1650 WEALTH MANAGEMENT

Quarterly Investment Commentary

First Quarter 2016

Market Review and Outlook

If you were Rip Van Winkle and awoke after either a 3 month or 15 month slumber, you would be shocked to discover that the returns for the S&P 500 and REIT's have essentially been flat over both periods, as illustrated by the chart below. That was the good news. The bad news is that the other major asset classes including U.S. Small Cap stocks, international stocks, emerging market stocks and commodities have all experienced declines over the past 15 months and have adversely affected the performance of your portfolio. This is not unique to our portfolios. During the recent Endowment and Debt Management forum in New York City, this was a problem that was also impacting multi-billion dollar college endowments. With the recent announcement by the Federal Reserve that their interest rate hikes may be reduced, we believe that the stock market will view this as positive news for the remainder of the year. However, while we remain cautiously optimistic, we will continue to seek ways to further improve the risk/return characteristics of your investment portfolio.

STOCKS (EQUITIES)

Volatility returned to the stock market with a vengeance in the first quarter as many of the major asset classes experienced corrections. The stock market as measured by the S&P 500 declined from 2,043.94 on December 31st to an intraday low of 1,810.10 on February 11th for a decline of 11.44% in just six weeks. What led to the rapid decline in the stock market? In no particular order, the reasons included uncertainty about the upcoming presidential election, global recession worries, potential rising interest rates and oil prices. It is interesting to note that oil, bond and stock prices all either bottomed or were extremely close to their recent lows on February 11th. From that day

Inside This Issue

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forward, stock and oil prices and interest rates all increased. If we had to select the one item that led to the turnaround in the stock market, we would have to say that stabilizing oil prices played a major role in the recovery of the stock market. Going forward, stabilizing oil prices and improving economic fundamentals should lead to higher stock prices this year. However, unanticipated geopolitical or economic events could cause us to reassess our view.

BONDS (FIXED INCOME)

The yield on the 10 Year Treasury bond stood at 2.27% at the beginning of the year and ended the first quarter with a yield of 1.77%. Interest rates and bond prices are inversely related, so a decline in interest rates results in an increase in bond prices. Therefore, investors in long-term bonds benefited from double digit returns during the first quarter. However, these investors are likely to experience double digit declines during a rising interest rate environment and that risk is not worth taking within an area of your portfolio that is designed to minimize volatility. We do not use long term bonds within your portfolio because of the volatility in both up and down markets. Most fixed income managers (including the ones in your portfolio) have positioned their portfolios in anticipation of a rising interest rate environment, so the unexpected decline in interest rates led to slight underperformance versus the index (Barclays Aggregate Bond Index). Assuming interest rates begin to rise later this year, the holdings in your portfolio are expected to outperform the index. Foreign bonds also benefited from a decline in interest rates during the first quarter and provided our clients with positive returns.

With interest rates remaining near their historically low levels, please reach out to your mortgage broker to ensure that your interest rate is competitive within the current environment. Refinancing a $300,000, 30 year mortgage from 4.5% to 3.5% would result in reducing your monthly payment by nearly $200 per month. It might also make sense to switch from a 30 year to either a 20 or 15 year mortgage to reduce your interest payments and also reduce the time until the full payoff or your mortgage.

COMMODITIES / HEDGED (ALTERNATIVE) INVESTMENTS

After an extended period of losses, commodity returns as measured by the Bloomberg Commodity Index were slightly positive during the first quarter. Commodities are an integral part of a diversified portfolio, but the patience of investors within this asset class has certainly been tested over the past few years. With its high

