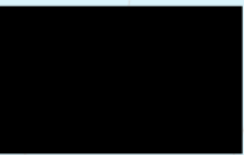


The Wealthfront Generation

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Is Automated Investing
Right for Me?
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Drawbacks

- Not actually advisors-shifts
 - Poor risk profiling
 - Above avg return claims. The S&P 500 has averaged a real return of about 6% since 1925
 - Mechanical failures
- Thecasesolutions.com

Sources

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What is Automated Investing?

- AKA "Robo Investing"
- Automated computer algorithms that allocate, deploy and rebalance investments
- Active management without portfolio managers
- Low fees

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Background

Started in 2009
grows to 2009+ revenues
Projected to reach \$55-\$60 billion, up from \$10 billion at the end of 2014

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Major Players

Robo-advisors: use of the firm, easy to use
Wealthfront, similar to Betterment
Wealthfront: no assets (the 100% fee)
FutureAdvisor: robust investment and tool

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Pros

- Pressure to lower fees
- Overall quality improvement: value
- Systematic process
- Minimize emotion
- Cooperation with humans

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Background

Started in 2008
grown to 200+ companies
Project to reach \$55-\$60 billion, up from
\$16 billion at the end of 2014

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Major Players

Betterment- one of the first, easy to use

WealthFront- similar to Betterment

WiseBanyan- no annual fee (still ETF fee)

FutureAdvisor- robust investment eval tool

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The background features a light blue field with a network of thin, light grey lines connecting small dots. Some dots are white, while others are grey. A thick blue circle is centered on the slide, enclosing the main text. In the top left corner, there is a grey circular shape and a blue diagonal line segment.

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Sources

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