

OUR INVESTMENT MANAGEMENT PHILOSOPHY

MFA Asset Management firmly subscribes to an integrated investment management philosophy that delivers solid risk-adjusted returns through risk mitigation, cost minimization and a disciplined, long-term approach. By integrating these aspects of investment management, we develop financial solutions that maximize tax efficiency and meet client objectives.

RISK-ADJUSTED RETURNS

We strive for above average returns with less-than-commensurate risk. We understand that our clients are more surprise averse than risk averse. Therefore, we focus on constructing investment solutions that provide attractive risk-adjusted returns with lower volatility. More specifically, we maximize our participation in upward trending markets while protecting our investment principal with risk controls and alternative strategies in down markets. Generally, we believe clients prefer a smoother, more stable return pattern.

RISK MITIGATION

The investment landscape has changed dramatically over the years to include all types of new investment strategies and asset classes. In order to boost returns and lower risk, we consider a variety of securities that do not display similar return characteristics. Through a process of diversification, we attempt to diminish any concentrated exposures within a portfolio. A client's portfolio size, asset allocation, or investment objective may warrant access to top-quality alternative investments, including hedge funds, private equity, real estate, and venture capital offerings to safeguard portfolio assets.

Employing a combination of active investments with a focus on efficient versus inefficient asset classes and asset managers, results in a globally diversified portfolio with limited downside.

MINIMIZE COSTS, FEES, AND TAXES

Markets are unpredictable; costs, taxes, and fees are not. The lower the costs, the greater the return to our clients. Investment selection is vital to establishing the tone of our clients' investment portfolio. During investment selection, we screen securities for style bias, risk characteristics, and return consistency. Our universe of securities includes stocks, bonds, mutual funds, and exchanged-traded funds.

Additionally, we seek a combination of investments that are complimentary and non-correlated in order to construct portfolios that are truly global and diversified. Our rigorous fund research process, overlaid with our industry expertise, allows us to pick high quality, consistently proven, efficient securities for our clients.

INDEPENDENCE

Our investment selections are un-biased as we receive no commission or other financial benefit from the selection of specific investments utilized. We seek the best possible investments at the lowest cost to our clients to enhance return, reduce risk, or both. Asset allocation dictates investment selection; no investments will be included in a portfolio simply because a manager is currently in favor. We do not custody client assets and our only fees come from our clients—we work for you, and only you.

DISCIPLINED, LONG-TERM APPROACH

The manner in which investments are distributed to different asset classes (stocks, bonds, cash, real estate, alternative investments, etc.) is universally recognized by experienced portfolio managers as the primary determinant of long-term investment returns. We help clients set allocations based on their unique and personal financial objectives, cash flow requirements, time horizon, risk tolerance, and tax situation.

Through a systematic discussion and analysis of these variables, we build a strategic, long-term allocation that is completely customized—no two are alike. Over time, we may rebalance the portfolio to maintain desired allocations, make short-term adjustments to respond to market conditions, or revise the allocation to reflect changes in circumstances or goals.



CONTACT US

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ASSET MANAGEMENT