Q3

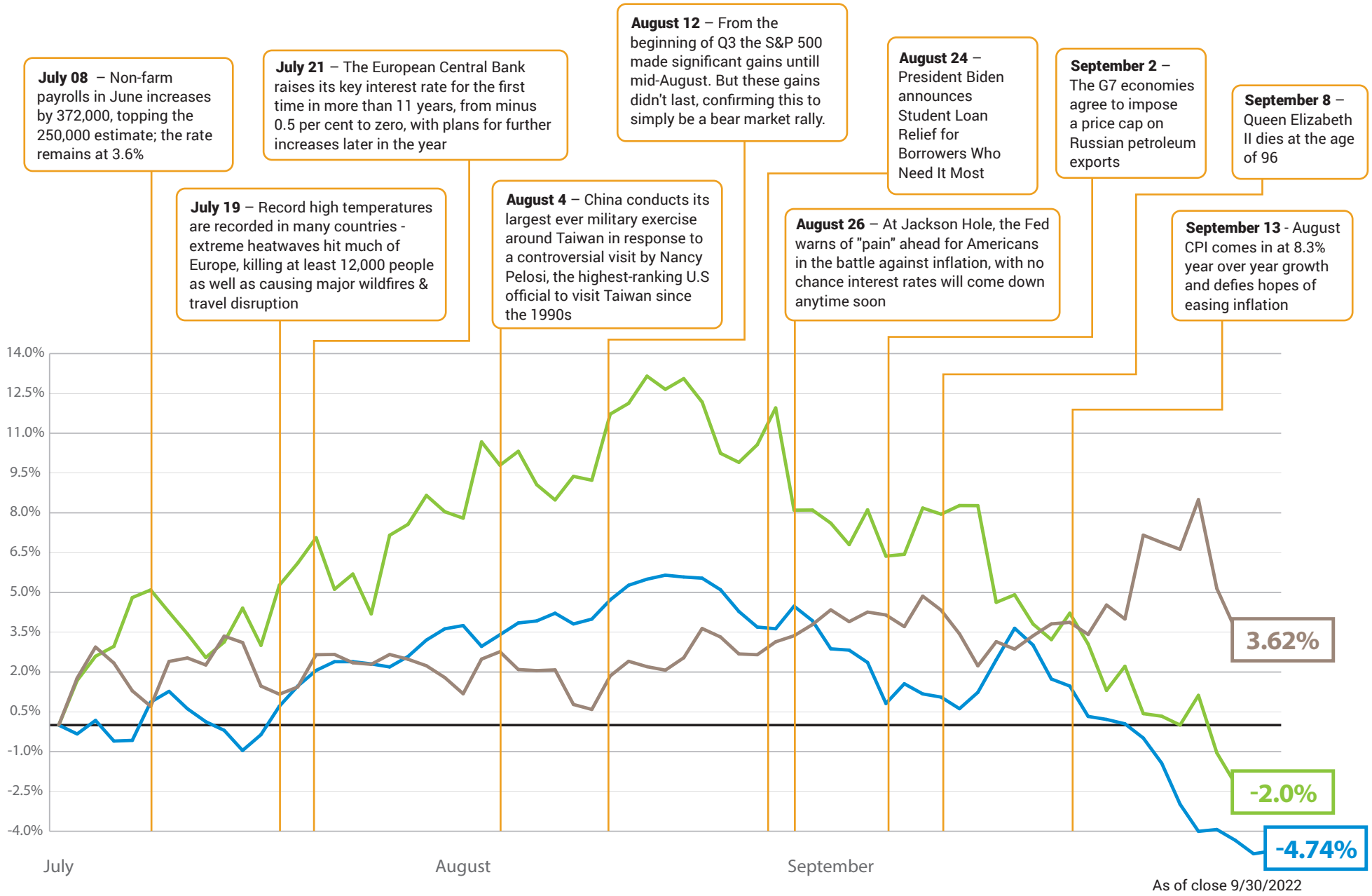
2022

IN REVIEW

Integrity Wealth Advisors

Thoughtful
Independent
Fiduciaries

TOTAL RETURN 2022 Q3 + NEWSWORTHY EVENTS



Source: https://en.wikipedia.org/wiki/2022

ROUGH WATERS CONTINUE THROUGH Q3

Q3 2022 IN REVIEW

This past quarter, and really the entire year, have been extremely difficult, and it is entirely possible that the pain might continue. The Federal Reserve has been so aggressive with tightening monetary policy that it has caused a bear market for equities, mortgage rates to double, and housing prices to fall for the first time in ten years. Adding to the monetary tightening, there is also the Russia-Ukraine conflict, record high inflation, currency crises, energy shortages, and a global economy on the brink of a recession.

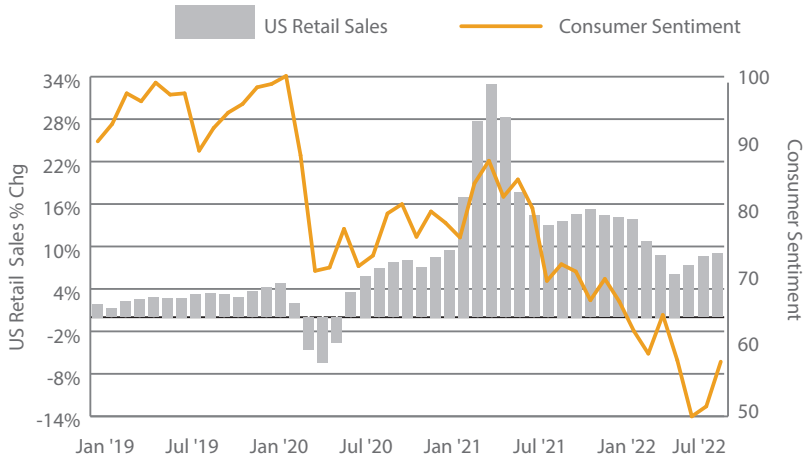
Some say that the more bearish things feel in the short run, the more bullish you should be over the long run. Given how difficult things are at the moment, taking this advice isn't easy! This year has been one of the most volatile years in market history for stocks and bonds, and we expect this to continue in the short run. We do, however, anticipate this volatility to decrease over time as it has been reported that retail investors are exiting equity markets at the fastest pace since 2020. Historically this is typical as market bottoms begin to form, which in past recessions has tended to be at the recession's midway point.