First Quarter Benchmark Returns

Asset Classes	1st Qtr. % Returns	1 Year % Returns	3 Year % Returns	5 Year % Returns	5 Year Std. Dev. (Risk)
S&P 500 (U.S. Large Cap)	**1.35**	**1.78**	**11.82**	**11.58**	**12.22**
Russell 2000 (U.S. Small Cap)	**-1.52**	**-9.76**	**6.84**	**7.20**	**17.78**
MSCI EAFE (Int'l Stocks)	**-2.88**	**-7.87**	**2.68**	**2.76**	**15.52**
MSCI Emerging Markets	**5.75**	**-11.70**	**-4.15**	**-3.80**	**18.77**
CBOE REIT Index (REIT's)	**5.11**	**0.88**	**5.93**	**7.55**	**15.75**
Bloomberg Commodity Index	**0.34**	**-19.66**	**-16.92**	**-14.20**	**14.64**
Barclays Aggregate Bond Index	**3.03**	**1.96**	**2.50**	**3.78**	**2.77**

Source: Morningstar. Past performance is no guarantee of future results. Returns are annualized.

CONTINUED FROM PAGE 2

correlation (similar movement patterns) to the commodity index, we have replaced your exposure within this asset class to several structured investments linked to the Energy Sector Exchange Traded Fund. We believe that doing so improves the long-term risk/return characteristics of your portfolio.

REAL ESTATE INVESTMENT TRUSTS (REIT's)

Real estate (REIT's) as measured by the iShares REIT exchange traded fund also experienced significant volatility during the first quarter. The iShares REIT fund declined 12.25% from December 31st through its intraday low on February 11th on a price return basis. From its low on February 11th, the iShares fund had a price increase of 18.2% to end the quarter in positive territory. Even though fundamentals remain strong within the asset class, the price of REIT's can be adversely affected by panicked selling on a short-term basis. With unemployment and interest rates remaining low and economic growth remaining stable, we remain bullish on both the near term and long-term outlook for REIT's. ■

Federal Reserve Update

The Federal Reserve Board of Governors met on March 16, 2015 to discuss the state of the economy. Below are the Federal Open Market Committee notes from this meeting. We have underlined several relevant topics from the Federal Reserve's recent announcement.

Information received since the Federal Open Market Committee met in January suggests that economic activity has been expanding at a moderate pace despite the global economic and financial developments of recent months. Household spending has been increasing at a moderate rate, and the housing sector has improved further; however, business fixed investment and net exports have been soft. A range of recent indicators, including strong job gains, points to additional strengthening of the labor market. Inflation picked up in recent months; however, it continued to run below the Committee's 2 percent longer-run objective, partly reflecting declines in energy prices and in prices of non-energy imports. Market-based measures of inflation compensation remain low; survey-based measures of longer-term inflation expectations are little changed, on balance, in recent months.

Consistent with its statutory mandate, the Committee seeks to foster maximum employment and price stability. The Committee currently expects that, with gradual adjustments in the stance of monetary policy, economic activity will expand at a moderate pace and labor market indicators will continue to strengthen. However, global economic and financial developments continue to pose risks. Inflation is expected to remain low in the near term, in part because of earlier declines in energy prices, but to rise to 2 percent over the medium term as the transitory effects of declines in energy and import prices dissipate and the labor market strengthens further. The Committee continues to monitor inflation developments closely.

Against this backdrop, the Committee decided to maintain the target range for the federal funds rate at 1/4 to 1/2 percent. The stance of monetary policy remains accommodative, thereby supporting further improvement in labor market conditions and a return to 2 percent inflation.

In determining the timing and size of future adjustments to the target range for the federal funds rate, the Committee will assess realized and expected economic conditions relative to its objectives of maximum employment and 2 percent inflation. This assessment will take into account a wide range of

Federal Reserve Update

Continued from page 3

information, including measures of labor market conditions, indicators of inflation pressures and inflation expectations, and readings on financial and international developments. In light of the current shortfall of inflation from 2 percent, the Committee will carefully monitor actual and expected progress toward its inflation goal. The Committee expects that economic conditions will evolve in a manner that will warrant only gradual increases in the federal funds rate; the federal funds rate is likely to remain, for some time, below levels that are expected to prevail in the longer run. However, the actual path of the federal funds rate will depend on the economic outlook as informed by incoming data.

