

Haverford Speaker Series for Women

May 16, 2012 — Personal Responsibility

The 3 “Rs” of Respecting your Money

Eileen D. Chambers, CTFA

Vice President & Portfolio Manager

The 3 Rs of Respecting your Money

Reading

*Reading your Monthly
Statement*

Rebalancing

*Rebalancing
your Portfolio*

Review

*Review – Questions to
Ask your Advisor*

Reading

Reading your Monthly Statement

Reading your Monthly Statement

3 Main Sections of your Statement

Summary

Account Holdings

Account Activity

Monthly Statement – Account Summary

Key Components:

- Amount in Cash and Money Market
- Total Value – past two month-end periods
- Estimated Annual Income from Interest & Dividends
- Amount of Realized Gains or Losses
- Asset Allocation Graph

For the Account of: **Mary Poppins**

HAVERFORD

QUALITY INVESTING

Account Number: Number 17 Cherry Tree Lane
Date: **MARCH 1, 2012 – MARCH 31, 2012**

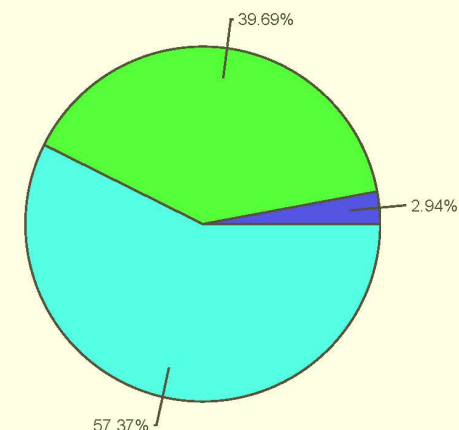
Three Radnor Corporate Center, Suite 450
Radnor, Pennsylvania 19087-4546
T 610-995-8700 / 888-995-5995 / F 610-995-8796
www.haverfordquality.com

Account Summary

Portfolio Summary

Portfolio Assets	Value on FEB 29, 2012	Value on MAR 31, 2012	Est. Ann Income	% Total Assets
CASH AND MONEY MARKET	179,626.05	49,504.26	4.90	2.94
BONDS	595,561.25	668,379.55	21,888.75	39.69
STOCKS	905,379.35	966,058.25	36,017.72	57.37
TOTAL ASSETS	1,680,566.65	1,683,942.06	57,911.37	
ACCRUED INCOME	9,568.09	9,041.32		
TOTAL ACCOUNT	1,690,134.74	1,692,983.38	57,911.37	

Asset Allocation (portfolio assets)



Cash Activity Summary

	Credits	Debits	YTD
SECURITIES PURCHASED	.00	-177,921.66	-238,487.46
SECURITIES SOLD & REDEEMD	53,148.97	.00	129,856.28
DEPOSITS & WITHDRAWALS	.00	-11,764.08	-15,801.21
DIVIDENDS	3,979.41	.00	8,797.20
INTEREST	3,104.38	.00	4,616.88
WITHHOLDING	.00	.00	.00
OTHER ACTIVITY	.00	-668.81	-668.81