Some bright spots of the current economy are that the job market is still strong, initial jobless claims are historically low, industrial production is up at a 4% annual rate, and there is positive gross domestic income.

Above all else, investors should stay calm when investing ahead of and during a recession. Emotions can be one of the biggest roadblocks to strong investment returns, and this is particularly true during periods of economic and market stress.

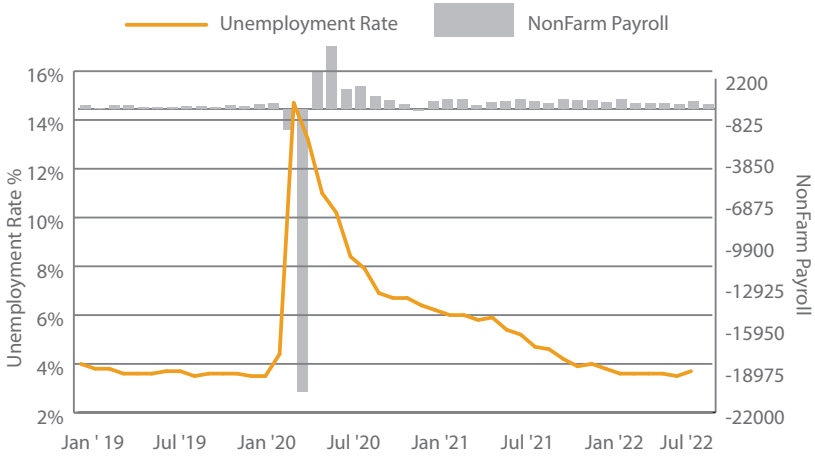
ECONOMIC CHARTS & NOTES

CONSUMER SENTIMENT The latest consumer sentiment reading was a significant improvement from June's historic low. Retail sales growth suggests that consumer spending slightly outpaced price increases.



Source: University of Michigan Consumer Sentiment. Retail Sales - U.S. Census Bureau.

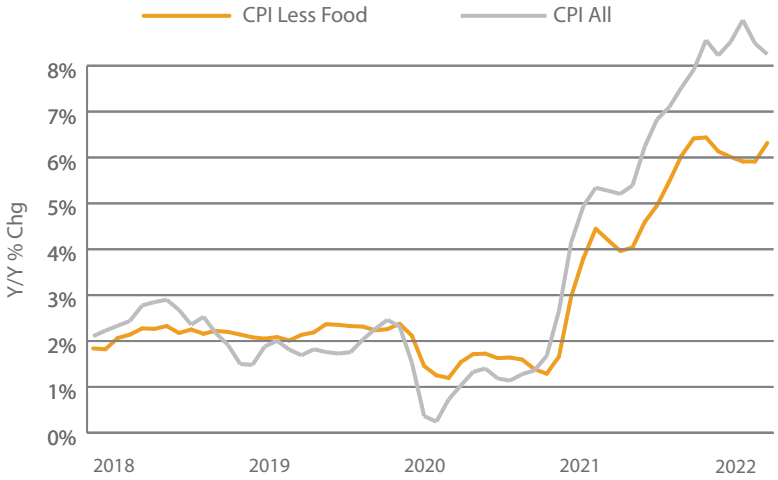
EMPLOYMENT The U.S. unemployment rate ticked higher in August, but this was good news because it was largely attributed to labor force growth. An increased labor supply is positive for employers (who continue to hire) and could help reduce inflation.



Source: U.S. Bureau of Labor Statistics

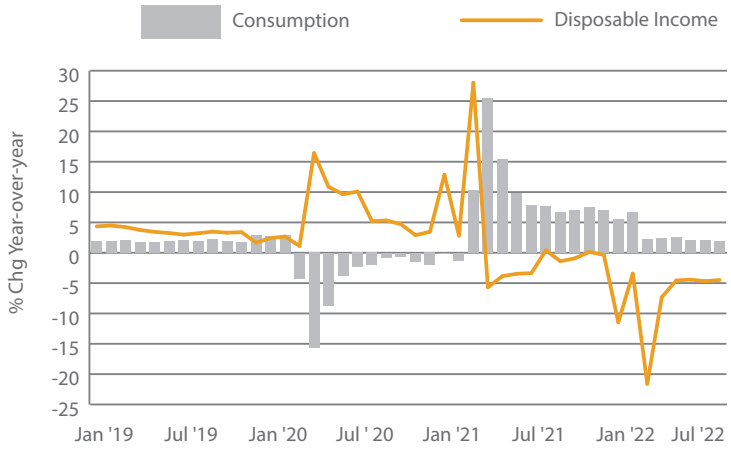
ECONOMIC CHARTS & NOTES

CONSUMER PRICE INDEX Consumer inflation continues to move higher even as gas prices decline. Higher prices for food, shelter, and medical care drove the CPI up 8.3% year-over-year prompting the Fed to take a more aggressive stance.



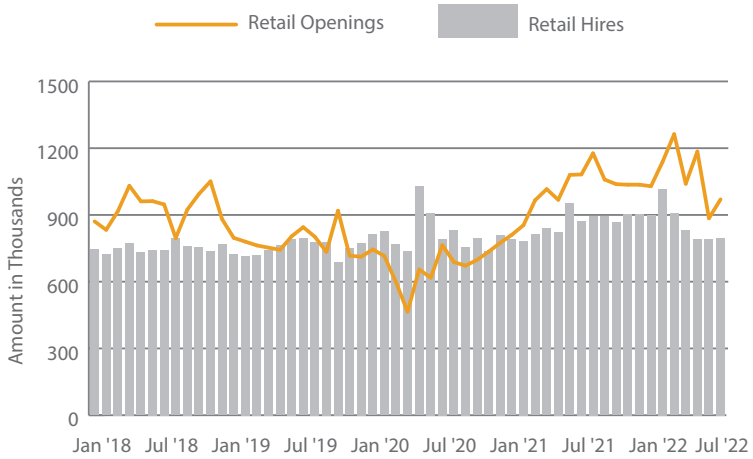
Source: U.S. Bureau of Labor Statistics

CONSUMER SPENDING Personal consumption expenditures rose to their highest level since 1982 as the cost of many household goods and services increased. With the Fed's preferred inflation figure well above 2%, Chairman Powell said he is "strongly committed" to lowering inflation.



