

# WINTRUST MULTI-ASSET STRATEGIES

WINTRUST®  
WEALTH MANAGEMENT



A world-class investment management program available to individual investors of all types exclusively through Wintrust Wealth Management.

The Wintrust Multi-Asset Strategy program is an advanced asset allocation and investment management process designed to produce the same or better returns with lower risk and volatility than traditional investment approaches. It is based on a highly sophisticated, dynamic approach that is used by some of the largest institutional investors in the world today.

## A BETTER WAY TO INVEST™

Traditional investing approaches set an asset allocation, or the mix of asset types in their portfolio, based on achieving a desired return while assuming whatever risk may come based on historical patterns. The lack of focus on risk inherent in this approach exposes investors to potential shocks and market swings.

The Multi-Asset Strategy program offers a better way to invest by creating risk-targeted asset allocation solutions for each investment objective. The reason this is so important is that returns tend to vary greatly from year to year, whereas risk stays relatively consistent. Therefore, by constraining portfolio risk, clients not only realize smoother results but generate greater potential returns on a risk-adjusted basis.

As a testament to this risk-targeted investment approach, venerable money managers including the largest college endowment funds in the country as well as investment consultants for some of the largest institutions in the world, use this same process.

## Sophisticated

A better way to invest for risk-adjusted returns

## Institutional-quality

The same approach to investing as used by some of the largest endowments and institutional clients in the world

## Experienced

Research provided by a deep and highly experienced team of investment professionals

## Convenient

One account with one fee and no restrictions on withdrawals or additions managed by an investment team that is always accessible

## Performance

The Wintrust Multi-Asset Strategy program has delivered strong results

## HOW WE DO IT

At the heart of our risk-targeted approach to investing is the creation of a risk budget to determine asset allocation. One way to consider how this is done is to think of risk-budgeted asset allocation in terms of a cocktail shaker. The shaker can hold 10 ounces and can be filled with various amounts of different liquids to create a cocktail that is better than any one of the individual ingredients. In our investment portfolios, rather than ounces of liquid, we use units of risk known as standard deviation. The number of units of risk our portfolio will hold is determined by the level of risk an investor is willing to take. If our portfolio is limited to 10 units of risk, the optimal combination of asset classes is then determined to produce the highest expected return for that risk.

In order to determine the appropriate risk level, we work closely with each client to understand their investing needs. Using sophisticated planning tools, we can determine each client's risk tolerance, and couple that with return expectations to establish an appropriate investment objective.

To address the full spectrum of investor needs we offer the Multi-Asset Strategy program in various objectives including: Growth; Growth & Income; Balanced; Income & Growth; Income; and Conservative Income.<sup>1</sup>

For each of these objective types, we put our approach to investing into practice through three basic activities to create and manage our portfolios:

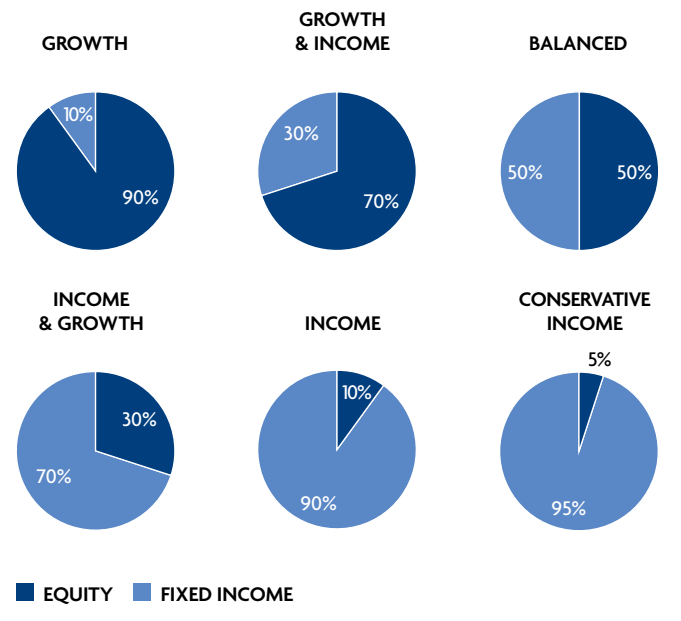
1. Establishing risk-targeted asset allocations
2. Applying rigorous due diligence to select individual investments within each asset class
3. Dynamically monitoring allocations and adjusting portfolio weightings throughout the year as circumstances change