	This Period	YTD
INCOME	7,083.79	13,414.08

Realized Gain/Loss Summary

	This Period	YTD
SHORT-TERM	.00	3,460.60
LONG-TERM	14,577.21	25,234.80

For the Account of: **Mary Poppins**

Account Number: Number 17 Cherry Tree Lane

Date: **MARCH 1, 2012 – MARCH 31, 2012**

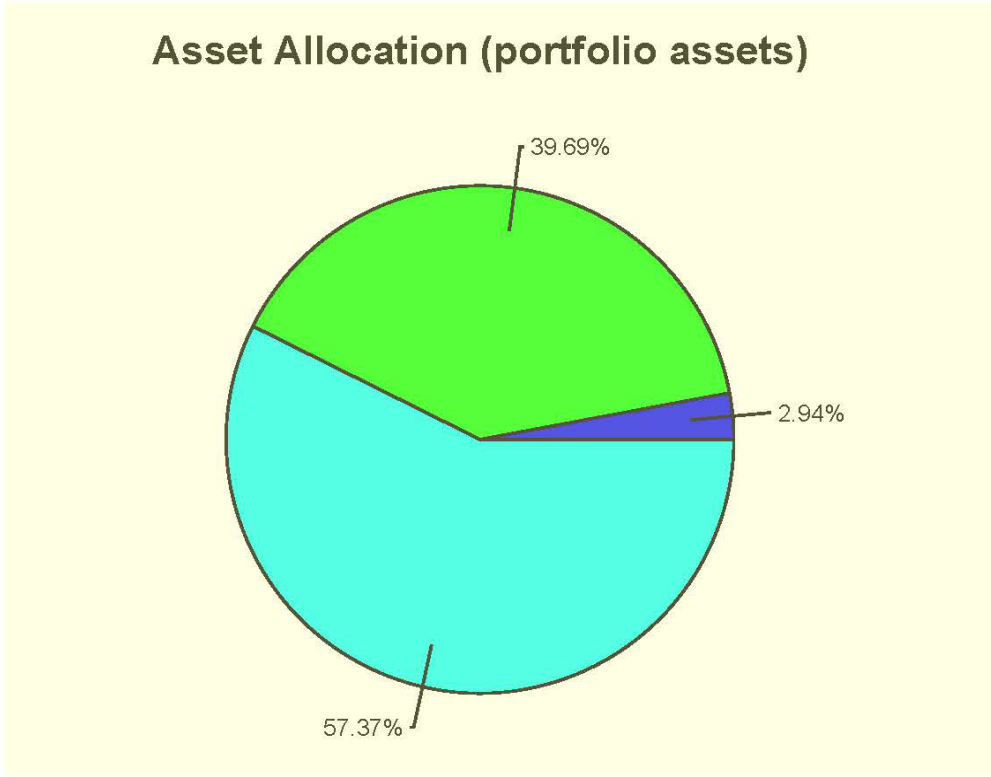
Account Summary

Portfolio Summary

Portfolio Assets	Value on FEB 29, 2012	Value on MAR 31, 2012	Est. Ann Income	% Total Assets
CASH AND MONEY MARKET	179,626.05	49,504.26	4.90	2.94
BONDS	595,561.25	668,379.55	21,888.75	39.69
STOCKS	905,379.35	966,058.25	36,017.72	57.37
TOTAL ASSETS	1,680,566.65	1,683,942.06	57,911.37	
ACCRUED INCOME	9,568.09	9,041.32		
TOTAL ACCOUNT	1,690,134.74	1,692,983.38	57,911.37	

Assets/Total Value/Estimated Income

Est. Ann Income	% Total Assets
4.90	2.94
21,888.75	39.69
36,017.72	57.37
57,911.37	
57,911.37	



its	YTD
66	-238,487.46
00	129,856.28
08	-15,801.21

Realized Gain/Loss Summary

	This Period	YTD
SHORT-TERM	.00	3,460.60
LONG-TERM	14,577.21	25,234.80

Asset Allocation Graph

Realized Gain/Loss Summary

	This Period	YTD
SHORT-TERM	.00	3,460.60
LONG-TERM	14,577.21	25,234.80

Gains and Losses

Questions for your Account Summary

- Do I have the right amount of cash for my upcoming needs?
(usually 1 year)
- Do I have the right mix of stocks & bonds?
- Am I taking too much, or too little, risk?
- Are the realized gains in-line with my expectations?

Monthly Statement – Portfolio Asset Detail

Account Holdings are usually divided by asset type:

- Cash, Money Market & CDs
- Bonds – “Fixed Income”
- Stocks – “Equities”
- Mutual Funds and ETFs (Exchange Traded Funds)

Monthly Statement – Portfolio Asset Detail

Key Components:

- Total cost for the asset purchased
- Total market value – value as of the statement date
- Unrealized Gain/Loss – amount of value gained or lost since purchased.

Monthly Statement – Portfolio Asset Detail

Key Components:

- Annual Income – amount of interest and dividends paid to you in one year's time, regardless of changes in price of the security
- Yield – the amount of interest or dividend divided by the market value of the security

For the Account of: **Mary Poppins**

HAVERFORD

QUALITY INVESTING

Account Number: Number 17 Cherry Tree Lane
Date: **MARCH 1, 2012 – MARCH 31, 2012**

Three Radnor Corporate Center, Suite 450
Radnor, Pennsylvania 19087-4546
T 610-995-8700 / 888-995-5995 / F 610-995-8796
www.haverfordquality.com

