

abacus

planning group

smart financial decisions

10 Questions to ask your 401(k) Provider Young Lawyers/ Young Bankers Seminar

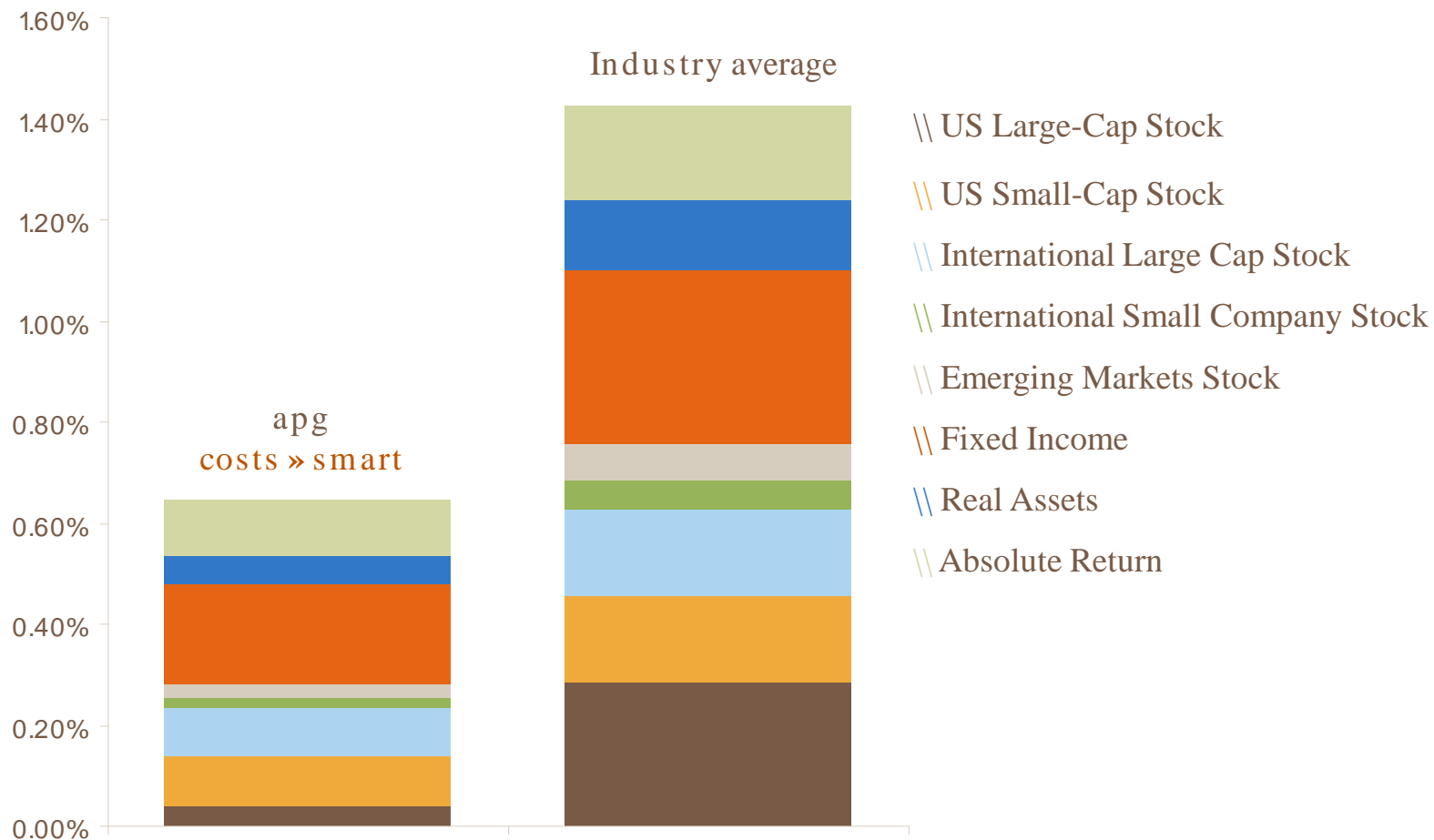
Cheryl R. Holland, CFP®

June 15, 2011

abacusplanninggroup.com



The lower the costs, the more you keep





Sample investment fees for a moderate growth portfolio

Portfolio Weight	Investment	Ticker	Annual Expense Ratio	Portfolio Expense
16%	DFA US Large Company	DFLCX	0.15%	.024%
4.5%	DFA US Small Company	DFSTX	0.38%	.017%
4.5%	Royce Micro Cap	RYOTX	1.69%	.076%
10%	DFA Intl Large Cap	DFALX	0.29%	.029%
4%	DFA Intl Small Cap	DFISX	0.55%	.022%
5%	DFA Emerging Markets	DFEMX	0.60%	.030%
25%	DFA Two Year Global	DFGFX	0.18%	.045%
5%	PIMCO Diversified Income	PDVDX	1.15%	.058%
5%	Vanguard High Yield Bond	VWHEX	0.32%	.016%
6%	PIMCO Commodity	PCRDY	1.25%	.075%
4%	DFA US Real Estate	DFREX	0.33%	.013%
2%	Gateway Fund	GATEX	0.94%	.019%
2%	Merger Fund	MERFX	1.47%	.029%
2%	Calamos Growth and Income	CVTRX	1.07%	.019%
2%	Calamos Market Neutral	CVSIX	1.14%	.021%
2%	Hussman Strategic Growth	HSGFX	1.15%	.023%
Total Mutual Fund Expense				<u>.52%</u>
Abacus Planning Group Fee				<u>.50%</u>
Total Fee				<u><u>1.02%</u></u>