Source: U.S. Bureau of Economic Analysis

JOB OPENINGS & HIRES The number of available jobs increased more than expected and far exceeded available workers in Q3. Walmart, Target, and others announced plans to hire seasonal workers and start holiday deals even sooner than last year.



Source: U.S. Bureau of Labor Statistics

GDP The U.S. economy contracted for the second consecutive quarter in Q2 , the first such occurrence since the start of the pandemic. Economists are forecasting minimal GDP growth in Q3.

Source: U.S. Bureau of Economic Analysis

WILD YEAR FOR CURRENCY MARKETS IN 2022

This spring, just after Russia's invasion of Ukraine, Washington's Institute of International Finance made a bold and idiosyncratic prediction: the euro was about to weaken dramatically from its $1.11 level, because the region was heading for a current account deficit.

Not many investors agreed. Data from the Commodity Futures Trading Commission suggests that there was a net "long" speculative position in the markets then — in other words, investors were betting the currency would strengthen — because the European Central Bank was raising interest rates.

But the euro is now worth $0.98, and Europe's traditional trade surplus has indeed turned into a current account deficit, due to the soaring cost of energy imports and falling industrial exports.

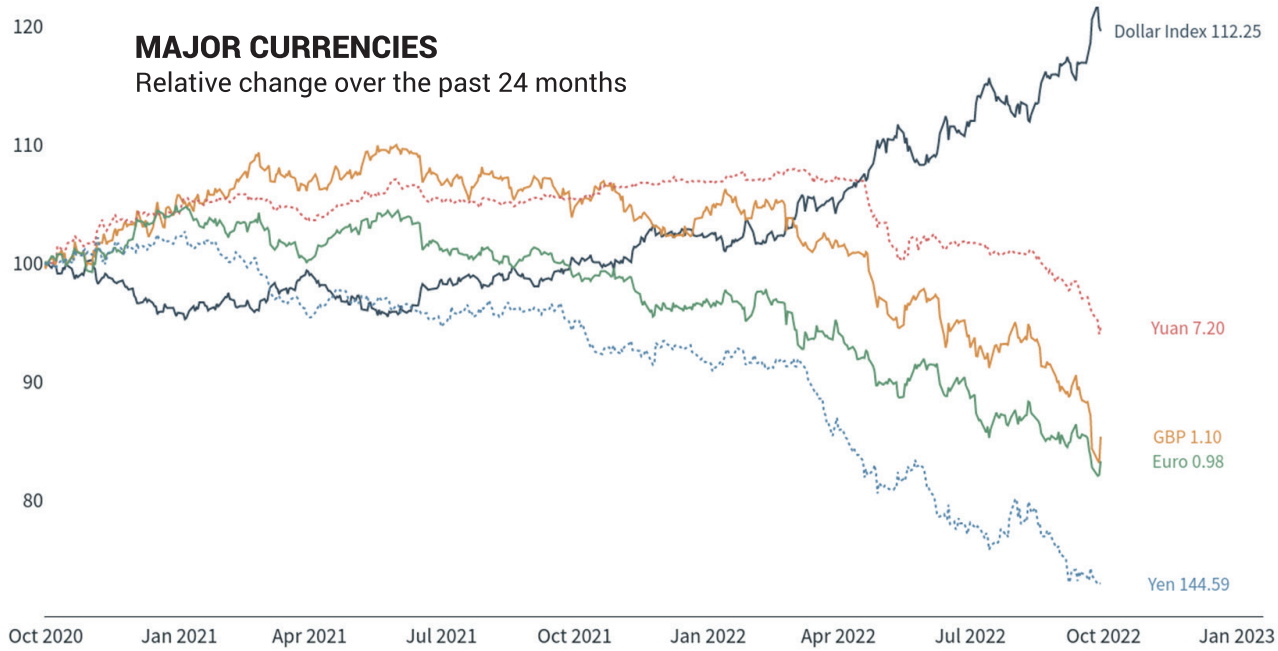
The IIF's projections about the sterling have been equally prescient. In recent months, Robin Brooks, IIF chief economist, has also warned that the pound looked overvalued at its then $1.35 level, since markets were ignoring that the UK current account deficit had quietly risen above 8% percent, from the 3% percent levels seen in recent years.

This week the British pound duly crashed to near-parity with the dollar, after the UK government unveiled a surprise tax-cutting plan. "These moves [in the euro and the sterling] aren't irrational or overshooting," argues Brooks. "The fair values of both have shifted to reflect higher energy costs and far weaker trade balances." Indeed, Brooks thinks that at present levels "the euro is still 10% percent overvalued [and] the pound is 20% percent overvalued." Yikes!

If you believe in the mean regression principle which underpins many trading models — that asset prices eventually resort to a recent mean after a wild swing — then it is possible to hope that sterling's slump will be temporary. But if you think that an 8% percent current account deficit puts the UK in a new era, past models may not apply. Either way, investors should ponder if there are other places where a reckoning might occur.

The IIF chart highlights strains in the currency world. Debt data offers additional clues. There has been remarkably little public debate in recent years about the astonishing fact that global debt has doubled since 2006 — and tripled since 2000. That is because interest rates were ultra-low, but now rates are rising and the fiscal burden in many countries is soaring amid energy subsidies and pandemic spending (and, in the UK, unexpected tax cuts).

Additionally, we see signs that investors are getting more nervous. Quite apart from this week's visible Treasury and gilt market tensions, JP Morgan reports that global investors now plan to allocate a mere 17% percent of their portfolios to bonds. This is a remarkably low level, given they have been overweight for the past 14 years.