Portfolio Assets Detail

BONDS

Description	Shares	Current Share Price	% of Portfolio
TUSCARORA PA SCH DIST 3.00% 4/1/16	25,000.00	105.28	1.56
WEST ALLEGHENY PA SCH DIST 3.50% 9/1/12	25,000.00	101.35	1.50
WILLIAMSBURG PA CMNTY SCH DI ST 3.00% 11/15/14	25,000.00	102.47	1.52
WILSON PA AREA SCH DIST 2.00% 4/1/12	25,000.00	100.00	1.48
WYOMISSING PA AREA SCH DIST SER B 3.70% 2/1/20	25,000.00	103.99	1.54

TOTAL MUNICIPAL BONDS & NOTES

TOTAL BONDS

STOCKS

Description	Shares	Current Share Price	% of Portfolio
ALTRIA GROUP INC (MO)	1,700.00	30.87	3.12
AT&T INC (T)	900.00	31.23	1.67
AUTOMATIC DATA PROCESSING IN COM (ADP)	300.00	55.19	.98
BLACKROCK INC (BLK)	50.00	204.90	.61
BRISTOL MYERS SQUIBB CO COM (BMJ)	650.00	33.75	1.30

Questions for your Account Summary

- Do I have any concentrated stock or bond positions?
 - Defined by 5% or greater
- Do I know the companies in my portfolio and the products/services they offer?

Monthly Statement – Activity Detail

Key Components:

- Date & detail of each transaction
- Dividend payments
- Interest payments
- Deposits & withdrawals
- Purchase and sale of securities

For the Account of: **Mary Poppins**

Account Number: Number 17 Cherry Tree Lane
Date: **MARCH 1, 2012 – MARCH 31, 2012**

Activity Detail

HAVERFORD

QUALITY INVESTING

Three Radnor Corporate Center, Suite 450
Radnor, Pennsylvania 19087-4546
T 610-995-8700 / 888-995-5995 / F 610-995-8796
www.haverfordquality.com

Date	Description	Income Cash	Principal Cash	Cost
03/01	DIVIDEND RECEIVED FEDERATED PRIME MANAGEMENT OBLIG FD INC	.01		
03/01	DIVIDEND RECEIVED FEDERATED PRIME MANAGEMENT OBLIG FD PRIN	1.40		
03/01	DIVIDEND ON 500 SHARES @ 0.66 CONOCOPHILLIPS	330.00		
03/01	DIVIDEND ON 1700 SHARES @ 0.21 INTEL CORP COM	357.00		
03/01	INTEREST ON 20000 PAR VALUE MARION CENTER PA AREA SCH DI ST 3.00% 9/1/13	300.00		
03/01	MONTHLY INCOME TRANSFER TO ACCOUNT	-2,375.67		
-				
03/02	PURCHASE 600 SHARES @ 32.5603 MATTEL INC COM TRADE DATE 02/28/2012		-19,572.18	19,572.18
-				
03/02	SOLD 300 SHARES @ 91.4116 AIR PRODS & CHEMS INC COM TRADE DATE 02/28/2012		27,397.99	-20,979.97

Date Column

For the Account of: **Mary Poppins**

Account Number: Number 17 Cherry Tree Lane
Date: **MARCH 1, 2012 – MARCH 31, 2012**

Activity Detail

HAVERFORD

QUALITY INVESTING

Three Radnor Corporate Center, Suite 450
Radnor, Pennsylvania 19087-4546
T 610-995-8700 / 888-995-5995 / F 610-995-8796
www.haverfordquality.com

Date	Description	Income Cash	Principal Cash	Cost
03/01	DIVIDEND RECEIVED FEDERATED PRIME MANAGEMENT OBLIG FD INC	.01		
03/01	DIVIDEND RECEIVED FEDERATED PRIME MANAGEMENT OBLIG FD PRIN	1.40		
03/01	DIVIDEND ON 500 SHARES @ 0.66 CONOCOPHILLIPS	330.00		
03/01	DIVIDEND ON 1700 SHARES @ 0.21 INTEL CORP COM	357.00		
03/01	INTEREST ON 20000 PAR VALUE MARION CENTER PA AREA SCH DI ST 3.00% 9/1/13	300.00		
03/01	MONTHLY INCOME TRANSFER TO ACCOUNT	-2,375.67		
-				
03/02	PURCHASE 600 SHARES @ 32.5603 MATTEL INC COM TRADE DATE 02/28/2012		-19,572.18	19,572.18
-				
03/02	SOLD 300 SHARES @ 91.4116 AIR PRODS & CHEMS INC COM TRADE DATE 02/28/2012		27,397.99	-20,979.97

