



Automated Allocations

*The Strategy That Adjusts...
Automatically.*

Video Script Video 1 The Need for AA

Welcome to Automated Allocations.

This site, and the accompanying App, are the result of nearly fifty years as a retail investor. For a little more background, see the “Meet PAM” video elsewhere on this site. For now, let's look at some of the things that helped motivate the creation of Automated Allocations.

First, let's define a retail investor. A retail investor is generally defined as a non-professional individual investing his or her own money. That includes long-term investors with 401(k)s, IRAs and mutual funds, as well as people managing their own brokerage accounts.

A smaller group of retail investors are active traders—people who regularly make their own investment decisions and trades. This includes stock traders, day traders, swing traders, options traders and crypto traders.

And here's the problem. Study after study has shown just how difficult frequent active trading can be over long periods of time. Yet investors continue to spend enormous amounts of money on investment newsletters, advisories, books, financial programs, courses, seminars and subscriptions—all looking for an edge.

It would appear we have a problem. We can spend a fortune on investment letters and books. We can watch financial programs 24/7. We've been there, done that.

Then there are the problems of fear and greed. Overtrading. Trying to pick tops and bottoms. Chasing the next hot stock or sector. And, in the end, trying to pick winners means choosing the right investment, in the right sector, at the right time—and then doing it again and again.

Automated Allocations takes a different approach. There's no individual stock picking and no trying to predict which sector will outperform.

AA uses just two ETFs, selected for their diversification, broad-market exposure and volatility. And rather than trying to predict where the market is going next, AA uses an algorithm to calculate when, how much, and at what price to buy and sell.

There's no need to keep up with the financial news or learn complicated trading strategies. No need to analyze fundamentals, technical indicators or charts. And no need to pay for investment subscriptions.

In the videos that follow, we'll first look at how to properly compare investments. Then we'll discuss the two ETFs Automated Allocations uses, why they were selected, and the role volatility plays in the AA strategy.

Once we have that groundwork in place, we'll introduce the Automated Allocations App and walk through it feature by feature.

Finally, we'll look at The Studies, where you can see how Automated Allocations compared with a buy-and-hold index strategy across very different market conditions.

Automated Allocations – the strategy that adjusts... automatically.
Enjoy.