## ASSET ALLOCATION

On an annual basis, we establish risk budgets by incorporating four different types of information: Future expectations for risk and return for each asset class; historical patterns of risk, return and correlation; confidence levels in both future expectations and historical results; and the size of each asset class. By incorporating all four inputs, we can optimize the asset mix for each risk target.

This process yields asset allocations to equity, fixed income, and cash categories.

## Risk-Targeted Asset Allocation<sup>2</sup>

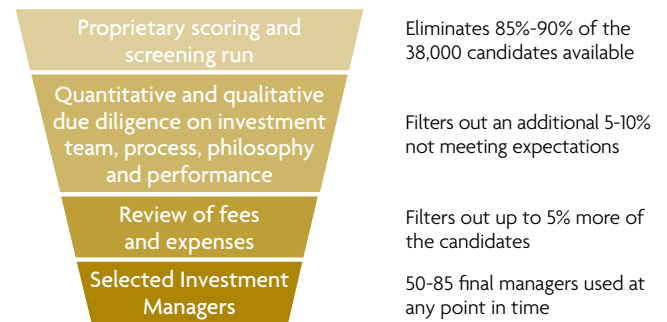


## INVESTMENT SELECTION

We employ a rigorous process for selecting internal and external investment managers. It is grounded in the belief that selection should not be based simply on performance but should also consider the coherence and discipline of investment philosophies and processes employed by managers.

This process includes an in-depth qualitative assessment of the people, process, philosophy and performance of the manager as well as fees and expenses. It further considers how managers in different asset classes may or may not complement each other to ensure that overlap in investment names, weights, styles and risk is minimized and diversification and risk management is not compromised. It is repeated on a quarterly basis to reevaluate each manager to ensure that we employ best-in-class money managers at all times.

## Manager Selection Process



We employ an open architecture structure that may include the proprietary institutional strategies of Great Lakes Advisors as well as “best-in-class” strategies from outside managers in each of our solutions. All selected managers are subject to the same scrutiny and due diligence process.

For further details on managers used in our portfolios for each investment objective, see the Wintrust Multi-Asset Strategy quarterly fact sheets.

### **DYNAMIC MONITORING**

To ensure portfolios remain optimized throughout the year, we regularly monitor and adjust individual asset class weightings. This is done through regular quarterly rebalancing to return the portfolio to recommended weightings should any asset class weighting deviate by more than 10% from its target allocation. In addition, periodic reviews of the risk and return levels of each asset class are conducted. If these have changed such that our previous assumptions used to establish risk-targets are no longer accurate, confidence levels and asset class weightings are adjusted. In the event or threat of a severe market disruption, a more drastic step may also be taken which would change the actual risk budget or risk target for each investment objective.

### **THE WINTRUST ADVANTAGE**

#### **A Better Way to Invest™**

By actively managing risk through asset allocation, our investment process represents a leap forward for individual investors seeking to maximize returns without assuming undue risk. Used by some of the largest and most prestigious institutional investors in the world, our approach truly represents a better way to invest™.

#### **Experienced Professionals**

Beyond merely having a better approach to investing, you need experienced professionals to effectively put it into practice. Our Multi-Asset Strategy investment team includes portfolio managers and investment experts with an average of over 20 years of experience running investment portfolios of all types for institutions and private investors alike.

#### **Simplicity**

While many effective investment solutions are complex, expensive and have high investment minimums or account restrictions, the Wintrust Multi-Asset Strategy program is simple. Investors have one account, with one simple fee. There are no restrictions on additions or withdrawals, and our team of investment professionals is always available to answer questions about your portfolio.