Dividend payments

For the Account of: **Mary Poppins**

Account Number: Number 17 Cherry Tree Lane
Date: **MARCH 1, 2012 – MARCH 31, 2012**

Activity Detail

HAVERFORD

QUALITY INVESTING

Three Radnor Corporate Center, Suite 450
Radnor, Pennsylvania 19087-4546
T 610-995-8700 / 888-995-5995 / F 610-995-8796
www.haverfordquality.com

Date	Description	Income Cash	Principal Cash	Cost
03/01	DIVIDEND RECEIVED FEDERATED PRIME MANAGEMENT OBLIG FD INC	.01		
03/01	DIVIDEND RECEIVED FEDERATED PRIME MANAGEMENT OBLIG FD PRIN	1.40		
03/01	DIVIDEND ON 500 SHARES @ 0.66 CONOCOPHILLIPS	330.00		
03/01	DIVIDEND ON 1700 SHARES @ 0.21 INTEL CORP COM	357.00		
03/01	INTEREST ON 20000 PAR VALUE MARION CENTER PA AREA SCH DI ST 3.00% 9/1/13	300.00		
03/01	MONTHLY INCOME TRANSFER TO ACCOUNT	-2,375.67		
-				
03/02	PURCHASE 600 SHARES @ 32.5603 MATTEL INC COM TRADE DATE 02/28/2012		-19,572.18	19,572.18
-				
03/02	SOLD 300 SHARES @ 91.4116 AIR PRODS & CHEMS INC COM TRADE DATE 02/28/2012		27,397.99	-20,979.97

Interest Payment

For the Account of: **Mary Poppins**

Account Number: Number 17 Cherry Tree Lane
Date: **MARCH 1, 2012 – MARCH 31, 2012**

Activity Detail

HAVERFORD

QUALITY INVESTING

Three Radnor Corporate Center, Suite 450
Radnor, Pennsylvania 19087-4546
T 610-995-8700 / 888-995-5995 / F 610-995-8796
www.haverfordquality.com

Date	Description	Income Cash	Principal Cash	Cost
03/01	DIVIDEND RECEIVED FEDERATED PRIME MANAGEMENT OBLIG FD INC	.01		
03/01	DIVIDEND RECEIVED FEDERATED PRIME MANAGEMENT OBLIG FD PRIN	1.40		
03/01	DIVIDEND ON 500 SHARES @ 0.66 CONOCOPHILLIPS	330.00		
03/01	DIVIDEND ON 1700 SHARES @ 0.21 INTEL CORP COM	357.00		
03/01	INTEREST ON 20000 PAR VALUE MARION CENTER PA AREA SCH DI ST 3.00% 9/1/13	300.00		
03/01	MONTHLY INCOME TRANSFER TO ACCOUNT	-2,375.67		
-				
03/02	PURCHASE 600 SHARES @ 32.5603 MATTEL INC COM TRADE DATE 02/28/2012		-19,572.18	19,572.18
-				
03/02	SOLD 300 SHARES @ 91.4116 AIR PRODS & CHEMS INC COM TRADE DATE 02/28/2012		27,397.99	-20,979.97

Withdrawal

For the Account of: **Mary Poppins**

Account Number: Number 17 Cherry Tree Lane
Date: **MARCH 1, 2012 – MARCH 31, 2012**

HAVERFORD

QUALITY INVESTING

Three Radnor Corporate Center, Suite 450
Radnor, Pennsylvania 19087-4546
T 610-995-8700 / 888-995-5995 / F 610-995-8796
www.haverfordquality.com

Activity Detail

Date	Description	Income Cash	Principal Cash	Cost
03/01	DIVIDEND RECEIVED FEDERATED PRIME MANAGEMENT OBLIG FD INC	.01		
03/01	DIVIDEND RECEIVED FEDERATED PRIME MANAGEMENT OBLIG FD PRIN	1.40		
03/01	DIVIDEND ON 500 SHARES @ 0.66 CONOCOPHILLIPS	330.00		
03/01	DIVIDEND ON 1700 SHARES @ 0.21 INTEL CORP COM	357.00		
03/01	INTEREST ON 20000 PAR VALUE MARION CENTER PA AREA SCH DI ST 3.00% 9/1/13	300.00		
03/01	MONTHLY INCOME TRANSFER TO ACCOUNT	-2,375.67		
-				
03/02	PURCHASE 600 SHARES @ 32.5603 MATTEL INC COM TRADE DATE 02/28/2012		-19,572.18	19,572.18
-				
03/02	SOLD 300 SHARES @ 91.4116 AIR PRODS & CHEMS INC COM TRADE DATE 02/28/2012		27,397.99	-20,979.97

