

KLD Capital Management Sub-Advisory Money Management Services

Truly Different Analysis for True Strategy Diversification, capital preservation, and capital growth, based on “Strength is Risk”: systematically buy when the market is weak and sell when it is strong through measuring market strength, stock by stock and [sector by sector](#).

KLD Capital Offers You:

- * **The [KLD Long/Short Multi-Index Strategy](#), a portfolio-diversifying, white-label, turn-key, long/short absolute return U.S. equities program**
 - Objective: steady, superior risk-adjusted returns with lower drawdowns and lower volatility through all economic environments, emphasizing risk management
 - Focus on capital preservation first, growth second; effectively buys and sells with value investors and short-sellers using a diversifying methodology that increases long exposure when market risk is lower and decreases long exposure when market risk is higher
 - Based on exclusive, original KLD methodology: [IDExtreme Approach](#) using Inside-Out Risk Analysis, [KLD Sector Risk Gauge](#), and [Market Phase Analysis](#) – deploying a consistent, objective, sustainable market edge through applying non-traditional perspective to [proprietary information](#) to create actionable context

- * **Existing and future [alpha sources](#) from investment programs based on the IDExtreme Approach**
 - Currently use mutual funds (Long/Short Multi-Index Strategy uses ProFunds mutual funds replicating up to 2x normal/inverse performance of five major U.S. market indexes, with holding periods ranging from one day to several weeks)
 - Future strategies will use market index- and sector-level ETFs and mutual funds, and individual stocks, and be long/short, long-only, or short-only
 - Strategies can be combined for further diversification within KLD/white label strategies

- * **Custom system modeling services**
 - 20+ years of complex financial modeling experience
 - 10+ years of U.S. equities experience

Your Benefits:

- * **Stronger marketing abilities**
 - New product = new reason to “touch” existing and prospective clients
 - Competitive differentiation with broader product offering
 - Create and offer custom strategies for individual clients with outsourced analytical capabilities

- * **Better client satisfaction and retention**
 - Strategy diversification = better capital preservation/growth portfolio-wide
 - Potential superior risk-adjusted returns with existing Long/Short Multi-Index Strategy, and with future KLD/white label strategies including custom strategies for individual clients
 - Emphasis on continually seeking ways to improve client performance

- * **Greater profits**
 - Higher margin product, immediately and in the future with new offerings
 - Greater \$AUM “stickiness” with enhanced client retention and performance
 - Stronger \$AUM growth from existing and new clients