



**VOLATILITY – According to Michael Messinger, CEO, of  
Redwood Investment Management . . . . Did you Know – 2011  
Was More Volatile than 2008?**

Please review the attached chart.

**13 times in 2011 the S&P 500 moved up and down by 7% or more.**

Most of our retired and pre-retiree clients do not like volatility,  
especially if they are taking income from their assets.

This chart typifies the continued anguish clients deal with all of the time  
with the stock market volatility.

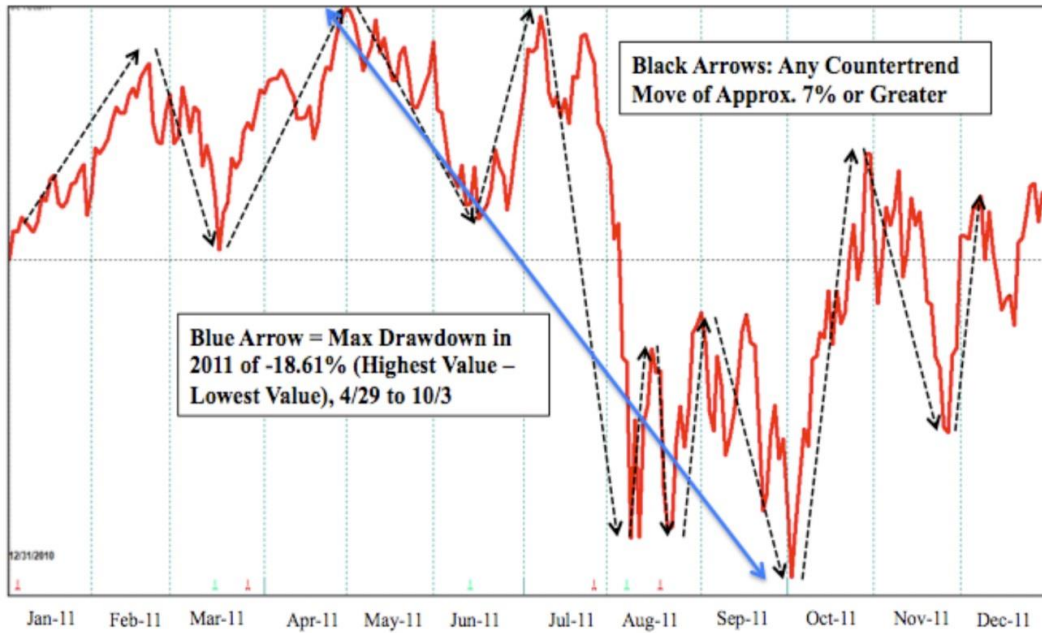
You can show this to clients and say, “Do you want more of this or  
much less?”

**Or, would you like low volatility with low risk and still attain excellent rates of return over time?**

“A good sleep at night” portfolio refers to our low risk, low volatility Private Wealth Management.

REDWOOD

**2011 S&P 500 ETF (SPY)**



**Table 1 - 2011 S&P 500 Index / 13 Counter-trend Moves of Approximately 7% or Greater**

	Start Date	End Date	% Move	# of Days
1	12/31/2010	02/18/2011	6.79%	49
2	02/18/2011	03/16/2011	-6.41%	26
3	03/16/2011	04/29/2011	8.49%	44
4	04/29/2011	06/15/2011	-7.20%	47
5	06/15/2011	07/07/2011	6.94%	22
6	07/07/2011	08/08/2011	-17.27%	32
7	08/08/2011	08/15/2011	7.60%	7
8	08/15/2011	08/19/2011	-6.72%	4
9	08/19/2011	08/31/2011	8.49%	12
10	08/31/2011	10/03/2011	-9.82%	33
11	10/03/2011	10/28/2011	16.91%	25
12	10/28/2011	11/25/2011	-9.84%	28
13	11/25/2011	12/07/2011	8.83%	12

- Average Number of Days between Each Counter-trend Move = 26 days
- Average *Absolute* Percentage Counter-trend Move = 9.33%

Sources: Fastrack  
 Past Performance is not indicative of future results.

S&P 500 INDEX: A stock market index based on the market capitalizations of 500 leading companies publicly traded in the U.S. stock market, as determined by Standard & Poor's. Investors cannot invest directly in an index.  
 SPY: SPY is the SPDR S&P 500 exchange-traded fund (ETF) that, before expenses, generally corresponds to the price and yield performance of the S&P 500 Index.