

For Bucket Portfolios, the Devil Is in the Details

This week's AAI **Weekly Digest** highlights these “must-read” AAI articles:



The Trinity Portfolio: Combining Diversification, Tilts and Trend-Following

Cambria Investment Management's Trinity Portfolio is named for the portfolio's three core elements: 1) assets diversified across a global investment set; 2) tilts toward investments exhibiting value and momentum traits; and 3) exposure to trend-following. In this article, Mebane Faber discusses these foundational elements of the Trinity Portfolio and how they also serve as the sequence for constructing the portfolio.

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The bucket approach strategy involves building your portfolio based on your expected withdrawals from it. The overarching goal is to build enough of a bulwark in safe securities at the front end of your portfolio to ensure that you never have to spend from any asset when it's in a trough.

Morningstar's Christine Benz talks about bucket portfolios, the benefits they offer and the challenges they pose.



The Next Generation of Socially Responsible Investing

It is getting easier for investors to incorporate their personal values into their portfolios and to do so in a diversified, low-cost and tax-efficient manner. This approach, traditionally known as socially responsible investing, is increasingly being referred to as environmental, social and governance investing—or by its acronym, ESG investing. As its name suggests, ESG investing considers the potential environmental and/or social impact of a particular investment—a concept known as sustainable, responsible and impact investing, or SRI investing.

Financial Professional Terms: What They Mean and Why You Should Care



Broker, registered investment adviser, financial planner, insurance agent, investment adviser and wealth manager: These are a few of the common terms used to describe various financial professionals. This article will clarify these terms and discuss differences in the duties owed by financial professionals to their clients.

Our [Member Question](#) for this week is:

How much of your overall portfolio is invested in “alternative investments” such as private equity, hedge funds, managed futures, real estate, commodities and derivatives contracts.

[Vote Now »](#)

Vote to answer this week’s Special Question: *What are your reasons for investing in or avoiding alternative investments?*

Last Week’s Results:

How well will the S&P 500 index perform in the second half of this year?

Up less than 5% : 35% - Votes: 657



Up between 5 and 10% : 31% - Votes: 595



Down less than 5% : 12% - Votes: 225



Down between 5% and 10% : 11% - Votes: 217



Up more than 10% : 6% - Votes: 108



Down more than 10% : 5% - Votes: 92



Poll results are as of 9 a.m. (Central) on Monday. 1,950 respondents.

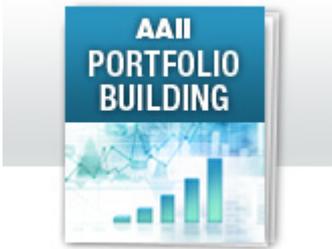
[AII Survey: Readers Weigh in on Market's Direction for the](#)

[Rest of 2018](#)



With the first six months of 2018 in the books, it's time to look toward the second half of the year. Our latest survey asked how our readers think the S&P 500 index will perform the rest of the year. The weekly special question then asked which asset classes our readers think will be the strongest through the rest of the year.

[AII e-book: Portfolio Building](#)



“Easier said than done” is a common saying that applies well to developing an overall strategy for your investment portfolio. The basic concepts are relatively easy, but they become more complex and less clear-cut when it comes to applying them to real-world situations. This e-book, available exclusively to AII members, is designed to bridge the gap between theory and practice.

The AII Weekly Digest is one of the many **benefits** of AII membership. To learn more, consider a **30-day Trial AII Membership** to start becoming an effective manager of

your own assets.