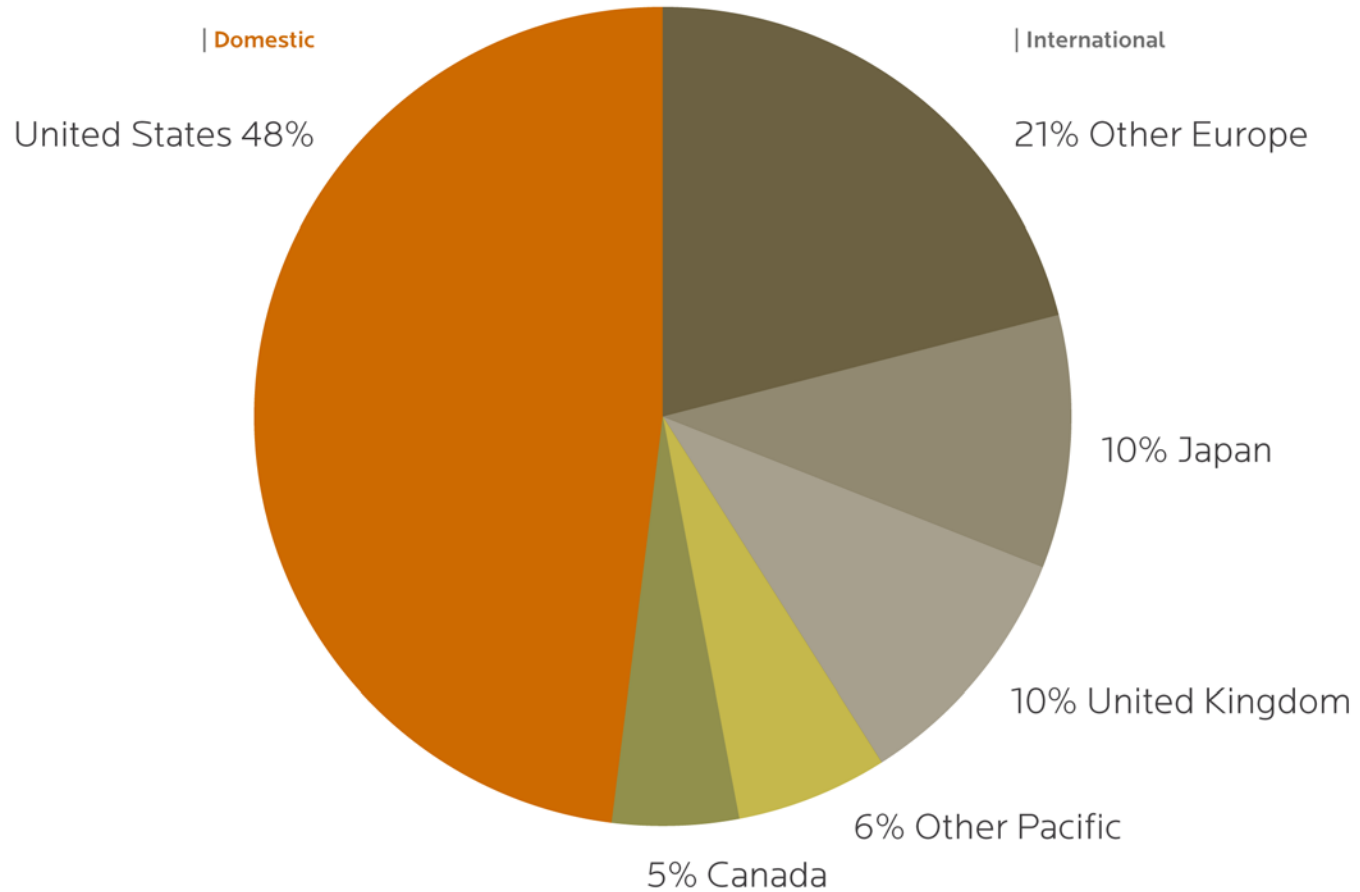


Mutual funds share class

Name	Ticker	Prospectus Net Expense Ratio	Annual Report Net Expense Ratio	Front Load	Deferred Load	Redemption Fee	12b-1 Current
1 American Funds Growth Fund of Amer 529B	CGFBX	1.58	1.53	0.00	5.00	—	1.00
2 American Funds Growth Fund of Amer 529C	CGFCX	1.58	1.53	0.00	1.00	—	1.00
3 American Funds Growth Fund of Amer B	AGRBX	1.50	1.45	0.00	5.00	—	1.00
4 American Funds Growth Fund of Amer C	GFACX	1.50	1.47	0.00	1.00	—	1.00
5 American Funds Growth Fund of Amer R2	RGABX	1.48	1.41	0.00	0.00	—	0.75
6 American Funds Growth Fund of Amer R1	RGAAX	1.47	1.44	0.00	0.00	—	1.00
7 American Funds Growth Fund of Amer 529E	CGFEX	1.07	1.02	0.00	0.00	—	0.50
8 American Funds Growth Fund of Amer R3	RGACX	0.99	0.97	0.00	0.00	—	0.50
9 American Funds Growth Fund of Amer 52 LW	CGFAX.LW	0.77	0.73	5.75	0.00	—	0.19
10 American Funds Growth Fund of Amer 529A	CGFAX	0.77	0.73	5.75	0.00	—	0.19
11 American Funds Growth Fund of Amer A	AGTHX	0.76	0.69	5.75	0.00	—	0.25
12 American Funds Growth Fund of Amer A LW	AGTHX.LW	0.76	0.69	5.75	0.00	—	0.25
13 American Funds Growth Fund of Amer R4	RGAEX	0.70	0.68	0.00	0.00	—	0.25
14 American Funds Growth Fund of Amer F-1	GFAFX	0.69	0.67	0.00	0.00	—	0.25
15 American Funds Growth Fund of Amer 529F	CGFFX	0.57	0.52	0.00	0.00	—	0.00
16 American Funds Growth Fund of Amer F-2	GFFFX	0.46	0.44	0.00	0.00	—	0.00
17 American Funds Growth Fund of Amer R5	RGAFX	0.40	0.39	0.00	0.00	—	0.00
18 American Funds Growth Fund of Amer R6	RGAGX	0.37	0.34	0.00	0.00	—	0.00