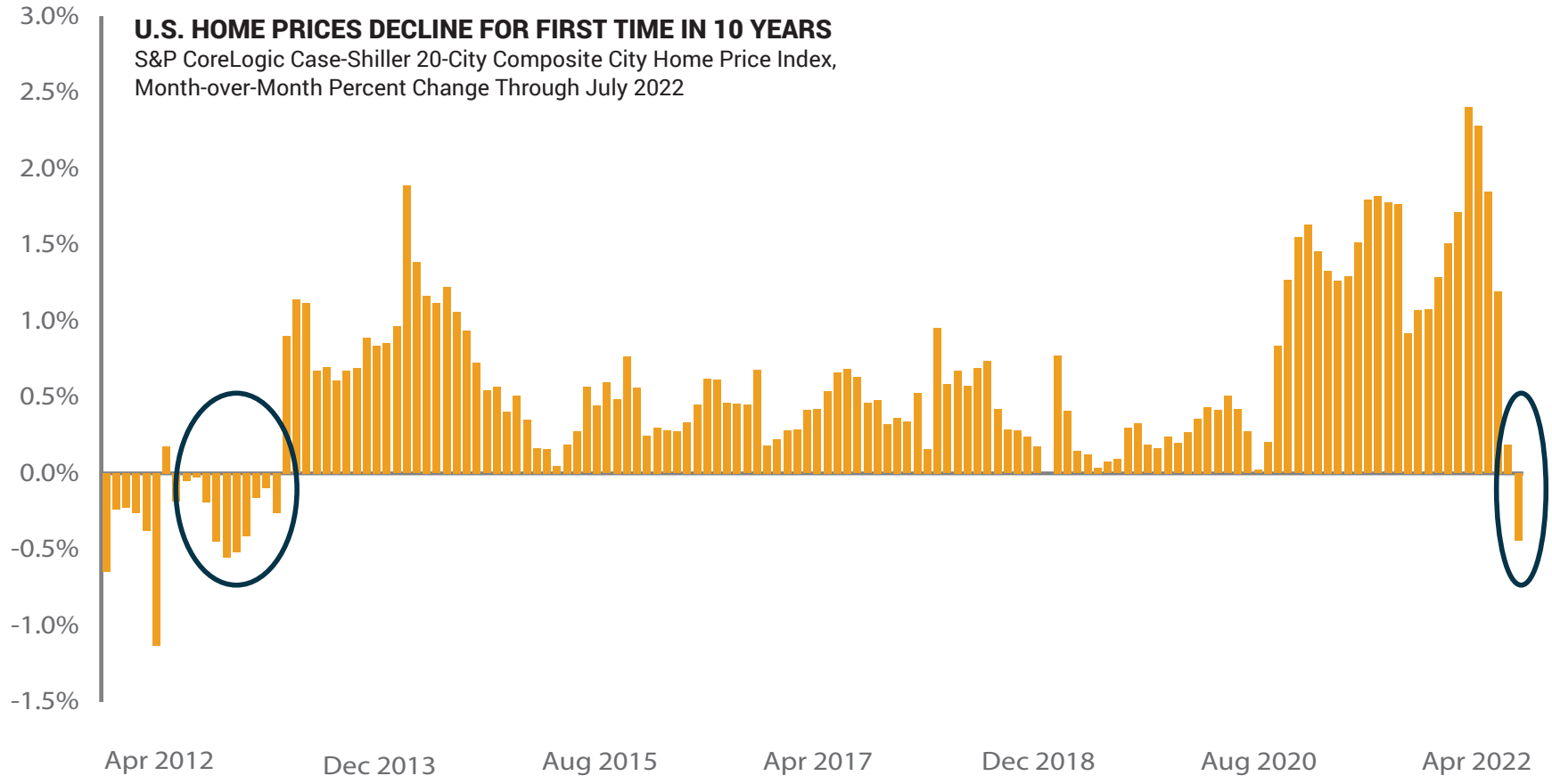
Source: Chart latest data point is September 29, 2022. Refinitiv, Clearnomics Inc.

HOUSING - FIRST DECLINE IN HOUSING PRICES IN TEN YEARS

There are a number of signs that the global economy could be headed for a recession (or that we're already in one). The most recent of these is that U.S. home prices are in free fall. This week, the Case-Shiller 20-City Index posted its first month-over-month decline in 10 years. Although released this week, the data records prices as of the end of July, meaning home prices may have slipped even further since then.

To be clear, we don't believe this depreciation will be as severe as it was during the 2007-2008 housing crisis. Banks are not nearly as speculative as they were then, meaning they're generally not lending to borrowers with poor credit quality. The delinquency rate on single-family mortgages is currently below 2%, which we haven't seen since 2006, just before the crisis.

Nevertheless, rates are ticking up, which could prompt unemployment to spike. If this were to happen, many American homeowners could end up defaulting on their home loans.