The Committee is maintaining its existing policy of reinvesting principal payments from its holdings of agency debt and agency mortgage-backed securities in agency mortgage-backed securities and of rolling over maturing Treasury securities at auction, and it anticipates doing so until normalization of the level of the federal funds rate is well under way. This policy, by keeping the Committee's holdings of longer-term securities at sizable levels, should help maintain accommodative financial conditions.■

Source: http://www.federalreserve.gov

In The News

1650 Wealth Management investment advisors are often contacted by the financial news media and industry organizations to provide commentary on various financial topics. Listed below are the publications or speaking engagements where 1650 Wealth Management has been featured during the past quarter:

News Publications

Yahoo! Finance interviewed Tom Balcom for their February 10th article titled "Is Your Financial Adviser Tech-Savvy Enough". The article discussed how technology is having an impact on the financial services industry and how easy it is to remain in touch with clients.

On February 18th, Bloomberg Brief published an exclusive profile article highlighting 1650 Wealth Management's leading edge structured investment strategy, titled "Twin-Win Notes Appeal to Investors Seeking Safety". The industry has taken notice of 1650 Wealth Management's sophisticated structured investment strategies.

A **Structured Products Daily** article titled "Goldman's 10 year trigger phoenix auto-callables linked to indexes offer high yield replacement" was published on March 17th and contained quotes by Tom Balcom in which he recommended against the purchase of this particular note due to its long duration (10 years) and the high probability that the investment would be called away prior to maturity leaving investors with reinvestment risk.

Tom Balcom was interviewed in the **March 31st, Bloomberg Brief** article titled "Fiduciary Rule May Change How Notes Are Sold". The article discussed the likelihood of commission brokers being adversely impacted from the new Department of Labor regulations. The transparency would benefit the end user and prevent commissioned brokers from "hiding" their fees.

Each quarter we focus on a unique financial planning topic that originated from discussions we have had with several clients over the past few months. We believe that sharing these discussions may ensure that similar issues are addressed or at least contemplated by all of our clients. Last quarter we focused on college planning and this quarter we will turn our attention to estate planning.

BASIC ESTATE PLANNING

A basic estate plan is the foundation to your strategy and is the first set of documents that are created. One of the advantages to creating a basic estate plan is the ability to select certain individuals to take care of your medical and financial-related affairs in the event that you become incapacitated or pass away. Another advantage to a basic estate plan is the ability to provide continuing support for your family members (including your spouse and/or children) during incapacity and after death. A third advantage to a basic estate plan is the ability to pre-select and/or designate individual(s) who will receive your assets (also known as naming beneficiaries). Finally, the basic estate plan allows you to minimize or even eliminate the need for probate administration.

Basic estate planning consists of the following:

› **Designation of Health Care Surrogate (or Health Care Directive):** The health care directive allows you to appoint individual(s) who will make healthcare-related decisions on your behalf during incapacity.

› **Durable Power of Attorney:** The durable power of attorney allows you to appoint individual(s) who will make financial-related decisions on your behalf during incapacity.

› **Last Will and Testament:** The last will and testament allows you to appoint a personal representative who will take care of your affairs following your passing. The last will and testament can be used in conjunction with a revocable living trust and, in that case, essentially "pours over" the assets from your estate to the revocable living trust.

› **Revocable Living Trust:** The revocable living trust appoints a trustee who collects the assets in your estate and then distributes them to your intended beneficiaries. A revocable living trust can also provide for limits on spousal and/or family support so that assets are distributed wisely. For instance, a revocable living trust can limit the distributions to beneficiaries until they reach a certain age.

ADVANCED ESTATE PLANNING

In Florida, advanced estate planning is advisable where the assets of an estate are close to or beyond the federal tax exemption limit of $5.4 million. If you reside outside of Florida, you may have to account for a state estate tax. This could be the case where a family has money that has trickled down over generations or even a profitable family business. The tax exemption limit changes each year, but has remained at $5 million for the past few years. Advanced estate planning includes tools such as irrevocable trusts and business planning and is utilized to keep assets from being taxed at the highest tax rate as they move from generation to generation. One or more irrevocable trusts can be used, in addition to basic estate planning and business planning, to achieve this result.