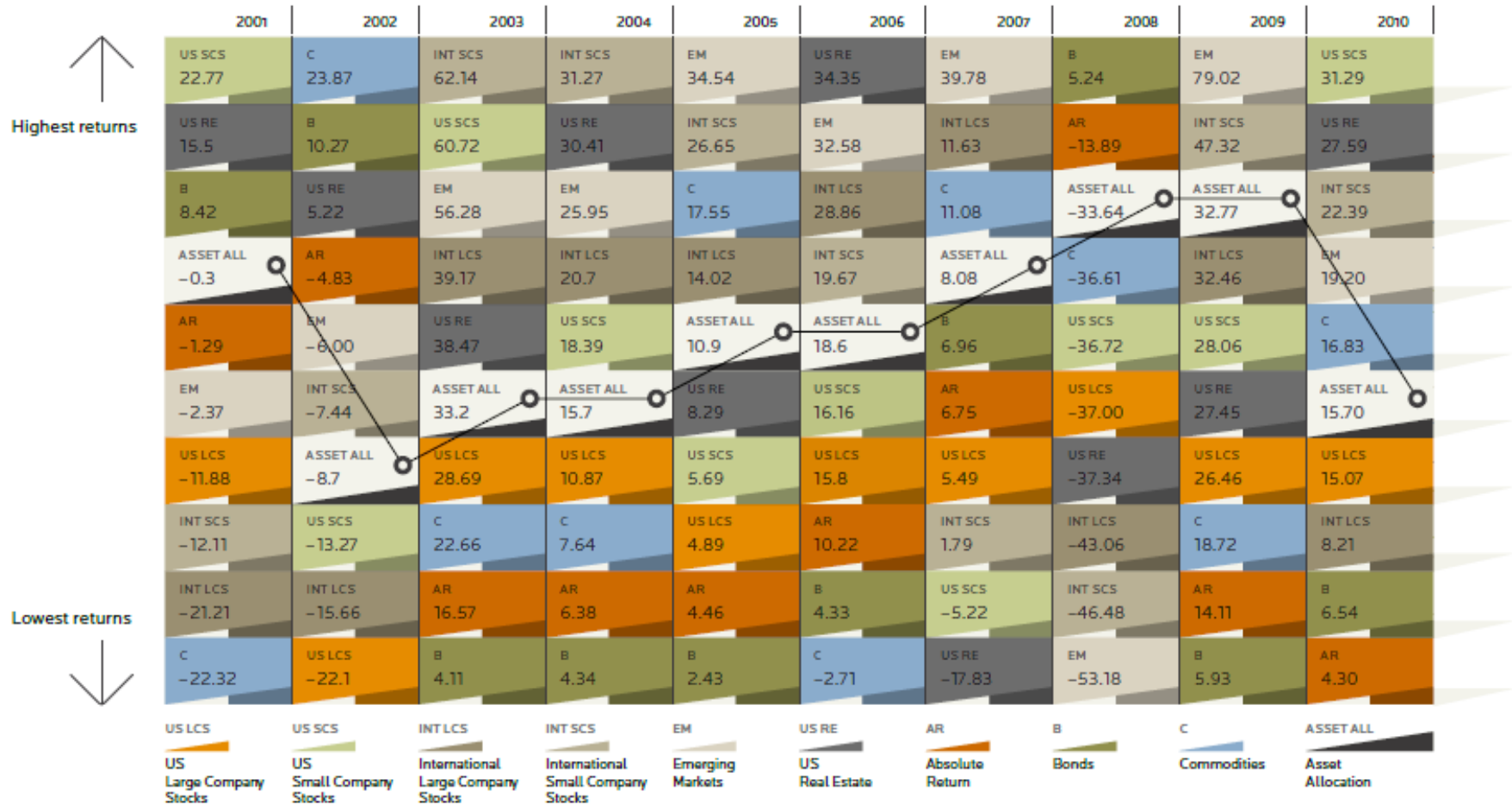


World stock market capitalization



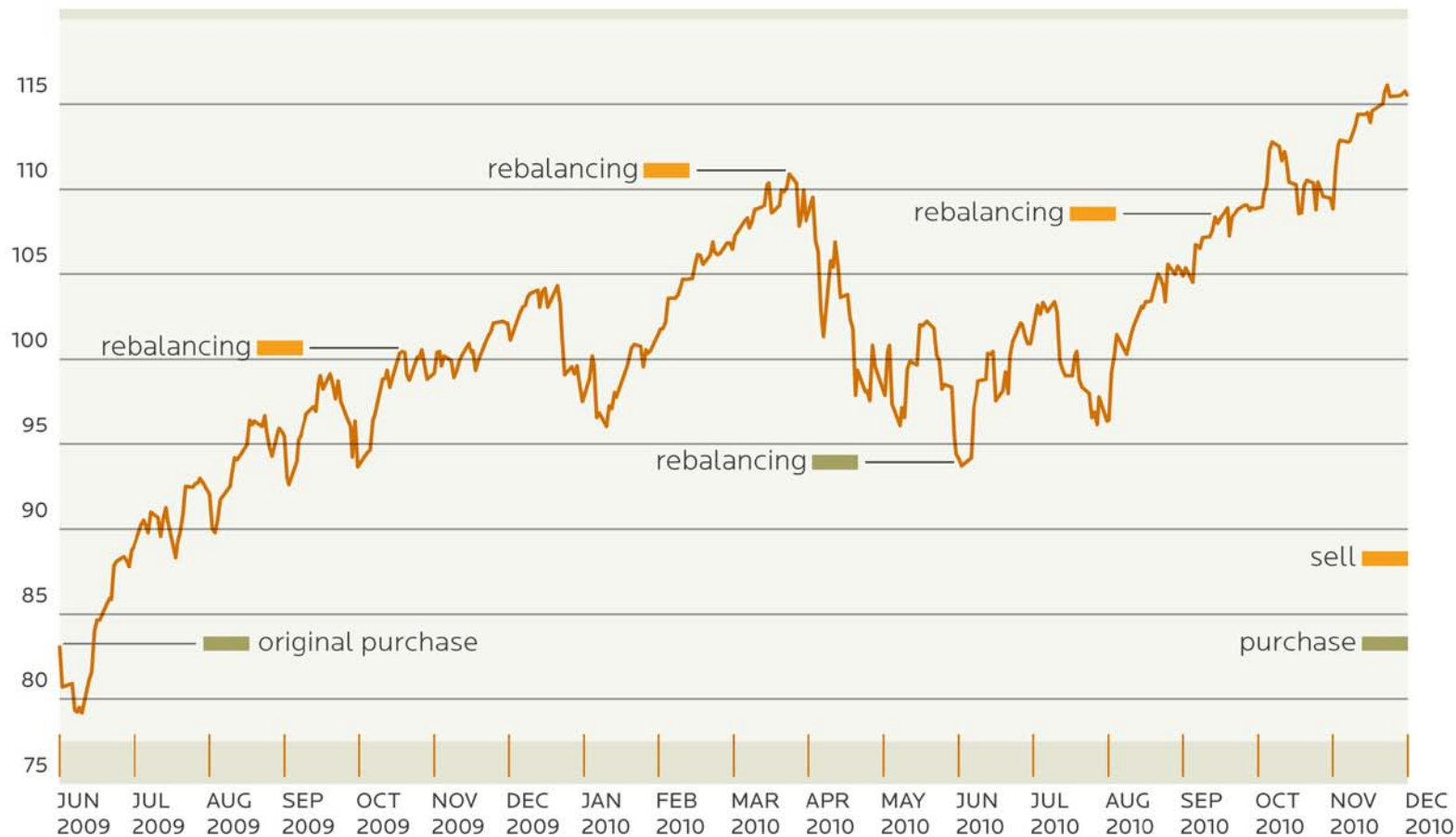


Benefits of Diversification





Rebalancing portfolio investments





Benefit of looking often and rebalancing as needed

Excess return associated with various rebalancing ranges and time periods
Over a ten year period from January 1, 1992 to December 31, 2004.

Look intervals in market days