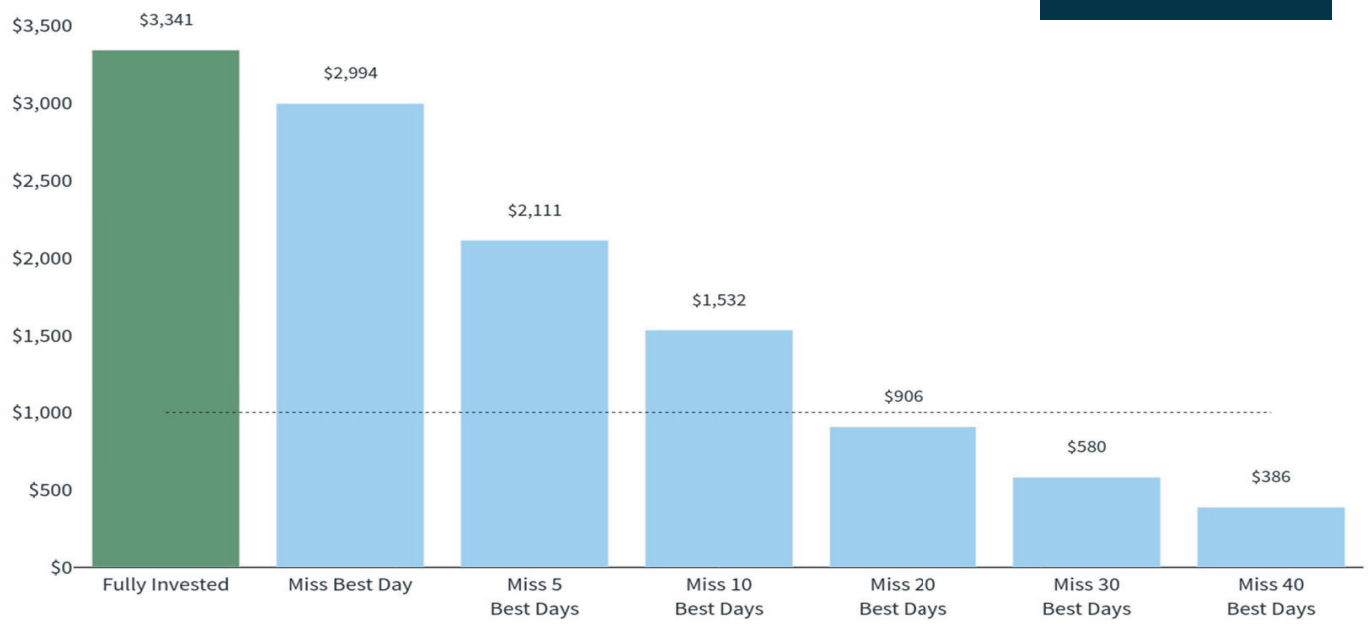


Source: USFunds.com. S&P Global, Bloomberg, US Global Investors

STAYING INVESTED: MISSING THE BEST DAYS

THE IMPACT OF MISSING THE BEST MARKET DAYS OVER THE PAST 25 YEARS

BASED ON AN INITIAL $1,000 INVESTMENT USING S&P 500 RETURNS BEFORE TRANSACTION COSTS



Source: Latest data point is September 29, 2022. Clearnomics Inc., Standard & Poor's

GETTING LONG-TERM BULLISH

This is the 9th time the S&P 500 is down 25% or more since 1950. The Nasdaq Composite is down 30% or worse for the 8th time since 1971. And the Russell 2000 Index is down 30% or more for only the 7th time since its inception in 1979.

These are the forward one, three, five and ten year returns from down 25% over the past 70+ years in the S&P 500. The stock market doesn't fall 25- 30% very often, and when it has in the past it's provided solid returns when your time horizon is measured in years as opposed to days or months.

Source: Ycharts.com, awealthofcommonsense.com

WHEN THE S&P 500 IS DOWN 25% OR WORSE SINCE 1950

Peak	Trough	% Decline	+1 Year	+3 Years	+5 Years	+10 Years
12/12/61	6/26/62	-28.00%	31.20%	69.20%	94.80%	171.10%
11/29/68	5/26/70	-36.10%	32.20%	44.30%	27.90%	97.50%
1/11/73	10/3/74	-48.20%	1.40%	23.80%	42.00%	188.40%
11/28/80	8/12/82	-27.10%	43.90%	81.20%	238.60%	403.90%
8/25/87	12/4/87	-33.50%	14.70%	34.10%	96.80%	387.10%
3/24/00	10/9/02	-49.10%	0.20%	1.90%	21.50%	38.30%
10/9/07	3/9/09	-56.80%	-6.90%	3.70%	61.20%	209.60%
2/19/20	3/23/20	-33.90%	56.40%	???	???	???
1/3/22	9/30/22	-25.20%	???	???	???	???
Averages		**-37.60%**	**21.60%**	**36.90%**	**83.30%**	**213.70%**

INVESTMENT MANAGEMENT PHILOSOPHY

The complex, ever-changing investment world of today requires an investment process that is overseen by a team of **experienced investment professionals.** Global capital markets present investors with a host of challenges due to the combination of an overwhelming amount of information to analyze and the endless supply of conflicting opinions and narratives surrounding financial markets. The time and expertise required to perform in-depth investment research and to make timely and informed portfolio management decisions requires both a **clear investment process** and an experienced investment team to implement the process.

An old adage states that there is **accomplishment through many advisors.** We agree and embrace a variety of investment perspectives through our investment committee. Our investment philosophy is well grounded in global macro-economic analysis. **Investment ideas are carefully vetted** through a process which incorporates the diverse range of investment backgrounds within our firm. This process of multifaceted analysis ensures that only the strongest investment ideas survive. We are committed to striking the right balance between risk and return through managing global, multi-asset class investment portfolios.

- **INDEPENDENCE & CLIENT FOCUS**
- **DIVERSIFICATION**
- **TOP-DOWN, THEMATIC APPROACH**
- **PERFORMANCE WITH LIQUIDITY**
- **VARIED INVESTMENT PERSPECTIVES**
- **OPTIMIZATION OF EXPENSES AND TAXES**

THE INVESTMENT PROCESS

ASSESSMENT OF GLOBAL ECONOMIC & INVESTMENT ENVIRONMENT

ASSESS & ANALYZE THEMES

RESEARCH INVESTMENT VEHICLES TO FIND EFFECTIVE IMPLEMENTATION

IDENTIFY OPPORTUNITIES

STRATEGIC ASSET ALLOCATION - Geographies, Sectors, Capitalizations

INVESTMENT SELECTION - Open/Closed End Funds, ETFs, Stocks & Bonds

INVESTMENT COMMITTEE

The Investment Committee meets formally each quarter, and more frequently if market conditions warrant, to discuss the state of the global economy and capital markets and to assess the current asset allocation and positioning of our portfolios. There's an art to striking the right balance between risk and return; pursuing that symmetry is the core of our investment philosophy. We are fiduciaries and have our interests aligned with our clients, as we invest alongside them. Contact us at **investmentcommittee@iwaplan.com** with any questions or concerns.

