

TAX-SENSITIVE INVESTING: The New Frontier Advantage

New Frontier brings state of the art investment technology and institutional expertise in global core multi-asset investment strategies to tax-sensitive portfolio management. Our efficient investments are scientifically constructed for meeting short- and long-term tax-sensitive investment objectives, and our process benefits the tax-sensitive investor at every step.

STEP 1 Fund Selection

It's important to have the right instruments for any investment objective. ETFs are favorable for tax-sensitive investing – they internally rebalance in kind without generating capital gains and aren't affected by the actions of other investors. All ETFs are analyzed for their tax consequences, and additional tax-exempt municipal bond funds are selected from multiple ETF providers. The character of our investment universe is designed to enable optimal tax efficient investment.

STEP 2 Risk and Return Estimation

Tax considerations are reflected in risk-return estimation. Income from dividends, interest, and capital gains are individually modeled. A long track record of consistent portfolio turnover allows us to accurately calculate after-tax risk and return expectations for a high marginal tax rate investor.

STEP 3 Portfolio Construction

Michaud optimization is globally recognized to provide the state of the art optimized portfolio management. It is a unique patented investment process that considers thousands of possible investment scenarios to provide highly effective, risk managed, well-diversified portfolios. The tax sensitive optimization goes far beyond simple substitutions into tax advantaged funds with subtle but significant shifts towards assets with favorable after-tax risk-to-reward characteristics specifically for taxable investors. The result is a sophisticated portfolio engineered to maximize the wealth of taxable investors over the short and long term.

STEP 4 Portfolio Monitoring and Rebalancing

New Frontier's signature investment technologies include the patented Michaud-Esch rebalancing rule which avoids trading in noise by trading only when likely to be most effective. This unique statistical procedure is particularly beneficial to tax-aware investing. Effective turnover portfolio rebalancing reduces ineffective trades, resulting in added investment value for tax-aware investing.



www.newfrontieradvisors.com | www.frontieradvisor.com | (617) 482-1433

New Frontier | 155 Federal St., Suite 1000 | Boston, MA 02110

