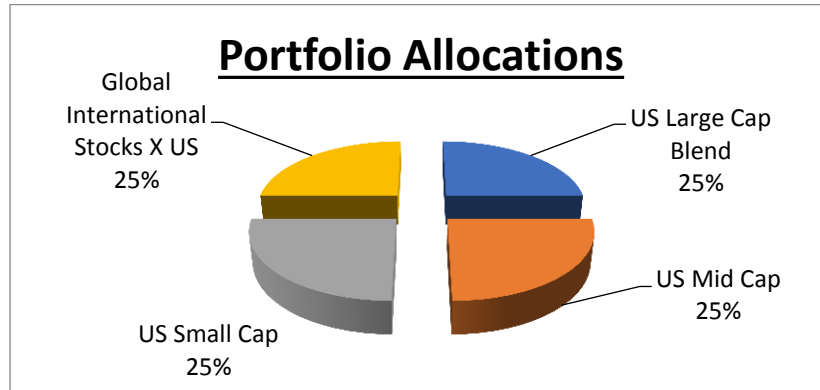
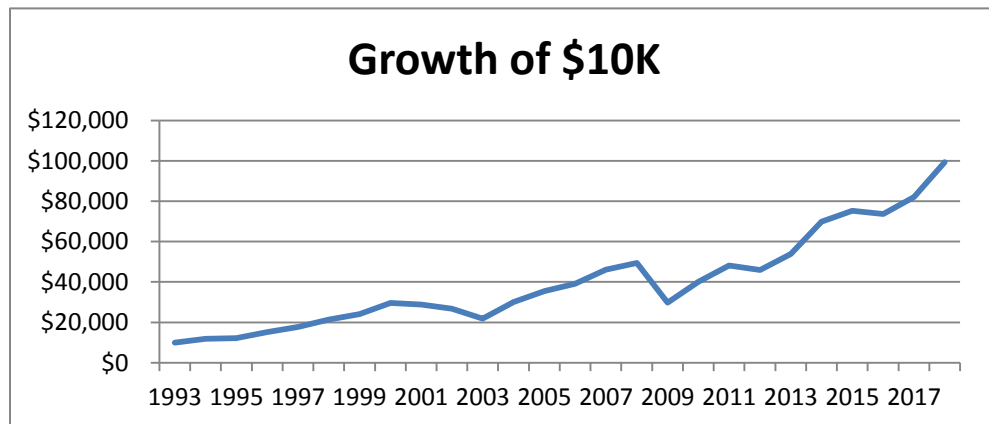


**Long Term Savers Aggressive Stock Portfolio**



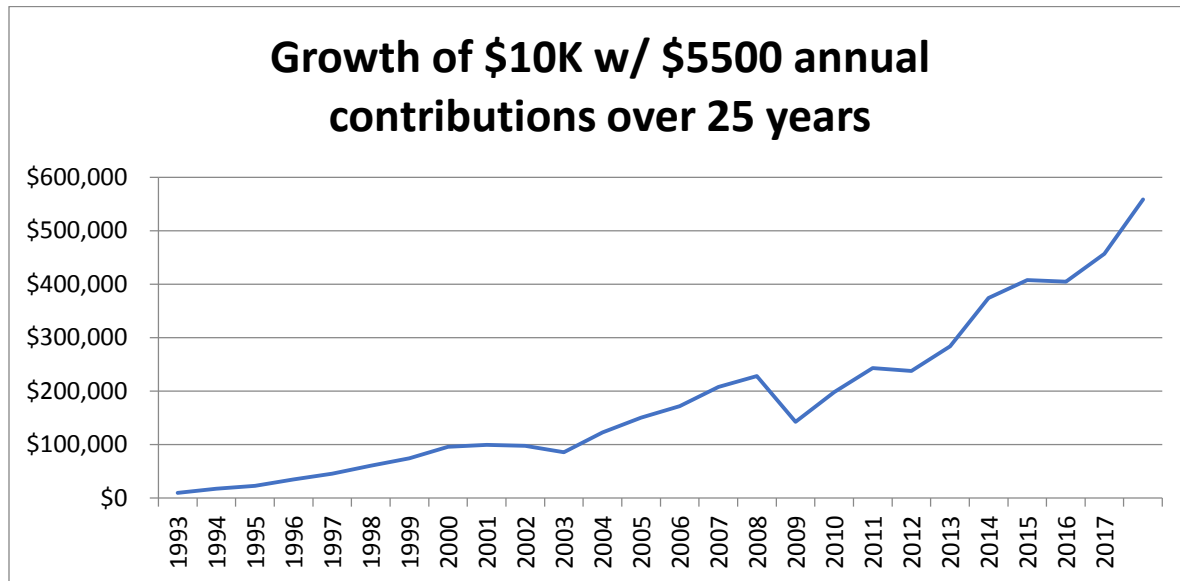
The Long Term Savers Aggressive portfolio is evenly allocated into US Large, Mid, & Small companies, along with International stocks. This portfolio is perfect for young people looking to allocate their savings for retirement in a tax deferred account (IRA), and can accept the risks of short term volatility in return for a long term benefit.