STEPHEN WAGNER
CEO, Investment Advisor, CFP®, CPFA
35+ Years Experience*

VICTORIA BREEN
Investment Advisor & Financial Planner
40+ Years Experience*

MARTHA LAFF
Investment Advisor, ChFC®, CLU®, CRPC®
30+ Years Experience*

ANDREW MURTHA
Financial Analyst, MBA
20+ Years Experience*

BOB CHEATHAM
Financial Planner, CRPS®, MA
15+ Years Experience*

MARGARET MARAPAO
Investment Advisor & Financial Planner, CFP®

CHRISTOPHER WAGNER
Investment Advisor & Financial Planner, CPFA

LAINE MILLER
Investment Advisor & Financial Planner, CFP®

DOUG ECKER
Investment Advisor & Financial Planner, CRPS®

** Financial services experience. Investment Advisory Services are offered through investment advisor representatives of Integrity Wealth Advisors, a Federally Registered Investment Advisor.*

THOUGHTFUL INDEPENDENT FIDUCIARIES

Integrity Wealth Advisors has been committed to helping individuals, families, and businesses grow, preserve, and distribute wealth since 1979

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THE IMPACT OF SOUND FINANCIAL PLANNING

Recent Vanguard research[1] shows that an experienced wealth management team not only adds peace of mind, but **also may add about 3 percentage points of value in net portfolio returns over time**. What does this mean? Your team has the ability and the time to evaluate your portfolio investments, meet with you to discuss objectives, and help get you through tough markets. All of these factored together potentially add value to your net returns (returns after taxes and fees) over time. But the most interesting part of this research is that it shows that financial planning and financial coaching contributed to the greater majority of the added net 3% in net portfolio returns.

It's important to realize how valuable making sound financial planning decisions is and that value is added by your financial planning team. As investors, our emotions can be our worst enemy, especially when the markets are volatile, and guidance from a "behavioral coach" can save us from panic-selling and abandoning long-term financial plans. Numerous studies demonstrate that advisors can have a huge impact on investor finances, but it's hard to say if these findings have been recognized and understood by everyday investors.

DREAM.
PLAN.
ENJOY.

5 MOST COMMON MONEY TRAPS TO AVOID

For many of us, managing our personal finances can be about as fun as doing our taxes. Here are five common money missteps to avoid and what you can do to get on track.

1. Delaying saving for retirement
It's easy to put off saving for retirement when you're in your 20s—it seems far-off and making a day-to-day budget work may be challenging when you're starting a career. Soon enough you reach your 30s, and your priorities may shift to saving for a house or paying for childcare—still not an easy time to save for retirement.

The fix: As soon as you start a new job, sign up for your employer's 401(k) plan. If your employer doesn't offer a 401(k), set up an individual retirement account (IRA) and automate your monthly deposits.

2. Skimping on an emergency fund
According to a recent Bankrate.com survey, 23% percent of all Americans have no emergency savings set aside to cover things like home repairs, medical bills, temporary unemployment, or any number of unforeseen (and pricey) expenses.

The fix: Stash away three to six months' worth of cash in a separate account to cover essential living expenses. Funnel part of your paycheck automatically to a separate account and you'll make steady progress over time.

3. Taking the short view on investing
Given the performance of the market this year or, looking back farther, from 2007 to 2009, it's easy to understand why so many investors react rashly when the market takes a dive. But it's the investors that have the fortitude to take the long view who tend to prevail. Even with the market's performance this year, from that rock-bottom point in 2009, the Dow Jones Industrial Average has risen more than 25,000 points. The fix: Stay invested. Consider reducing the number of times you log in to view your account. Day-to-day market fluctuations have little impact on your long-term goals. Bear markets come to an end and research shows that staying invested over the long haul can be the best way to participate in the market.

4. Avoiding the market
Market volatility may be scary, but while past performance is not a guarantee of future results, there has never been a 20-year period when stock returns were negative. Keep your time horizon in mind when you're investing in stocks.

The fix: Get in the habit of investing by moving a portion of your cash savings into a diversified portfolio each month. This approach, known as "dollar cost averaging," potentially allows you to buy more shares of an investment when the price is low and fewer shares when the price is high.

5. Concentrating your investments
Some of us might have too much of one type of investment in our portfolio. Maybe it's stock in the company we work at or municipal bonds inherited from a relative. But there's a benefit to owning many different types of investments. Having that variety in your portfolio—called diversification—tends to reduce its volatility and risk.

The fix: Make sure that you have investments across numerous sectors, industries, and geographical areas. Once you have a diversified portfolio in place, revisit your portfolio's allocation mix on a yearly basis to make sure it still aligns with your investment goals.

Source: Schwab

SHOULD YOU PAY OFF A MORTGAGE BEFORE YOU RETIRE?

Whether it makes financial sense to pay off your mortgage depends on your individual situation. Here are some things to consider.

If you're like most people, paying off your mortgage and entering retirement debt-free sounds pretty appealing. It's a significant accomplishment and the end of a major monthly expense. However, for some homeowners, their financial situation and goals might call for attending to other priorities while chipping away at their home loan.

Let's look at the reasons why you might—or might not—decide to pay off a mortgage before you retire.

YOU MIGHT WANT TO PAY OFF YOUR MORTGAGE EARLY IF …

- **You're trying to reduce your baseline expenses:** If your monthly mortgage payment represents a substantial chunk of your expenses, you'll be able to live on a lot less once the payment goes away. This can be particularly helpful if you have a limited income.
- **You want to save on interest payments:** Depending on a home loan's size and term, the interest can cost tens of thousands of dollars over the long haul. Paying off your mortgage early frees up that future money for other uses. While it's true you may lose the tax deduction on mortgage interest, you'll have to reckon with a decreasing deduction anyway as more of each monthly payment applies to the principal, should you decide to keep your mortgage.
- **Your mortgage rate is higher than the rate of risk-free returns:** Paying off a debt that charges interest can be like earning a risk-free return equivalent to that interest rate. Compare your mortgage rate to the after-tax rate of return on a low-risk investment with a similar term—such as a high-quality, tax-free municipal bond issued by your home state. If your mortgage rate is higher than the interest rate on an investment asset, you'd be better off paying down the mortgage.
- **You prioritize peace of mind:** Paying off a mortgage can create one less worry and increase flexibility in retirement.