Purchase of security

For the Account of: **Mary Poppins**

Account Number: Number 17 Cherry Tree Lane
Date: **MARCH 1, 2012 – MARCH 31, 2012**

Activity Detail

HAVERFORD

QUALITY INVESTING

Three Radnor Corporate Center, Suite 450
Radnor, Pennsylvania 19087-4546
T 610-995-8700 / 888-995-5995 / F 610-995-8796
www.haverfordquality.com

Date	Description	Income Cash	Principal Cash	Cost
03/01	DIVIDEND RECEIVED FEDERATED PRIME MANAGEMENT OBLIG FD INC	.01		
03/01	DIVIDEND RECEIVED FEDERATED PRIME MANAGEMENT OBLIG FD PRIN	1.40		
03/01	DIVIDEND ON 500 SHARES @ 0.66 CONOCOPHILLIPS	330.00		
03/01	DIVIDEND ON 1700 SHARES @ 0.21 INTEL CORP COM	357.00		
03/01	INTEREST ON 20000 PAR VALUE MARION CENTER PA AREA SCH DI ST 3.00% 9/1/13	300.00		
03/01	MONTHLY INCOME TRANSFER TO ACCOUNT	-2,375.67		
-				
03/02	PURCHASE 600 SHARES @ 32.5603 MATTEL INC COM TRADE DATE 02/28/2012		-19,572.18	19,572.18
-				
03/02	SOLD 300 SHARES @ 91.4116 AIR PRODS & CHEMS INC COM TRADE DATE 02/28/2012		27,397.99	-20,979.97

Sale of security

Rebalancing

Rebalancing your Portfolio

Rebalancing

What does rebalancing a portfolio mean?

- Active management of your asset allocation

How does rebalancing add value?

- Recognizes the opportunity to buy stocks when they are more attractively priced, and sell stocks for profit when they have performed well
- Creates a disciplined, unemotional approach to investing

Rebalancing – Asset Allocation

- Asset allocation is a key component of a successful advisor relationship
- Asset allocation identifies your ideal balance between equity & fixed income – uniquely for your situation
- Balance your risk tolerance against your cash flow needs

Rebalancing – Asset Allocation

Example Account:

- \$1 million account
- Target asset allocation identified: 70% stocks, 30% bonds & cash
- Starting Allocation:
 - 70% stocks = \$700,000
 - 30% bonds & cash = \$300,000

Rebalancing – Asset Allocation

Scenario #1 – Stock Market is up 10% in 2012

- Increase: + \$70,000 stock increase
- Holding: increased value of stock holdings to \$770,000
- Allocation: stock allocation is now 72%
- Rebalancing Action:
 - Re-allocate to get back to 70% stock target
 - Take some profits by selling \$21,000 in stock to purchase a bond
 - $\$1,070,000 \times 70\% =$
 - \$749,000 stock target
 - \$321,000 bond & cash target

Rebalancing – Asset Allocation

Scenario #2 – Stock Market is down 10% in 2012

- Decrease: - \$70,000 stock decrease
- Holding: decreased value of stock holdings to \$630,000
- Allocation: stock allocation is now 68%
- Rebalancing Action:
 - Re-allocate to get back to 70% stock target
 - Use cash or bonds to purchase \$21,000 in stock at the day's lower prices
 - $\$930,000 \times 70\% =$
 - \$651,000 stock target
 - \$279,000 bond & cash target

Review

Questions to Ask your Advisor

Questions for your Review

- Is my asset allocation in-line with what we discussed as my goals & risk tolerance?
- What are my cash needs & do I have enough cash for the next year?
- Has my manager done what they said they were going to do?
- Are there any life events we should be planning for such as marriage (prenuptial agreement or trusts needed), births, educational needs, death, or retirement?
- *For retirement accounts* – Can we review my beneficiary designations to ensure they are current & accurate?



HAVERFORD

QUALITY INVESTING
