

Ultimate Buy and Hold Strategy 50/50 U.S. International allocation

For over 25 years we have been updating our Ultimate Buy and Hold Strategy. The purpose of this study is to introduce investors to the long term impact of 10 different equity asset classes. According to many academics these 10 equity asset classes have a high probability of producing long term returns that are equal to or higher than the S&P 500. It is from this group of equity asset classes that we find the components for our Sound Investing Portfolios. This Table uses a 50/50 U.S./International allocation.

Table A1a: Ultimate Buy & Hold Equity Portfolio (50% US/50% Int'l)

	World-Wide Equity Portfolio Build-Up ----->						
	S&P 500	+US LCV	+US SCB	+US SCV	+US REITs	+Int'l	+ EM
1970 - 2024 (55 years) (with ANNUAL rebalancing)	Portfolio 1 S&P 500	Portfolio 2	Portfolio 3	Portfolio 4	Portfolio 5	Portfolio 6	Portfolio 7 WW UBH
Initial \$100,000 Grew to:	\$29,851,147	\$32,111,008	\$33,880,793	\$40,224,091	\$39,991,820	\$46,797,139	\$53,439,676
Annualized Compound Return	10.9%	11.1%	11.2%	11.5%	11.5%	11.8%	12.1%
Annualized Standard Deviation	17.1%	16.9%	17.0%	17.0%	16.8%	17.6%	18.2%
Difference from Portfolio 1	\$0	\$2,259,861	\$4,029,645	\$10,372,944	\$10,140,672	\$16,945,991	\$23,588,529

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Note: Index returns reduced by the equivalent of a representative fund's expense ratio.

	World-Wide Equity Portfolio Build-Up ----->						
	S&P 500	+US LCV	+US SCB	+US SCV	+US REITs	+Int'l	+ EM
1970 - 2024 (55 years) (with MONTHLY rebalancing)	Portfolio 1 S&P 500	Portfolio 2	Portfolio 3	Portfolio 4	Portfolio 5	Portfolio 6	Portfolio 7 WW UBH
Initial \$100,000 Grew to:	\$29,851,147	\$31,959,623	\$33,662,423	\$39,574,738	\$39,357,611	\$43,532,434	\$47,923,359
Annualized Compound Return	10.9%	11.1%	11.2%	11.5%	11.5%	11.7%	11.9%
"Annualized" Monthly Standard Dev.	17.1%	17.2%	17.4%	17.8%	17.6%	17.1%	17.4%
Difference from Portfolio 1	\$0	\$2,108,475	\$3,811,276	\$9,723,591	\$9,506,464	\$13,681,287	\$18,072,212

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Note: Index returns reduced by the equivalent of a representative fund's expense ratio.

Ultimate Buy & Hold Equity Portfolio Asset Allocation (50% US/50% Int'l)

Portfolio	S&P 500	US LCV	US SCB	US SCV	REIT	Intl LCB	Intl LCV	Intl SCB	Intl SCV	Em Mrkt
#1	100%									
#2	90%	10%								
#3	80%	10%	10%							
#4	70%	10%	10%	10%						
#5	60%	10%	10%	10%	10%					
#6	20%	10%	10%	10%	10%	10%	10%	10%	10%	
#7 / UB&H	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%

Table A2a: Alternative Equity Portfolio Tables (50% US/50% Int'l)

	S&P 500	UB&H WW	WW 4-Fund	US 4-Fund	WW All Value	US All Value	WW All SCV	US All SCV	US 2-Fund
1970 - 2024 (55 years) (with ANNUAL rebalancing)	Portfolio 1 S&P 500	Portfolio 7 WW UBH	Portfolio 8	Portfolio 9	Portfolio 10	Portfolio 11	Portfolio 12	Portfolio 13	Portfolio 14
Initial \$100,000 Grew to:	\$29,851,147	\$53,439,676	\$57,389,219	\$56,455,207	\$75,950,951	\$81,672,281	\$131,163,217	\$112,728,933	\$67,030,031
Annualized Compound Return	10.9%	12.1%	12.2%	12.2%	12.8%	13.0%	13.9%	13.6%	12.6%
Annualized Standard Deviation	17.1%	18.2%	18.6%	18.3%	18.9%	19.1%	21.3%	22.2%	18.1%
Difference from Portfolio 1	\$0	\$23,588,529	\$27,538,072	\$26,604,059	\$46,099,804	\$51,821,133	\$101,312,069	\$82,877,785	\$37,178,884

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Note: Index returns reduced by the equivalent of a representative fund's expense ratio.

	S&P 500	UB&H WW	WW 4-Fund	US 4-Fund	WW All Value	US All Value	WW All SCV	US All SCV	US 2-Fund
1970 - 2024 (55 years) (with MONTHLY rebalancing)	Portfolio 1 S&P 500	Portfolio 7 WW UBH	Portfolio 8	Portfolio 9	Portfolio 10	Portfolio 11	Portfolio 12	Portfolio 13	Portfolio 14
Initial \$100,000 Grew to:	\$29,851,147	\$47,923,359	\$52,213,506	\$55,783,214	\$68,018,708	\$82,465,404	\$117,998,632	\$112,728,933	\$64,648,448
Annualized Compound Return	10.9%	11.9%	12.1%	12.2%	12.6%	13.0%	13.7%	13.6%	12.5%
"Annualized" Monthly Standard Dev.	17.1%	17.4%	17.6%	19.8%	18.5%	20.8%	19.9%	23.9%	19.4%
Difference from Portfolio 1	\$0	\$18,072,212	\$22,362,358	\$25,932,067	\$38,167,561	\$52,614,256	\$88,147,485	\$82,877,785	\$34,797,301

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Note: Index returns reduced by the equivalent of a representative fund's expense ratio.

Sound Investing Portfolio Asset Allocations (Worldwide (WW) portfolios: 50% US / 50% Int'l)

Portfolio	S&P 500	US LCV	US SCB	US SCV	REIT	Intl LCB	Intl LCV	Intl SCB	Intl SCV	Em Mrkt
S&P 500	100%									
WW UBH	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
WW 4-Fund	25%			25%			25%	25%		
US 4-Fund	25%	25%	25%	25%						
WW All Value		25%		25%			20%		20%	10%
US All Value		50%		50%						
WW All SCV				50%					50%	
US All SCV				100%						
US 2-Fund	50%			50%						

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