YOU MIGHT NOT WANT TO PAY OFF YOUR MORTGAGE EARLY IF …

- **You need to catch up on retirement savings:** If you completed a retirement plan and find you aren't contributing enough to your 401(k), IRA, or other retirement accounts, increasing those contributions should probably be your top priority. Savings in these accounts grow tax-deferred until you withdraw them.
- **Your cash reserves are low:** You don't want to end up house rich and cash poor by paying off your home loan at the expense of your reserves.
- **You carry higher-interest debt:** Before you pay off your mortgage, first close out any higher-interest loans—especially nondeductible debt like that from credit cards. Create a habit of paying off nondeductible debt monthly rather than allowing the balance to build so that you'll have fewer expenses when you retire.
- **You might miss out on investment returns:** If your mortgage rate is lower than what you'd earn on a moderate-risk investment, you might consider keeping the mortgage and investing what extra you can.

A MIDDLE GROUND

If your mortgage has no prepayment penalty, an alternative to paying it off entirely is to chip away at the principal. You can do this by making an extra principal payment each month or by sending in a partial lump sum. This tactic can save a significant amount of interest and shorten the life of the loan while maintaining diversification and liquidity. But avoid being too aggressive about it—lest you compromise your other saving and spending priorities.

The decision to pay off your mortgage is irrevocable and should be consulted beforehand with a financial advisor. We can help you project the impact this decision can have on your portfolio. If you decide that a paying off your mortgage is the path you want to take, the source of funds is another decision that should not be taken lightly. Taxes and penalties as well as investment returns should be considered.

6 FINANCIAL PLANNING TIPS FOR NEW PARENTS

For most new parents, focusing on the big picture isn't easy. You're sleep-deprived, juggling naps and feeding schedules, and excited about the new little person in your life. Here are some tips on setting financial goals for your child's milestones while keeping your retirement savings on track:

1. CONSIDER INSURANCE—BOTH LIFE AND DISABILITY

Adequate health insurance is crucial, but you'll also want to consider life and disability insurance. Life insurance can pay for the things you'd like your family to have if you were to pass away unexpectedly, such as a paid-off mortgage, school tuition, a future wedding for your child, or simply replacing your income so they don't have to worry about cash flow.

Disability insurance can also be a major help if one or both parents becomes unable to work due to a disabling illness or injury. While you may have employer-provided disability insurance, make sure that it will be enough to cover essential expenses like your mortgage, debt, childcare, and household expenses for a reasonable length of time. You may want to consider supplementing your existing coverage with an individual policy or using an individual policy instead to provide more customized coverage for your needs. While you shop around, keep in mind that some policies may pay benefits only if you can't perform any work at all, rather than being unable to do the specific type of work you currently do.

2. INCREASE YOUR EMERGENCY FUND

Having a child raises the stakes for "rainy day" planning. You'll want to be sure you can keep your household running smoothly in the event of job loss, illness, or a large, unexpected expense. As a rule of thumb, most financial experts recommend keeping three to six months' worth of essential living expenses readily available for emergencies. This money doesn't have to be in a single account but can be spread between interest-bearing savings or money market accounts, or other relatively conservative, liquid investments.

3. TAKE ADVANTAGE OF TAX BREAKS

For many working parents, childcare can be as expensive as a mortgage. Tax breaks can help—at least a little bit. In 2022, if you meet certain criteria, the Child and Dependent Care Credit can cover up to 35% of eligible expenses, depending on your income. However, the maximum credit is $1,050 for one child and $2,100 for two.

A flexible spending account (FSA) is another option. This is an employer-sponsored program that allows you to set aside up to $5,000 per year (tax-deductible) for qualified childcare expenses for couples filing jointly with one or more dependents. You typically enroll in or renew your election in your Dependent Care FSA through your employer during your Open Enrollment period each year, but certain changes in status of "qualifying events" during the year—like having a new baby—allow you to make changes. Your human resources department or benefits administrator can tell you when employees in your organization can enroll in a Dependent Care FSA and help you get started.

You can use the dependent care FSA to pay for eligible pre-K childcare expenses tax-free including nursery school, preschool, or similar programs below the level of kindergarten. Expenses to attend kindergarten or a higher grade aren't eligible FSA expenses, but expenses for before- or after-school care of a child in kindergarten or a higher grade up to age 13 are eligible.

A potential drawback is that the IRS requires money contributed to a FSA to be spent during the plan year (or a grace period extension). If the money isn't used, it's forfeited. Check with a tax advisor to see what works best for your situation.

4. START SAVING FOR COLLEGE NOW

By the time a child born today packs their bags for college, four years of tuition and fees (including room and board) are projected to be roughly $248,000 at a public university (in-state resident).2 The earlier you begin saving, the better off you'll be. For example, if you begin contributing $500 per month for college savings at birth, assuming a 5.3% rate of return, your savings fund would total about $173,000 by the time your child reaches age 17. If you postpone saving until your child is 10 years old, the final amount will be roughly $58,000.

5. PRIORITIZE RETIREMENT SAVINGS

If you must choose between saving for college and saving for retirement, choose retirement. Your child will likely have more than one way to pay for college—including scholarships, loans, and grants—but you can't make up lost retirement savings.

6. UPDATE YOUR ESTATE PLANNING DOCUMENTS

One of the things that a will does is allow you to indicate who you would like to serve as guardian for your child if something happens and you're not there. Have a conversation with an attorney to make sure other parts of your estate plan are in order, including powers of attorney for financial and health care decisions and up-to-date beneficiary designations. Your attorney can help you determine if setting up a trust makes sense for your situation and goals.

HERE'S HOW MANY PEOPLE WILL GET STUDENT LOAN FORGIVENESS IN EACH STATE

The White House released an analysis on Tuesday of how many people in each state stand to benefit from its student loan forgiveness plan, including a count of borrowers who received a Pell Grant.

According to a recent estimate conducted by the U.S. Department of Education, more than 3.5 million people are eligible for debt cancellation in California, and north of 3 million in Texas.

