

Building Your Portfolio



Acquiring money is often easier than retaining it. In an ever-changing economic environment, investors must be agile and savvy enough to seize opportunities and navigate tax laws to protect their hard-earned money. StanCorp Investment Advisers, Inc. can help. Whatever the size of your nest egg, we can create a well-balanced portfolio that helps build and retain your money for a lifetime of financial well-being.

Portfolios Designed To Meet Your Needs

Your advisor will work with you to identify your unique needs and goals. As a first step, your advisor will recommend a portfolio that will invest and distribute assets according to your specific time frame and lifestyle. This framework will help shape what types of investments are built into your portfolio.

In designing your portfolio, we use traditional investments, including stocks, bonds and cash equivalents. Where appropriate, your advisor may recommend a broader array of investments, including inflation-linked and international bonds, developed and emerging market international stocks, real estate investment trusts and commodities.

For larger accounts, we may suggest using our proprietary individual equity strategies for the stock portion of the portfolio. These strategies offer additional tax management flexibility and effectively avoid fees associated with mutual fund management. Stocks are carefully selected for their profitability, competitive position, growth and cost of capital.

Selecting Your Investments

The next step is to select the individual investments to populate your portfolio's design. Our experienced research team follows a strict quantitative and qualitative process to evaluate investment options. Once selected, investments are continually monitored to make sure they meet the strict criteria of our robust due diligence program.

When selecting investments for your portfolio, your advisor will consider these principles:

- Risk management to help provide protection against unforeseen economic events,
- Diversification¹ of investments to help shelter your money and provide long-term returns, and
- Long-term global economic trends reflected in the current economy.

The investments that best fulfill these principles and help you build and retain your assets can be found in portfolios that contain a wide variety of asset classes.

¹ Diversification does not ensure a profit or protect against a loss in a declining market.

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Investments To Broaden Your Portfolio

Certain investment types enable greater purchasing power for the future by keeping pace with inflation to build a long-term portfolio. These investments are designed to help reduce risk during times of economic uncertainty.

Inflation-Linked Bonds are debt securities issued by the U.S. Treasury to help keep pace with inflation, the general and progressive increase in prices over time. They gain value as inflation increases and their purchasing power – the amount of goods or services they can buy – remains steady.

Real Estate Investment Trusts (REITs) trade like stock and allow individuals to invest in commercial properties such as office buildings, apartments, storage facilities, warehouses and industrial complexes. Returns are driven by the supply and demand of the property's location, its change in property value and rental income.

Commodity Index Funds are based on commodities futures, which are contracts or agreements to buy or sell a commodity – physical substances such as food, grains, oil and metals – at a specific date in the future at a specific price. The returns of commodity index funds are driven by the supply and demand of the commodities, the premium over time for locking in the price for futures sellers, and gains through rebalancing and interest.

A Well-Balanced Portfolio

We will work with you to implement the recommended portfolio and investments. Find out how we can design a well-balanced portfolio to help you build and retain assets while achieving financial well-being. Visit www.stancorpadvisers.com for more information.