The above chart shows the growth of \$10K over the last 25 years. The initial \$10K investment in 1993, turned into \$99,322.43 today. A total return of 893.22%, or 9.62% annually.

DRAWDOWNS FOR HISTORICAL MARKET STRESS PERIODS						
RANK	EVENT	START	END	LENGTH	RECOVERY	DRAWDOWN
1	Subprime Crisis	Nov-07	Mar-09	1 Yr 5 Months	2 Yrs 2 Months	-54.08%
2	Dotcom Crash	Mar-00	Oct-02	2 Yrs 7 Months	2 Yrs 10 Months	-34.99%
3	European Debt Crisis	May-11	Sep-11	5 Months	11 Months	-21.67%
4	Russian Debt Default	Jul-98	Oct-98	3 Months	3 Months	-18.38%
5	China Currency Devaluation	Jun-15	Feb-16	9 Months	1 Year 2 Months	-13.10%

Of course, a portfolio like this was not immune to market declines. The above chart shows the five declines that investors would have had to endure in order to achieve the ending results.



The above chart shows the growth of \$10K in this portfolio strategy, and assumes contributions of \$5500 were made each of the last 25 years as well. The \$5500 value was used because that is the current maximum contribution that can be made to a Roth or Traditional IRA.

The beginning balance of \$10,000 in 1993 (along with the annual \$5,500 contributions) turned into \$558,338.29 today. This includes the numerous market declines that have occurred in the last 25 years, especially the 2008 financial crisis, where stocks suffered their biggest decline since the Great Depression.

Stocks do decline periodically, but a well-diversified portfolio such as this, has always recovered eventually. And has provided investors with a good return on investment. We use low cost passive index funds that are commission free on Fidelity's platform. This is the most efficient way to accumulate shares over time without incurring extra unnecessary fees.

This portfolio has been legitimately stress tested during the prior 25 years. No one knows what the future holds. However, we have a large enough sample size to assume the next 25 year period is likely to perform at a reasonably similar pace.

**Disclaimer:** Investing involves a great deal of risk, including the loss of all or a portion of your investment. Nothing herein should be construed as a warranty or guarantee of investment results.

### **About Us**

**James D. Maxon** is a Registered Investment Advisor with over 16 years of experience helping clients meet and exceed their financial goals. He is a graduate of Bentley University with a degree in Accounting and a degree in Economics from the University of Massachusetts - Lowell. Jim is also a Certified Public Accountant with a wide range of experience in helping clients in a variety of financial matters.

**Michael Gouvalaris** is an Investment Advisor Representative and an active contributor to the popular financial website Investing.com. He is the author of "The Trading Playbook" available on Amazon and a technical analysis website (TheTechnicalInvestor.wordpress.com) that has garnered the attention of many in the financial media.

# JDM Financial Advisors, LLC

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### **Definitions:**

**Large Caps** – Large caps are companies with a market capitalization above \$10 billion (Johnson & Johnson, Microsoft, Apple, ETC.). Market capitalization is defined as the company’s stock price multiplied by number of shares outstanding. The S&P 500 and Dow are made up of Large cap stocks. They tend to outperform during recessions (more stable companies) but underperform during expansions.

**Mid Caps** – Mid cap companies are defined as companies with a market cap between \$2 to \$10 billion.

**Small Caps** – Small caps are companies under \$2 billion in market cap. Usually consists of young companies with greater risk/reward potential. Small caps tend to be more volatile and underperform during recessions. The Russell 2000 index is dedicated to the small cap space.

**International Developed Stocks** – A broad, diversified group of international equities across 21 developed markets. This includes the UK, Germany, France, Japan, Italy, among others. The markets are cyclical in nature, sometimes US markets outperform and sometimes International markets outperform. By maintaining exposure to International markets, you “go along for the ride” without having to predict what may or may not outperform in any given year. (Something no one can predict with any reliable accuracy)