

Promotion

## Excellent Returns in a Bear Market Advice From The Monroe Vos Consulting Group Pays Off



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**Timothy J. Vos, CIMA, AIFA**  
Vice Chairman, Director of Research

### LOOKING AHEAD

“We’re excited about the opportunities ahead,” says Vos. “As usual, we prefer looking through the windshield, not the rearview mirror.”



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**Jamison Monroe, CIMA**  
Chairman and Chief Executive Officer

“Staying the course” may have been sound investment advice during bull markets, but earning money in bear markets demands more creative solutions. The advice of independent consultant The Monroe Vos Consulting Group has been yielding impressive results for its clients — institutional defined benefit and 401(k) plans, endowments, foundations and high-net-worth individuals — in all market conditions.

“Compared to typical long-term strategic asset allocation, *tactical* asset allocation involves making appropriate moves in anticipation of changes in the economy and the marketplace,” explains Jamison “Jim” Monroe, CIMA, Chairman and CEO.

Tactical asset allocation demands creativity, good data, insight based on experience and judgment that average advisors can’t provide. Monroe Vos is led by senior consultants with 36, 25 and 23 years experience and extensive expertise in all aspects of consulting. They are able to recognize trends in today’s marketplace that are reminiscent of previous bear markets, and they do not recommend investment schemes such as hedge funds.

Monroe Vos’ tactical asset allocation has helped investors successfully weather the economic upheavals that heralded the crises in 2001-2002 and late 2008. They made a number of prescient recommendations beginning in the spring of 2000 when they advised reducing equity exposure from 60-80 percent to 30-40 percent. In 2004, they increased equity exposure to 60 percent and added alternatives like energy, commodities, emerging market debt and real estate to their recommendations. In early 2006, they suggested clients go to money market from bonds. Clients were steered back into bonds as the Fed started to lower interest rates in late 2007. As the credit crisis unfolded in 2008, Monroe Vos recommended that clients reduce equity exposure to 40 percent in July and 25 percent

in October with the rest of the portfolio in bonds. These tactical moves since 2001 have resulted in positive “Consultant Alpha,” a concept that measures Monroe Vos’ contribution to returns.

### Process-Driven, Innovative and Transparent Services

Jim Monroe and Vice Chairman Timothy J. “Tim” Vos, CIMA, AIFA™, have been partners since 1988, when they formed Monroe Vos as a partnership at PaineWebber. They started their independent firm in 1994. Timothy A. R. “Tim” Callahan, Executive Vice President, joined them in 1996 in Birmingham, Alabama. Today, Monroe Vos is one of the largest independent investment consulting firms in Texas and Alabama, with 92 clients and over \$5 billion under advisement.

Monroe Vos’ consulting approach is disciplined and process-driven, beginning with a thorough development of an investment policy tailored to each client. Monroe Vos has one of the most demanding and transparent money manager search processes in the industry.

Many of the services are unique to Monroe Vos. For example, the firm’s quarterly performance reports include a section that documents compliance with the Investment Policy Statement. Monroe Vos has also pioneered a 12b-1 fee rebate program which includes, among other things, applying these fees toward the quarterly consulting fee. This service is particularly advantageous for 401(k) plans, along with a thorough cost analysis for the plan.

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