FINANCIAL-RELATED ESTATE PLANNING

Estate planning almost always overlaps with financial planning, as estate planners usually review financial planning tools to determine whether titling of assets is correct. The estate planner does not provide comprehensive advice regarding financial planning, as they are not licensed to do so – but they should at least review your assets and point you in the right direction. Such integrated planning allows the estate plan to be executed to its fullest extent and to your intended purpose.■

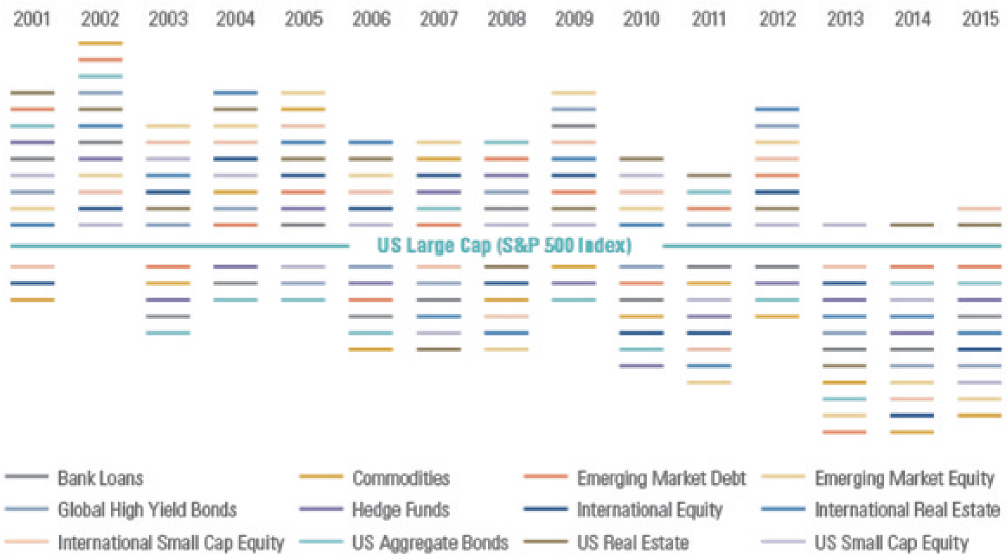
Source: Yelena Sverdlova, Esq. from Capital Planning Law, PLLC

Diversification Works Over Time, Not Every Time.

Over the past three years, investors who were not diversified and invested simply in the S&P 500 U.S. Stock Index fared better than individuals with well diversified portfolios. The past three years were an anomaly from a historic standpoint as illustrated by the chart below. You can see below that the S&P 500 Index was the second best performer in 2013 and 2014 and the third best performing asset class in 2015. Putting all your eggs in just the S&P 500 Index "bucket" would have rewarded you with better returns than a more diversified portfolio, over the past three years. While this strategy "worked" over the past three years, there were periods such as the early 2000's when this strategy significantly underperformed a diversified portfolio. Even novice investors know the value of diversification and to not "put all their eggs in one basket."

What is the lesson learned from the chart below? The main lesson to learn is that the returns for the various asset classes vary from year to year and that a diversified portfolio often, but not always, provides investors with the best opportunity for growth over the long-term. Unfortunately, investors are often focused on what has happened over the past three months or twelve months and abandon their thoughtful investment approach which includes asset classes that may have underperformed recently.

