



WORK \ FINANCE \ LIFE



San Diego's Business Across the Border; Charleston's New Muscle; Nashville Expands Its Repertoire



How U.S. Cities Do Business Overseas; One Man's Mission to Revive New Orleans; How Smart Is Your City?



Palm Springs' Youth Movement; Atlanta's Kitchens Heat Up; Pittsburgh Shakes Off the Rust

Worth[®]

THE EVOLUTION OF FINANCIAL INTELLIGENCE

DESTINATIONS NATIONS 2016

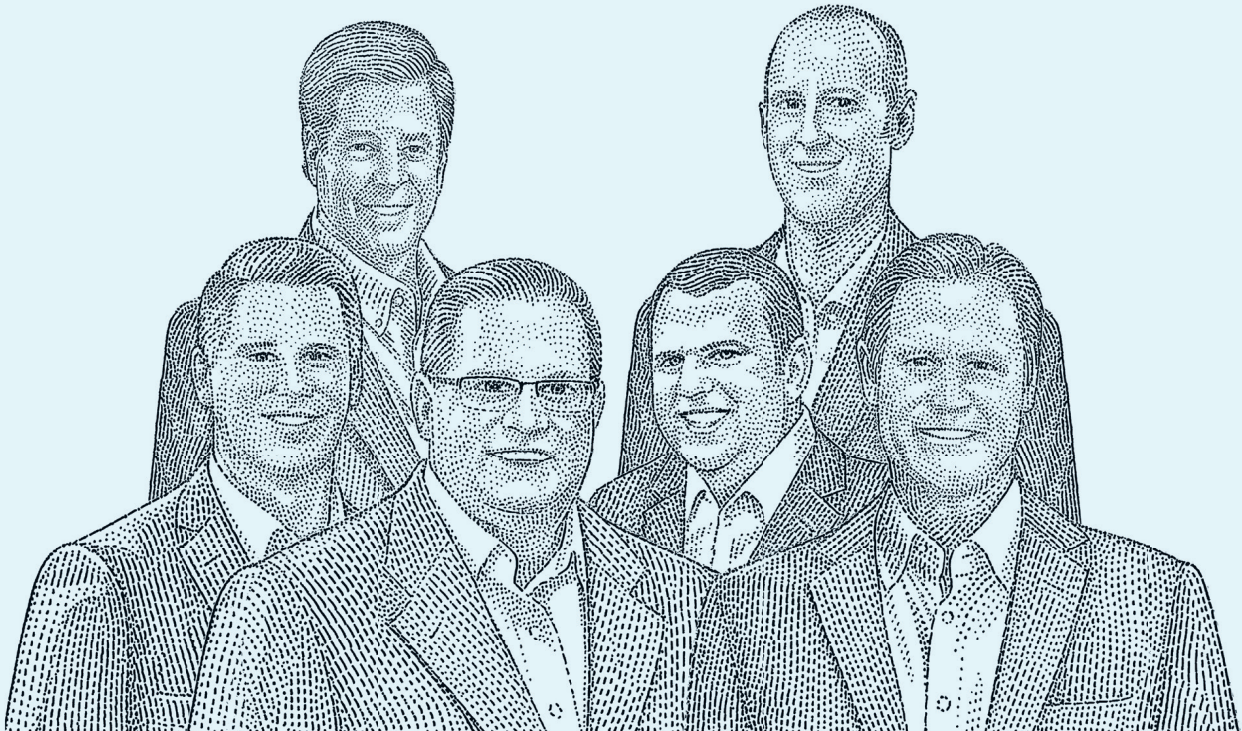
**THE 15 MOST
DYNAMIC CITIES
IN AMERICA**

WORTH.COM

VOLUME 25 | EDITION 03

How should the markets affect your life?

BY MICHAEL KROL, CFP®, CPA



Clockwise, from top right: Matthew Helfrich, John Waldron, Benjamin Greenfeld, Chris Roe, Michael Krol, Jim Mendelson

WALDRON PRIVATE WEALTH

1150 Old Pond Road, Pittsburgh, PA 15017

412.221.1005

TEAM

John Waldron, CFP®, Founder,
Chief Executive Officer

Matthew Helfrich, CFP®, President

Benjamin M. Greenfeld, CFP®,
Chief Investment Officer

Jim Mendelson, Managing Director

Michael Krol, CFP®, CPA, Chief Financial
Officer, Chief Service Officer

Chris Roe, CPA/PFS, Managing Director

FINANCIAL SERVICES EXPERIENCE

112+ years (combined)

ASSETS UNDER MANAGEMENT

\$1.1 billion (as of 12/31/2014)

MINIMUM FEE FOR INITIAL MEETING

None required

MINIMUM NET WORTH REQUIREMENT

\$5 million

LARGEST CLIENT NET WORTH

Confidential

COMPENSATION METHOD

Asset-based (investment services),
hourly and fixed fees

PRIMARY CUSTODIANS FOR INVESTOR ASSETS

Fidelity Family Office Services and Pershing

PROFESSIONAL SERVICES PROVIDED

Planning and investment advisory services

EMAIL

jwaldron@waldronpw.com
mhelfrich@waldronpw.com
bgreenfeld@waldronpw.com
jmendelson@waldronpw.com
mkrol@waldronpw.com
croe@waldronpw.com

WEBSITE

www.waldronprivatewealth.com

N

o one can predict what is going to happen in the investment markets. Even Warren Buffett, perhaps the greatest investor of all time, implores investors to stop trying to predict the direction of the stock market, the economy or elections.

And, as it turns out, it is actually *unnecessary* to try to predict the direction of the markets, because what happens in the markets should never affect an investor's life.

