make conservative assumptions about inflation, rate of return, income need, and savings rate
- Allow for changes to investments that minimize tax costs and investment expenses