Rebalance Bands	250	125	60	20	10	5
5%	0.27	0.22	0.19	0.20	0.21	0.20
10%	0.30	0.25	0.27	0.24	0.27	0.26
15%	0.29	0.33	0.33	0.35	0.35	0.32
20%	0.31	0.36	0.38	0.40	0.45	0.43
25%	0.17	0.30	0.27	0.32	0.37	0.44

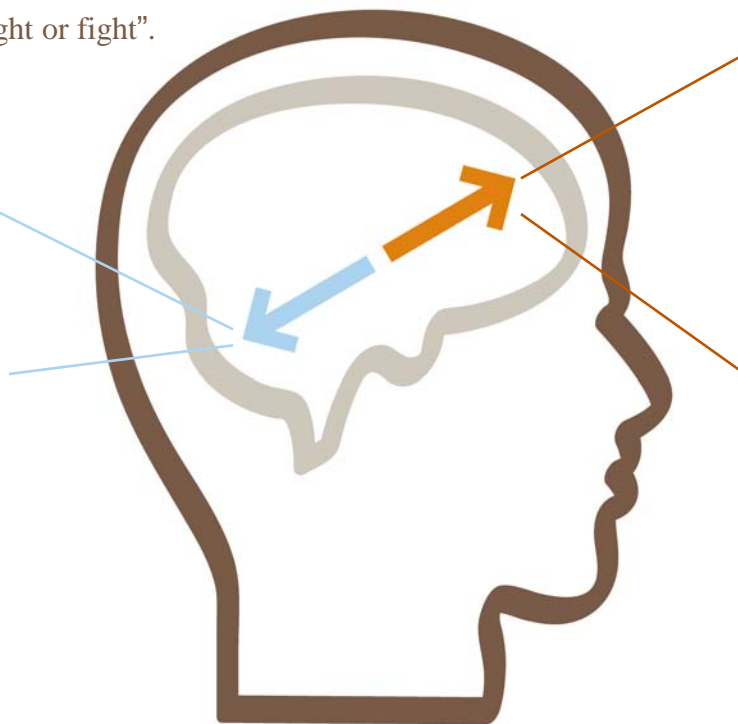


Money changes everything

Region of the brain where signals of fear and anger are generated. Very quick observation and response mechanism; “flight or fight”.

