

MD Financial. Specializing in you.

# Is your wealth management plan built on collaboration and expertise?



At MD Financial, we believe that a successful wealth management plan should seek outperformance while identifying and mitigating risk along the way. Our MD Global Portfolio Strategy uses a methodology that embodies risk management and optimizes return potential.

The MD Global Portfolio Strategy represents an evolution of portfolio construction. Based on the principles of traditional and behavioural finance, it's an enhanced method of creating portfolios to achieve clients' needs, wants and wishes. To help us design the MD Global Portfolio Strategy, we leveraged the asset allocation expertise of DB Advisors, part of Deutsche Bank's asset management division.

DB Advisors is a leading global investment manager. The company has extensive expertise in asset allocation, and demonstrates numerous strengths:

- ▲ Employed 240 investment professionals in nine countries as at June 30, 2009
- ▲ Managed approximately \$225 billion in assets as at June 30, 2009
- ▲ Extensive global perspectives, and deep insights into global financial markets
- ▲ A collaborative, team-oriented culture that has produced leading-edge research and innovative investment tools and processes
- ▲ Strong investment results in asset allocation strategies

## AN EVOLUTIONARY APPROACH

Traditional finance tends to rely on the concept of efficient portfolios—which simply use portfolio diversification to maximize return for a given level of risk. This approach is not as flexible or as precise as today's investors require, and its heavy reliance on using historical data to create the ideal asset allocation fails to recognize that history typically doesn't repeat itself.

The MD Global Portfolio Strategy enhances the traditional model by combining its best features with those of behavioural finance, resulting in a methodology that is more relevant to today's investors. Behavioural finance operates on the premise that markets are not completely efficient, and that investor biases and aversion to losses influence their investing decisions.

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The risk measurements used in the MD Global Portfolio Strategy build on behavioural and traditional finance methodologies and reflect several risk characterizations:

- ▲ Probability of negative return—the risk of experiencing a negative return over a given time horizon
- ▲ Conditional shortfall—the likely extent of underperformance, if it were to occur

Optimal asset allocations and portfolios are uniquely crafted, using the MD Global Portfolio Strategy to meet investors' specific financial purposes, and to enhance performance for given levels of acceptable risk.

## **MAXIMIZE YOUR PROBABILITY OF OUTPERFORMANCE**

Risk management procedures are integral to the MD Global Portfolio Strategy's approach to crafting portfolios. With our advanced methodology, combining the best features of traditional and behavioural finance, you will benefit from a highly refined management of downside risks and a greater probability of achieving your financial goals.

## **THE MD GLOBAL PORTFOLIO STRATEGY**

The MD Global Portfolio Strategy provides our clients with a methodology that has been skilfully calibrated with input from DB Advisors, one of the world's foremost asset allocation experts. By blending in forward-looking views of markets and economies, the analysis behind the MD Global Portfolio Strategy is transformed into a flexible and responsive approach that results in portfolios that are positioned for success, both now and in the future.

**To review your investment goals and portfolio strategy, please speak with your MD advisor.**

### **QUESTIONS?**

**CONTACT YOUR MD ADVISOR.**

**md.cma.ca ▲ 1 800 267-2332**



Using the MD Global Portfolio Strategy to invest may result in the use of, or investment in, securities that may impose fees and commissions. Past performance of any security is not indicative of future performance.

MD Financial offers financial solutions through MD Physician Services Inc., MD Management Limited, MD Private Trust Company and MD Insurance Agency Limited.