



Pentegra Retirement Services Suggests to Make Rebalancing a Summer Event

For Immediate Release

White Plains, NY, June 6, 2016 – Barbecues, beach parties, and a portfolio review? Before heading out on summer vacation, Pentegra Retirement Services (Pentegra) suggests a midyear evaluation of your retirement plan investments. Summer is an opportune time to ride the rebalancing wave and make sure your asset allocation continues to reflect your investment strategy, reports Pentegra.

According to Rich Rausser, Senior Vice President at Pentegra, “Most likely, one of your first investing moves was to choose a mix of stocks, bonds, and cash investments for your portfolio that fit your time horizon, risk tolerance, and investing strategy. But, as market values rise and fall, the value of your investments and the percentages you allocated to each asset class can change. As a result, your portfolio may be exposed to more risk than you are comfortable with or may have become too conservative for your goals.”

Rebalancing can restore your original asset mix. And, conversely, if your feelings about risk have changed, rebalancing can bring your portfolio in line with your current risk tolerance. Consider checking the investment performance of your portfolio annually, semiannually, or even quarterly. Rausser explains, “If you find that your asset mix or your risk tolerance has changed, you can rebalance your investments to match your objectives.”

One way to rebalance your investments is to consider directing a larger percentage of your new contributions to the asset class that is lagging behind and underrepresented in your portfolio.

Another strategy involves selling investments in the asset class that is doing well and buying investments in the classes that may be underperforming. Although you may be reluctant to sell investments when their values are rising, reminding yourself that you chose your asset allocation to reflect your risk tolerance, time horizon, and investment objectives can put rebalancing in perspective.

Says Rausser, “Of course, you may determine that your current strategy or asset allocation is still appropriate. Regardless of whether or not you opt to rebalance, conducting periodic reviews of your portfolio is a good practice and allows you to fine-tune your long-term financial plan.”

Pentegra Retirement Services is a leading provider of retirement plan and fiduciary outsourcing solutions to organizations nationwide. Founded by the Federal Home Loan Bank System in 1943, Pentegra offers a broad array of qualified and non-qualified retirement plan solutions, third party administration (TPA) services and benefits financing solutions using bank owned life insurance (BOLI). In addition, Pentegra, through Pentegra Investors, Inc., also serves the needs of

institutional investors, offering partial or complete investment outsourcing capabilities. For more information, go to www.pentegra.com. Visit Pentegra on Facebook at www.facebook.com/PentegraRetirementServices.

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