#### **Performance**

Finally, the Wintrust Multi-Asset Strategy program has delivered strong results. For details on performance for each investment objective, see the Multi-Asset Strategy program quarterly fact sheets.

### **GETTING STARTED**

If you are seeking to maximize the returns you can achieve given your appetite for investment risk, consider the Wintrust Multi-Asset Strategy program. From conservative investors seeking to generate income and preserve capital, to aggressive investors seeking to build wealth through capital appreciation, we can serve your investing needs.

To learn more or to begin taking advantage of our better way to invest, contact a Wintrust Wealth Management Financial Advisor or call 312.431.1700.

wintrustwealth.com



INVESTMENTS • TRUST • ASSET MANAGEMENT

1. The MAS Growth composite includes all balanced, discretionary, fee paying portfolios managed to the firm's Growth strategy. Portfolios subject to substantial client imposed restrictions are excluded from this composite. The MAS Growth composite was created on June 30, 2014.; The MAS Growth & Income composite includes all balanced, discretionary, fee paying portfolios managed to the firm's Growth & Income strategy. Portfolios subject to substantial client imposed restrictions are excluded from this composite. The MAS Growth & Income composite was created on June 30, 2014. The MAS Balanced composite includes all balanced, discretionary, fee paying portfolios managed to the firm's balanced strategy. Portfolios subject to substantial client imposed restrictions are excluded from this composite. The MAS Balanced composite was created on June 30, 2014. The MAS Income & Growth composite includes all balanced, discretionary, fee paying portfolios managed to the firm's Income & Growth strategy. Portfolios subject to substantial client imposed restrictions are excluded from this composite. The MAS Income & Growth composite was created on June 30, 2014. The MAS Income composite includes all balanced, discretionary, fee paying portfolios managed to the firm's Income strategy. Portfolios subject to substantial client imposed restrictions are excluded from this composite. The MAS Income composite was created on June 30, 2014.

No MAS composites employ leverage. All cash reserves and equivalents are included in returns for each of the MAS composites. Returns are time weighted and include reinvestment of dividends, income and gains.

2. Asset allocation weights are approximate and may shift over time.

Wintrust Multi-Asset Strategy is an advisory program offered through Great Lakes Advisors, L.L.C. ("Great Lakes" or "GLA") an investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. Established in 1981, Great Lakes is a subsidiary of Wintrust Financial Corporation and a part of the Wintrust Wealth Management family of companies. On October 1, 2013, majority owned subsidiary Advanced Investment Partners, LLC ("AIP") became fully-owned and integrated into Great Lakes. Great Lakes is a distinct business unit with distinct investment processes and procedures relating to the management and/or trading of investment portfolios for its clients.

Great Lakes Advisors, LLC claims compliance with the Global Investment Performance Standards (GIPS®). A complete list of firm composite descriptions and performance results, and the policies for valuing portfolios, calculating performance, and preparing GIPS compliant presentations are available upon request. The GLA Form ADV Part 2A advisory disclosure document which includes a description of services, fees and expenses is also available on request.

Past performance does not guarantee or indicate future results. For performance current to the most recent month end, please call 866-94-DIRECT. Returns and net asset value will fluctuate. To determine if this strategy is appropriate for you, carefully consider the investment objectives, risk factors, and expenses before investing. The U.S. Dollar is the currency used to express performance and assets. Market commentary is available at [www.greatlakesadvisors.com](http://www.greatlakesadvisors.com) or upon request.

Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investment in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities. To determine if an investment strategy is appropriate for you, carefully consider the investment objectives, risk factors, and expenses before investing.

Securities, insurance products, financial planning and investment management services offered through Wintrust Investments, LLC, (Member FINRA/SIPC), founded in 1931. Trust and asset management services offered by The Chicago Trust Company, N.A. and Great Lakes Advisors, respectively. Investment products such as stocks, bonds, and mutual funds are not insured by the FDIC or any federal government agency, not bank guaranteed or a bank deposit, and may lose value. ©2018 Wintrust Wealth Management.