How does 1650 Wealth Management approach investing? Since we attempt to follow the investment strategy utilized by multi-billion dollar foundations and endowments, we believe that creating well diversified portfolios for our clients provide the best opportunity for long-term risk adjusted returns. However, we do understand that there will be periods of time when our clients' well diversified portfolios underperform non-diversified portfolios. It is during these periods when we must remind our clients about the merits of diversification over the long-term with charts like the one below. If you find the chart below confusing, please feel free to call us for a detailed explanation.■



Source: Goldman Sachs (GSAM Advisor Guide 4Q 2015)

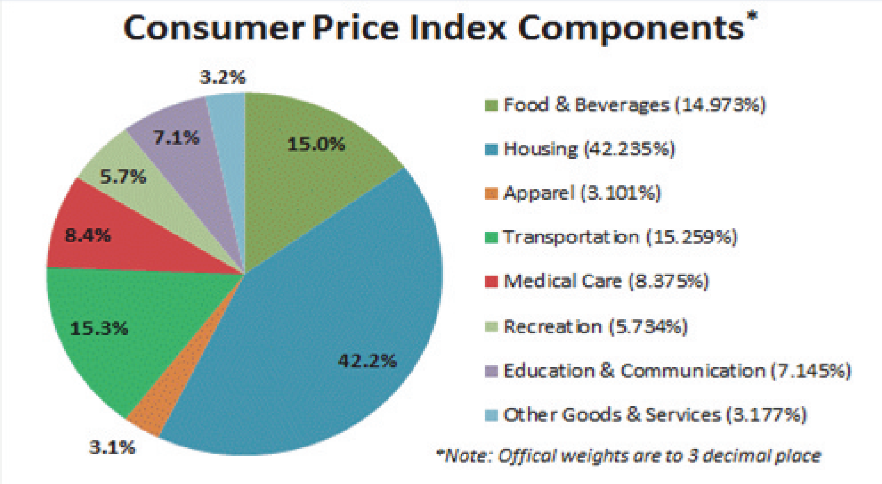
What is Inflation and How is it Measured?

The "dual mandate" of the Federal Reserve focuses on the unemployment rate and inflation. Inflation is a major concern for all investors as it determines how much they can spend on goods and services on a year over year basis. Because of its importance, we felt that a refresher on inflation would be useful. With savings rates (CD's, money markets, short-term treasuries) all near their historically low levels, individuals are forced to assume some level of risk in their portfolio if they are seeking to protect from rising costs (inflation).

Inflation is defined as a sustained increase in the general level of prices for goods and services. It is measured as an annual percentage increase. As inflation rises, every dollar you own buys a smaller percentage of a good or service. Inflation is often referred to as the Consumer Price Index (CPI).

The value of a dollar does not remain constant when there is inflation. The value of a dollar is observed in terms of purchasing power, which is the real, tangible goods and services that money can buy. When inflation goes up, there is a decline in the purchasing power of money. For example, if the inflation rate is 2% annually, then theoretically a $1 bottle of water would cost $1.02 in a year. After inflation, your dollar can't buy the same goods it could beforehand. For parents dealing with school tuition, inflation is certainly noticeable on a year over year basis.

The Bureau of Labor Statistics (BLS) divides all normal expenses into eight categories and assigns a relative size to each. The pie chart below illustrates the components of the Consumer Price Index for Urban Consumers, the CPI-U, which we'll refer to hereafter as the CPI. The slices are listed in the order used by the BLS in their tables, not the relative size. The first three follow the traditional order of urgency: ***food, shelter, and clothing.*** Transportation comes before Medical Care, and Recreation precedes the lumped category of Education and Communication. Other Goods and Services refers to a bizarre grab-bag of other items, including tobacco, cosmetics, financial services, and funeral expenses.



With inflation rising at close to 2% per year and money market funds and 1 year CD's yielding less than 1%, individuals are eroding their net worth every year if they fail to include some growth assets (stocks, real estate, etc.) within their portfolios. The best way to deal with inflation is to construct a broadly diversified investment portfolio that contains exposure to various asset classes. That continues to be our goal for your portfolio. ■

Source: Advisor Perspectives, Investopedia and dshort.com

DUE DILIGENCE MEETINGS

Each quarter we visit with a number of mutual fund companies, investments banks and financial professionals, as part of our due diligence efforts. These meetings provide us with new investment ideas and strategies to implement within our clients' portfolios. The relationships we maintain with these individuals and companies from around the world allow us to remain at what we believe to be the leading edge among financial advisors. This section contains a recap from several of many meetings and/or conferences that we attended during the previous quarter.