But how can this be possible? The S&P lost 50 percent of its value in the recent Great Recession. And in that same decade, NASDAQ lost nearly 80 percent of its value after the bursting of the "tech bubble."

Then there is the Chinese stock market, which has gained more than 100 percent on eight separate occasions during its relatively brief history. So, shouldn't investors change their plans based on the impact these wild market swings could have on their portfolios?

Our answer is an emphatic *no*. Whether the time frame was the Great Recession of 2008-2009, the bear market of 2000-2002 or even the choppy

markets of early 2016, we have fielded the same inquiries from current and prospective clients, including:

- Do I need to change my spending?
- Do I need to change my retirement plans?
- Will this impact the legacy I will be able to leave for my family and charitable interests?

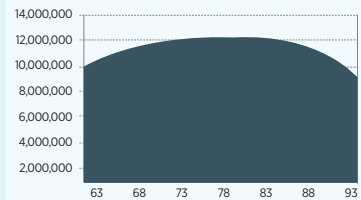
As we tell all of our clients, in both great times and bad ones, our job as your advisor is to develop a plan that accounts for the events that cannot be predicted.

An interesting example of this is illustrated in the three charts to the right. Advisors use these cash-flow projections to help clients decide when they should retire or to help set appropriate spending levels.

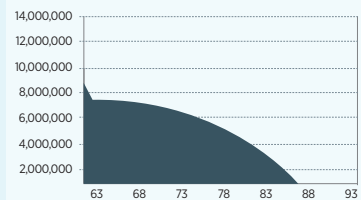
The first two charts were predictive projections run in 1973 and 1975, respectively, to help a client determine if he or she had enough portfolio assets to support a particular lifestyle. As you can see, a very different picture was painted before and after the bear market of the early 1970s.

The third chart is what the client actually experienced with an appropriate portfolio. An advisor using these projections and counseling a client to change his/her lifestyle after the bear market would have been making a terrible mistake.

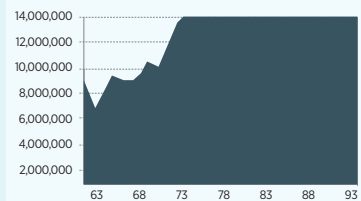
PROJECTION: JANUARY 1, 1973



PROJECTION: JANUARY 1, 1975



ACTUAL: 1973-2003



Our job as your advisor is to develop a plan that accounts for the events that cannot be predicted.



The moral of this story is simple: You should not have to change your lifestyle or your financial plans based upon bear markets, bull markets or anything in between. And, if you are receiving advice to the contrary, you might want to consider seeking new professional advice. ●

Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy or product (including the investments and/or investment strategies recommended or undertaken by Waldron Private Wealth), or any noninvestment-related content, made reference to directly or indirectly in this essay, will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation or prove successful. Due to various factors, including changing market conditions and/or applicable laws, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any discussion or information contained in this essay serves as the receipt of, or as a substitute for, personalized investment advice from Waldron Private Wealth. Waldron Private Wealth is neither a law firm nor a certified public accounting firm, and no portion of the essay content should be construed as legal or accounting advice. A copy of Waldron Private Wealth's current written disclosure statement discussing our advisory services and fees continues to remain available upon request.

ABOUT US

WALDRON PRIVATE WEALTH IS A BOUTIQUE PRIVATE WEALTH MANAGEMENT FIRM THAT ADVISES A SELECT GROUP OF HIGH NET WORTH INDIVIDUALS, FAMILIES AND FAMILY OFFICES. By limiting the number of clients it serves,

Waldron can offer greater focus on how to best simplify the complexities of significant wealth, so all clients can achieve what's important in their lives. Waldron's advisory team is prepared to serve the firm's clients across a wide range of key financial disciplines. The advisory team includes: three CPAs, ten CFPs, two CFAs, an attorney, a certified divorce financial analyst and a certificate holder from the Institute for Preparing Heirs. ●



John Waldron, CFP®
Founder and Chief Executive Officer

Matthew Helfrich, CFP®
President

Benjamin M. Greenfeld, CFP®
Chief Investment Officer

Jim Mendelson
Managing Director

Michael Krol, CFP®, CPA
Chief Financial Officer, Chief Service Officer

Chris Roe, CPA/PFS
Managing Director

Waldron Private Wealth

1150 Old Pond Road
Pittsburgh, PA 15017
Tel. 412.221.1005

jwaldron@waldronpw.com
mhelfrich@waldronpw.com
bgreenfeld@waldronpw.com
jmendelson@waldronpw.com
mkrol@waldronpw.com
croe@waldronpw.com
www.waldronprivatewealth.com

REPRINTED FROM

Worth
THE EVOLUTION OF FINANCIAL INTELLIGENCE

Waldron Private Wealth is featured in Worth® 2016 Leading Wealth Advisors™, a special section in every edition of Worth® magazine. All persons and firms appearing in this section have completed questionnaires, have been vetted by an advisory group following submission by Worth®, and thereafter paid the standard fees to Worth® to be featured in this section. The information contained herein is for informational purposes, and although the list of advisors presented in this section is drawn from sources believed to be reliable and independently reviewed, the accuracy or completeness of this information is not guaranteed. No person or firm listed in this section should be construed as an endorsement by Worth®, and Worth® will not be responsible for the performance, acts or omissions of any such advisor. It should not be assumed that the past performance of any advisors featured in this special section will equal or be an indicator of future performance. Worth®, a publication of the Worth Group LLC, is a financial publisher and does not recommend or endorse investment, legal or tax advisors, investment strategies or particular investments. Those seeking specific investment advice should consider a qualified and licensed investment professional. Worth® is a registered trademark of the Worth Group LLC.