



# Automated Allocations

*The Strategy That Adjusts...  
Automatically.*

## **Video Script Video 12 Introduction To The Studies**

Welcome to The Studies.

This is where we put Automated Allocations to the test using historical market data and a variety of different starting points and scenarios.

We begin with the video “\$3,000, \$10,000, or \$50,000?”. This looks at how different starting investment amounts affect the results of Automated Allocations.

From there, we look at what happened when AA entered the market at very different times—the worst of times, the best of times, and simply by the calendar.

There are studies beginning at market highs, studies beginning at market lows, and studies beginning simply on the first trading day of the year. The idea is simple: rather than selecting one starting date that makes AA look good, we wanted to see how it responded under very different market conditions.

Each study includes a one-page PDF that makes the results easy to compare. You'll see the Summary Report for standard AA, with no additional funds added; AA Plus!, where additional funds are added when the portfolio has exhausted its available cash; and the corresponding buy-and-hold index benchmark. All three are shown together on one page so you can compare the results for yourself.

Each study also includes a short audio overview highlighting some of the more interesting points. Be sure to listen to those as you go through them.

Finally, we have several studies that look at something a little different: What happens when additional money is invested on a regular basis? These studies begin with standard AA and then add a specified amount of new money periodically—\$3,000 per year, \$5,000 per year, or an amount based on the Roth IRA contribution limit is used in the study.

And be sure not to miss the final one. It looks at what could happen when a twenty-year-old starts small and regularly invests an amount roughly equivalent to giving up a cup of coffee each day.

The Studies aren't here to predict what AA will do in the future. They're here to show you exactly how AA responded to the historical market conditions we tested.

Take your time. Look at the numbers. Compare the results.  
And draw your own conclusions.

Enjoy.