» We met with **Mr. Cooper Rey** from **Goldman Sachs**. Mr. Cooper Rey is an Analyst within the structured products group at Goldman Sachs. During our meeting we took a deeper dive into the overall cost of structured products which include legal costs (to create the prospectus), hedging costs (for the underlying option contracts) and a modest profit margin. Since each structured investment contains different components, the pricing varies between products. However, most issuers were comfortable quoting an annual price of less than 1% on a per annum basis for most simple structured investments. While this is more expensive than an exchange traded fund, the cost is in line with most mutual funds. Since structured investments provide our clients with a defined outcome/payout at maturity, we believe the cost is certainly worthwhile. We also discussed the fact that many financial advisors have yet to incorporate structured investments into their portfolios and Mr. Rey believed it was due to complexity and a lack of education related to the merits of these products. Until more financial advisors take the time and effort to research structured investments, they will continue to be a niche product for those who have embraced their benefits.

» 1650 Wealth Management hosted a lunch meeting with **Mr. Kevin O'Leary** (aka Mr. Wonderful) from Shark Tank. In addition to his role on the hit television show, Mr. O'Leary is the Chairman of an exchange traded fund company known as **O'Shares Investments**. Mr. O'Leary shared the three main lessons learned from Shark Tank and these include: (1) Articulate the investment opportunity in 90 seconds or less (2) Explain why you are the right person/team to execute the business plan and (3) Know your financial numbers inside and out. Mr. O'Leary stated that he was "intolerable for folks that do not know their numbers." He also suggested that investors were best served by removing emotion from their decisions and suggested that they remain disciplined and rebalance annually. He mentioned that his background is ½ Irish and ½ Lebanese and that he learned the importance of saving from his mother. Notwithstanding his celebrity status, Mr. O'Leary's exchange traded fund (ticker: OUSA) remains on our radar screen and we are monitoring its performance against the S&P Dividend Aristocrats (ticker: NOBL) position that is currently included in many of our clients' portfolios. The performance of OUSA and NOBL are virtually identical since both exchange traded funds follow a similar investment approach.

DUE DILIGENCE MEETINGS

CONTINUED FROM PAGE 8

» We were visited by **Mr. Steve Brodeur** from **Bluerock Real Estate**. Bluerock is a national real estate investment firm based in Manhattan. During our meeting we discussed the Bluerock Total Income Real Estate fund. This fund is different from most real estate mutual funds in that it offers investors access to institutional fund managers (e.g. Blackstone, RREEF, Blackrock, etc.) and therefore restricts redemptions to a quarterly basis unlike most mutual funds that offer daily liquidity. The fund has produced solid returns since its inception date and has warranted further research on our end to determine if it should be incorporated into our clients' portfolios. We are grappling with whether to add it the real estate sector or the fixed income sector as arguments can be made for either asset class. We will be traveling to New York City over the next few weeks to visit with the portfolio manager and will continue our due diligence efforts.■

UPCOMING TRADES

We will be making several adjustments to our clients' portfolios during the second quarter. We utilize our Investment Commentary to keep our clients informed of upcoming portfolio adjustments to ensure that there are "no surprises" when our clients view their monthly statements or receive trade confirmations from their custodian.

1. We are researching the use of Unit Investment Trusts (UIT's) as a possible replacement or complement to structured investments. Unit Investment Trusts would be constructed similarly to a structured investment except they would utilize U.S. Treasuries as collateral, as opposed to bonds from the issuing bank. This would result in removing credit risk from the equation. While it sounds like a no brainer to utilize UIT's, the downside of UIT's is that Treasuries would offer lower yields than bank notes and therefore slightly reduce the upside caps and downside barriers that are offered by structured investments.

2. We will continue to review your portfolio on an ongoing basis. If any minor rebalancing is required within your portfolio, we will make the necessary trades. If any major adjustments are required, we will notify you and discuss these changes prior to making any trades.

