

# INTENT

INVESTMENT MANAGEMENT

FOURTH QUARTER 2021 COMMENTARY

## IIM RISK-BASED FUND PERFORMANCE

Fourth quarter net-of-fee performance across IIM Risk-Based Funds ranged from 5.3% in the growth-focused aggressive portfolio to 2.1% in the preservation-focused conservative portfolio. Positive contributors to performance were domestic equities, and detractors were international equities, commodities, and fixed income - illustrating the importance of broad diversification and risk appropriate sub-asset class portfolio weights. While positive performance will not always be the case over quarterly periods, our net-of-fee annualized 10-year return target for the aggressive portfolio is 10% and 3-year return target for the conservative portfolio is 4%. We can take advantage of short-term market fluctuations by making consistent monthly contributions, which means that we are buying more shares when the market declines and less shares when the market rises. This is beneficial because we are decreasing the average cost-basis in the portfolio over time. We measure our value by our ability to control risk, and our objective is that you see a measured decrease in volatility as you approach the date you need the money.

## FOCUS TOPIC: ADDRESSING RISING INFLATION

It is important to set the current inflation headlines within context of your personal objectives and focus on what we can control. We can divide our money efficiently between different financial accounts to maximize return at appropriate levels of risk for the use of funds. When structured properly, there is a higher probability that the weighted average return of all your financial accounts will outpace inflation and help you reach your objectives faster. In general, here is the structure we recommend:

Account	Use	Time Frame	Risk to Principal	Annual Return Target	Liquidity
Checking	Living Expenses	1 month	None	0%	Immediate
High Yield Savings	Emergency Fund	6 months	None	0.5%	1 day
Brokerage	Major Purchase	> 1 year	Measured	4 - 6%	3 days
529 Plan	Education	≤ 18 years	Measured	4 - 10%	3 days
Retirement Plan	Retirement	≤ 40 years	Measured	4 - 10%	age 59 ½

Within your brokerage and retirement accounts it is important to be invested in a combination of equity and fixed income securities that is appropriate for both the timeframe and your personal risk tolerance. When working with IIM, investors with a longer timeframe can expect increased proportional exposure to sub-asset classes with higher volatility to optimize growth and, those with a shorter timeframe, can expect increased proportional exposure to sub-asset classes with lower volatility to optimize preservation of capital. Here are the equity and fixed income allocations of the IIM Risk-Based Fund lineup:



We can also regularly review and update your investment strategy, including re-assessing risk-tolerance and adjusting your asset allocation as new information is available. We are currently meeting clients virtually- please use the following link to schedule your fourth quarter 2021 investment review - [book online.](#)

Justin Wollman  
FOUNDER | HEAD OF RETIREMENT SOLUTIONS  
415 717 2661  
[justin@intent.finance](mailto:justin@intent.finance)

Intent Investment Management ("IIM") is a Registered Investment Advisor ("RIA"). IIM's CRD number is 315111. Registration as an investment adviser does not imply a certain level of skill or training, and the content of this communication has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. IIM renders individualized responses to persons in a particular state only after complying with the state's regulatory requirements, or pursuant to an applicable state exemption or exclusion. All investments carry risk, and no investment strategy can guarantee a profit or protect from loss of capital. This presentation booklet has been provided to you for use in a private and confidential meeting to discuss a potential or existing investment advisory relationship. This presentation is not an advertisement and is not intended for public use or distribution. Investment products offered are not FDIC insured, may lose value and are not bank guaranteed. Performance Disclosure - periods of more than one year are annualized. Past performance is no guarantee of future results. The returns presented above are net-of-fee and calculated through Morningstar Advisor Workstation using the target weights for the IIM Risk-Based Fund lineup - individual account performance may vary. The results reflect the deduction of all investment advisory fees. Investment advisory fees are described in Part II of Intent Investment Management's Form ADV.