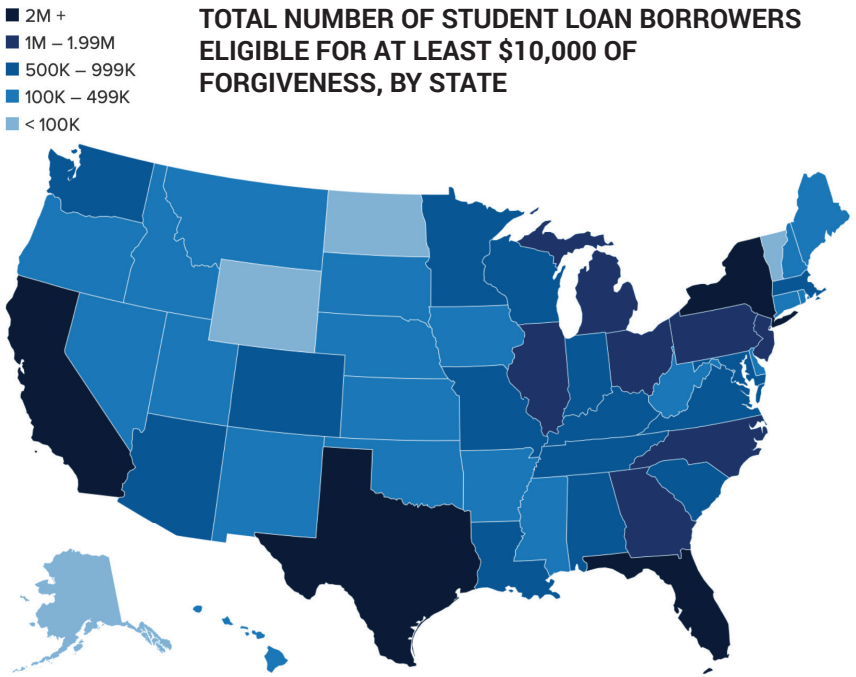
There is no precedent for the sweeping loan relief President Joe Biden announced last month, which may cost up to $1 trillion. Under the Biden administration's action, most borrowers will be eligible for up to $10,000 in cancellation if they didn't receive a Pell Grant, which is a type of aid available to low-income undergraduate students, and up to $20,000 if they did.

Most Pell Grant recipients come from families with incomes of less than $60,000, says higher education expert Mark Kantrowitz.

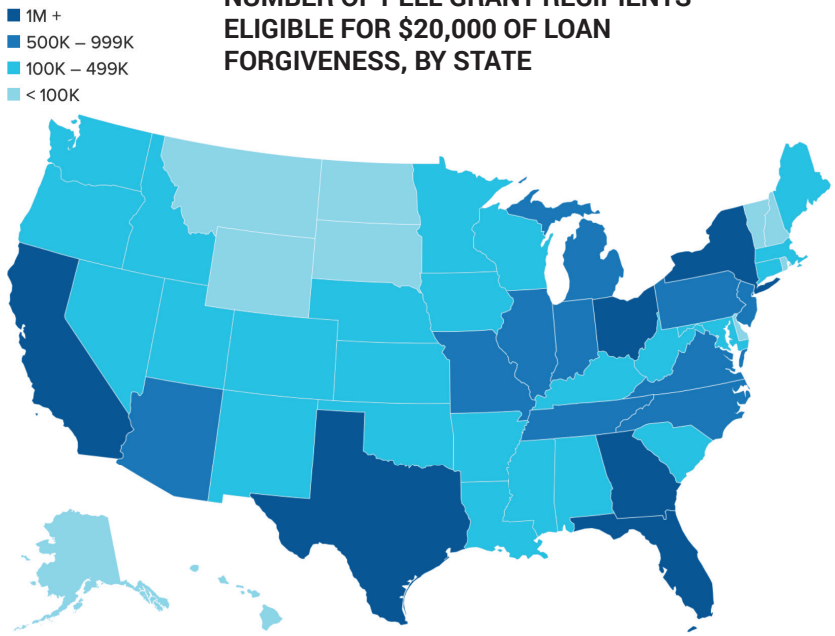
Borrowers should be able to apply for forgiveness in October, and some 8 million people may get their loans automatically cleared because the government already has their income data. The relief is limited to individuals earning no more than $125,000 a year, or households making less than $250,000.

Rep. Ayanna Pressley, D-Mass., a longtime advocate for student loan forgiveness, said she became emotional looking at the numbers. In her state, around 813,000 people will be impacted.

TOTAL NUMBER OF STUDENT LOAN BORROWERS ELIGIBLE FOR AT LEAST $10,000 OF FORGIVENESS, BY STATE



NUMBER OF PELL GRANT RECIPIENTS ELIGIBLE FOR $20,000 OF LOAN FORGIVENESS, BY STATE



Source: U.S. Department of Education. As of Sept. 20, 2022. Maps: Gabriel Cortes / CNBC

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GREEN
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The S&P 500 Index or the Standard & Poor's 500 Index is a market-capitalization-weighted index of the 500 largest U.S. publicly traded companies. The S&P 500 is a float-weighted index, meaning company market capitalizations are adjusted by the number of shares available for public trading. Investors cannot invest directly in an index. Note: Investors cannot invest directly in an index. These unmanaged indices do not reflect management fees and transaction costs that are associated with most investments.

The MSCI World ex USA Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries* – excluding the United States. With 1,012 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The Barclays Capital U.S. Aggregate Bond Index is the most common index used to track the performance of investment grade bonds in the U.S.

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Vanguard research study; Source: Francis M. Kinniry Jr., Colleen M. Jaconetti, Michael A. DiJoseph, and Yan Zilbering, 2014. Putting a value on your value: Quantifying Vanguard Advisor's Alpha. Valley Forge, Pa.: The Vanguard Group.

There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk. Dollar cost averaging involves continuous investment in securities regardless of fluctuation in price levels of such securities. An investor should consider their ability to continue purchasing through fluctuating price levels. Such a plan does not assure a profit and does not protect against loss in declining markets.

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