3. We will be attending the Structured Products Association conference, the Real Estate Latin America conference, the MTN-I structured investment conference and the Pershing INSITE conference, during the second quarter in hopes of gaining new investment ideas to further improve your portfolio. We will be sure to share our findings and research with you in the next Investment Commentary.

There are no portfolio changes currently scheduled for the second quarter. If we do make any changes to our clients' portfolios or asset allocation during the second quarter, we will provide with our investment thesis related to any associated trades. ■

Performance Review of Long-Only Investments

Asset Class, Fund Name (Manager)	Ticker	1st Qtr % Returns	1 Yr.% Returns	3 Yr.% Returns	5 Yr.% Returns
Taxable U.S. Fixed Income					
PIMCO Total Return (Team)	PTTRX	1.79	0.31	1.53	3.66
PIMCO Income (Team)	PIMIX	1.78	2.49	4.51	7.96
Goldman Sachs Strategic Income (Team)	GSZIX	-1.58	-2.15	-0.08	2.51
Benchmark: BarCap Agg. Bond		**3.03**	**1.96**	**2.50**	**3.78**
Taxable Int'l Fixed Income					
PIMCO Foreign Bond (Team)	PFORX	2.77	0.59	4.46	6.52
Benchmark: Citi World Gov't Bond		**7.09**	**5.92**	**0.49**	**1.16**
U.S. Large Cap Value					
DFA U.S. Large Cap Value (Passive)	DFLVX	0.13	-3.16	9.55	10.05
Benchmark: OE Large Cap Value		**1.29**	**-2.94**	**8.16**	**8.75**
U.S. Large Cap Blend					
SPDR S&P 500 (Passive)	SPY	1.29	1.71	11.70	11.45
Guggenheim Equal Weight 500 (Passive)	RSP	2.92	-1.41	11.32	11.00
Benchmark: S&P 500 Index		**1.35**	**1.78**	**11.82**	**11.58**
U.S. Large Cap Growth					
Harbor Cap Appreciation (Segalas)	HACAX	-5.49	-0.63	14.08	12.04
ProShares Div. Aristocrats (Passive)	NOBL	6.61	6.42	-	-
Benchmark: OE Large Cap Growth		**-2.46**	**-2.39**	**11.07**	**9.88**
U.S. Mid Cap Equity					
Mid Cap S&P 400 SPDR (Passive)	MDY	3.68	-3.85	9.14	9.22
Congress Mid Cap Growth (Team)	IMIDX	3.72	-0.47	12.85	-
Benchmark: S&P Mid Cap 400		**3.78**	**-3.60**	**9.46**	**9.52**

Fund performance highlighted in yellow was equal to or exceeded the benchmark return. Our clients may own many, but may not own all positions listed above and holding periods vary among clients.
** Structured notes are utilized instead of the exchange traded fund in these asset classes. OE benchmarks refer to Morningstar's Open-End Mutual Funds.
If your financial situation or investment objective has changed or if you wish to modify existing restrictions or impose new restrictions related to your investment portfolio, please contact us and we can schedule a meeting to review.
Data Source: Morningstar & Stone Ridge. Past performance is no guarantee of future results.