This region saves you from the lion but kills you in the market.

Where you are processing moves in the stock market.



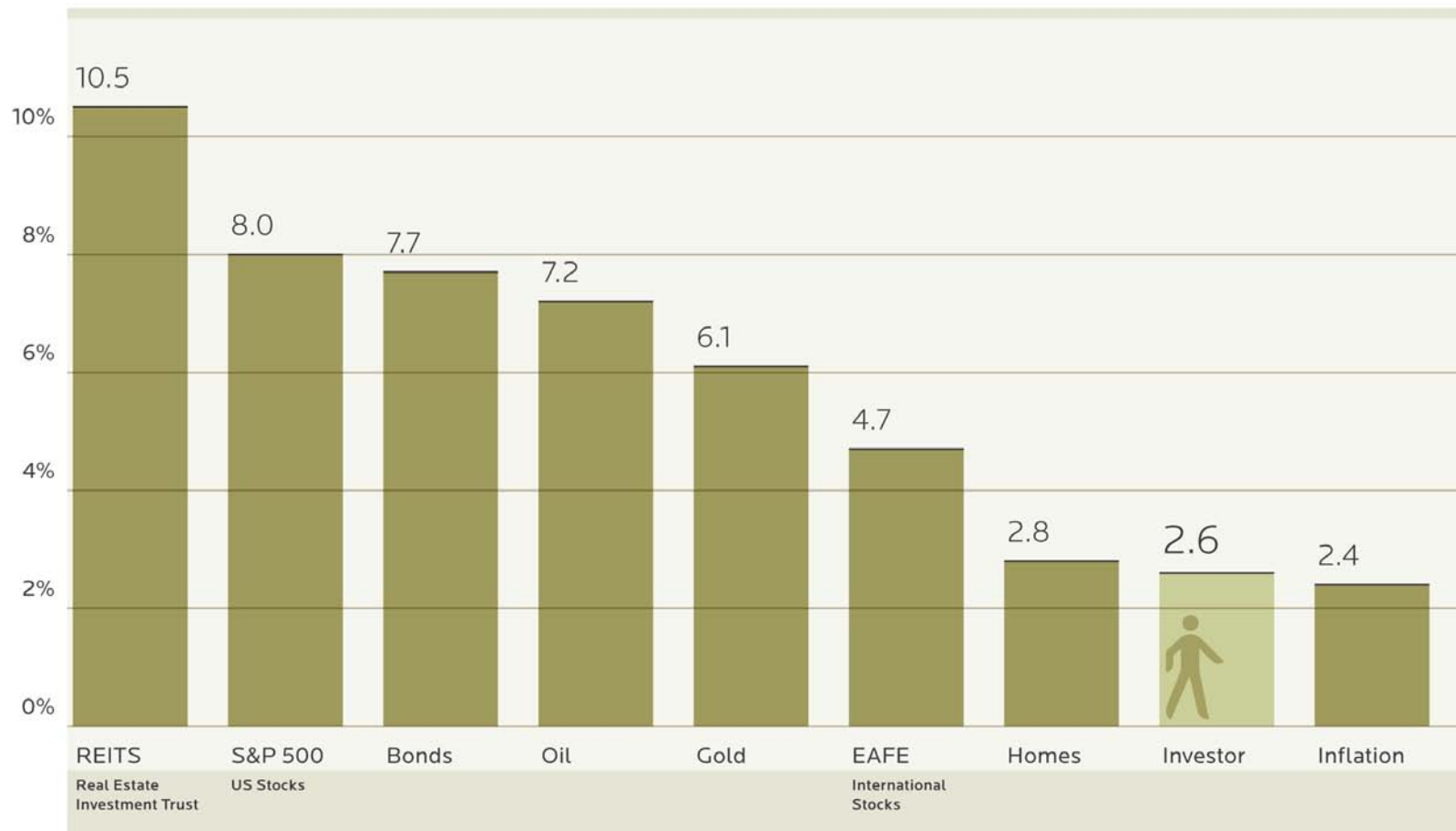
Where you should be processing moves in the stock market.

Region of the brain where pieces of information are categorized, and stored allowing for the processing of themes and long-term plans.



Annualized returns by asset class

20-year annualized returns by asset class | 1991–2010





A tale of two neighbors

