

# Newsletter Fourth Quarter 2011

## AMP Wealth Management Strategies

In recent financial publications such as the *Wall Street Journal*, there have been numerous articles devoted to investing in dividend paying stock portfolios. At AMP we have been managing a strategy like this for the past six and one half years.

Our **Rising Dividend Quantfolio** consists of approximately 33 individual stocks which pay strong quarterly dividends. These companies have consistently paid attractive dividends and have increased them on a regular basis. The current dividend yield on this investment is approximately 3.6% annually.

We have also developed a **tandem** investment approach for those who require income and growth in retirement or growth and stability during their accumulation phase. This **Blended Wealth Management Strategy** encompasses two portfolios, our Rising Dividend Quantfolio and our Income Generating Quantfolio.

Our **Income Generating Quantfolio** consists of investment grade bonds, Trust Preferreds, Master Limited Partnerships, and Canadian Income Securities. These investments generate a predictable income rate of approximately 5.00% annually.

These two strategies function in tandem to produce the following advantages:

- Generate current and stable income
- Grow cash flow income
- Provide principal protection
- Generate principal growth
- Provide an inflation hedge
- Provide a diversified investment approach

## Administrative Enhancements

After careful analysis of our relationship with Schwab Institutional, we have decided to expand/diversify our custodial requirements. Consequently we have selected TD Ameritrade as a second custodian. We are in the process of moving all Rising Dividend Quantfolio accounts to TD Ameritrade. In the future we anticipate moving the Income Generating Quantfolio accounts and all new client accounts to TD Ameritrade.

The second enhancement is the migration to a new portfolio/research management system, Morningstar Office. This extremely robust system will provide the following benefits:

- Improved portfolio accounting
- Improved account performance reporting

- Increased comprehensive investment research and data
- Improved communication
- Electronic secure delivery of client reports via e-mail

This conversion process will take approximately two months. Because of this conversion and the transition to TD Ameritrade, the Rising Dividend accounts moved to TD Ameritrade will not have performance data for the fourth quarter of 2011. To maintain the integrity of our data, we back up daily and we will run our current system, Portfolio Center, concurrently until the conversion is complete.

## **Regulatory Disclosures**

### **Form ADV**

This is a document that all registered investment advisors are required to file regularly with the Securities and Exchange Commission. It provides an overview of the firm with information such as office location, principals, investment strategy and advisory fees. Our current Form ADV is available to you upon request.

### **Proxy Voting**

AMP Wealth Management exercises voting authority with respect to securities held in client accounts. Our voting procedure and votes are available upon request. Securities in the unmanaged category of the account are the client's proxy voting responsibility.

### **Privacy Policy Statement**

**A**MP Wealth Management does not disclose any information to affiliated or non-affiliated third parties. The only individuals who have access to client information are employees of AMP. Any non-usable information in our record keeping process is shredded prior to disposal. We also will not disclose the names of our clients unless we specifically contact a client to ask permission to use the client's name as a reference.

## **New Year's Greetings**

**W**e wish you and your family a healthy, happy and prosperous 2012.

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