Performance Review of Long-Only Investments

Asset Class, Fund Name (Manager)	Ticker	1st Qtr % Returns	1 Yr.% Returns	3 Yr.% Returns	5 Yr.% Returns
U.S. Small Cap Equity					
iShares Russell 2000 Idx (Passive)**	IWM	-1.49	-9.67	6.91	7.25
Benchmark: Russell 2000 Index		**-1.52**	**-9.76**	**6.84**	**7.20**
Int'l Large Cap Equity					
SPDR EuroStoxx 50 Index (Passive) **	FEZ	-3.27	-11.40	3.59	-0.28
DFA International Core (Index)	DFIEX	-0.90	-5.03	3.19	2.11
DFA Int'l Small Value (Passive)	DISVX	-0.81	-1.46	6.33	4.40
Benchmark: MSCI EAFE Index GR		**-2.88**	**-7.87**	**2.68**	**2.76**
Emerging Market Equity					
iShares Em Mkts Index (Passive)**	EEM	5.55	-12.48	-4.95	-4.71
Benchmark: MSCI EM Index GR		**5.37**	**-14.14**	**-6.84**	**-6.50**
Hedged Mutual Funds					
AQR Managed Futures (Team)	AQMIX	0.39	-5.68	6.07	4.00
Ironclad Managed Risk (Aguilera)	IRONX	-1.95	-1.68	3.90	5.07
John Hancock Global Abs.Return (Team)	JHAIX	-3.46	-5.34	1.54	-
Putnam Absolute Return 700 (Team)	PDMYX	-1.17	-4.83	1.75	2.79
Stone Ridge HiYield Reinsurance (Team)	SHRIX	1.00	5.89	-	-
Stone Ridge Variance Risk (Team)	VRPIX	-1.05	0.56	-	-
Benchmark: OE Multi-Alternative		**-0.53**	**-5.03**	**0.67**	**1.60**
U.S. Real Estate (REIT's)					
iShares REIT Index (Passive) **	IYR	5.03	2.52	8.04	9.77
Vanguard REIT Index (Passive) **	VNQ	6.28	3.88	10.34	11.75
Benchmark: CBOE DJ U.S. REIT's		**5.11**	**0.88**	**5.93**	**7.55**
Commodities/Natural Resources					
iShares Energy Sector (Passive)	XLE	3.35	-17.49	-5.70	-2.90
Benchmark: Bloomberg Commodity Index		**0.34**	**-19.66**	**-16.92**	**-14.20**

The 1650 Wealth Difference

Extensive Diversification with Tax Mitigation Strategies
Our investment approach is similar to that of major endowments and large pensions. We extensively diversify our clients' portfolios among various asset classes including: domestic and foreign stocks & bonds, commodities, currencies, hedged investments, real estate investment trusts (REIT's) and structured investments. We take pride in creating and implementing custom, comprehensive investment management strategies, designed to grow and protect our clients wealth, while employing tax minimization strategies.

Institutional Class Investments
We utilize institutional share class mutual funds, exchange traded funds (ETF's) and custom created structured investments from world-class financial institutions. Many of the investments we utilize have $1-$5 million minimums; however we have the ability to combine our clients' assets to access these low cost, high minimum investments, resulting in a significant cost savings for our clients'.

Independent and Objective Investment Advice
As an independent firm we have the ability to select from hundreds of thousands of investment products, utilizing only those which best meet our clients' needs. Our clients' can feel confident that our investment advice is 100% objective, as we aren't constrained to utilizing investment products that are "corporate mandated".

Registered Investment Advisor with a Fiduciary Duty
As a Registered Investment Advisory firm, we are held to a higher fiduciary standard than a brokerage firm. We are required by law to act in the best interest of our clients' at all times and to put the interests of our clients' ahead of our own. With a fiduciary duty, our clients' have the assurance that our strategies and services are of the highest integrity.

Experienced and Board Certified
Our investment advisors have earned the Certified Financial Planner(CFP®) designation and are licensed practitioners with 50 years combined private wealth management experience. The clients' we service include affluent families, professionals, small business owners, corporate executives, attorneys, doctors, retirees and trust beneficiaries.

Fee-Only Compensation
We are committed to a fully transparent culture that places our clients' financial interests first. We do not receive sales commissions from trades or selling financial products. We do not accept referral compensation from third parties. We only receive a management fee for managing our clients' accounts, so our interests are always aligned. Your success is our success.

Investment Protection
Our clients' assets are held at either Charles Schwab or TD Ameritrade with 24 hour online access to their accounts. Accounts always remain in our clients' names. We merely possess Limited Power of Attorney which allows us to make trades on behalf of our clients.

Accounts We Service
Currently we manage 401(k), individual, joint, trust, and retirement accounts with account minimums of $250,000.

Complimentary Consultation

If you know someone who could benefit from our custom wealth management services, we offer a complimentary 60 minute consultation.

Learn more at www.1650wealth.com

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