

# HiddenLevers® Integration

## Scenario-based Portfolio Stress Testing

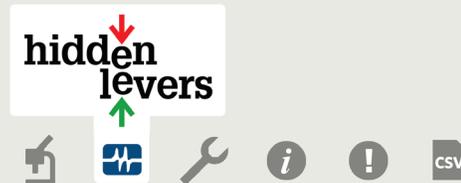
Investnet has integrated with HiddenLevers to deliver its portfolio stress testing tools directly from the Investnet Advisor Suite. Use HiddenLevers' economic scenarios and macro correlations modeling to give clients a sense of how vulnerable their investments may be to various economic changes, and what they might do to help protect their portfolio.

### Discover the Risks and Opportunities in Client Portfolios

HiddenLevers helps you model the impact of up-to-date macro scenarios for client and prospect portfolios. Discover hedging strategies using inverse and non-correlated securities that may help insulate a portfolio from big market moves.

Help clients with the big questions:

- How could the end of QE affect portfolios?
- What are potential hedges against falling gold prices?
- How can you better position your portfolio for a housing rebound?



#### Scenario Modeling

Choose Scenario: End of QE: Deflation Strikes Back

Scenario Expectation: Fully Priced In | Not Priced Into Market  
0% Priced Into Market

Expected Timeframe: 1 Year

What if the Fed begins to unwind QE, but the economy is not able to sustain growth on its own?  
 Asset prices will begin to deflate without Fed support unless there are clear signs that the economy can continue the recovery on its own. A deflationary pulse in stocks and commodities would likely be linked to falling interest rates and weakening economic growth, with the potential for a return to recession.

Click here for stock suggestions and more on this scenario.

#### Economic Levers

Key Scenario Levers:

- 10Y UST Yield: 2.07%
- Primary Levers:
- 12M T-Bill Yield: 0.02%
- CPI: 0.27%
- Euro: 1.15 \$
- Oil: 75.52 \$/barrel
- Retail Sales: 0.53%
- S&P 500: 1303.26
- Unemployment: 8.1%
- US GDP Growth: 0.86%
- USD Index: 90.97 (Index Value)
- Portfolio-Specific Levers:
- Copper: 2.19 \$/lb

Reset Levers Save Scenario

#### Portfolio: Montgomery 60/40 | Edit

Asset	Value	Change
American Funds Bond Fund of Amer A	21.00	
ABNDX Fund - Intermediate-Term Bond	2%	
15.00 First Eagle of America A		-20.89%
FEFAX Fund - Mid-Cap Blend		
12.00 Harbor Capital Appreciation Instl		-18.97%
HACAX Fund - Large Growth		
8.00 American Funds EuroPacific Gr A		-21.14%
AEPGX Fund - Foreign Large Blend		
8.00 Hartford Dividend & Growth A		-20.98%
IHGIX Fund - Large Value		
8.00 Pioneer Strategic Income A		1.97%
PSRAX Fund - Multisector Bond		
8.00 Templeton Global Bond Adv Fund - World Bond		1.59%
TGBAX Royce Pennsylvania Mutual Invt		-23.52%
6.00 PENNX Fund - Small Blend		
6.00 American Funds SMALLCAP World A		-23.07%
SMCWX Fund - World Stock		
4.00 American Funds AMCAP A		-20.24%
AMCPX Fund - Large Growth		
4.00 US Dollar Cash		0%
FX:USD Currencies		
<b>Total:</b>	<b>-11.68%</b>	

## Risk in Real Terms

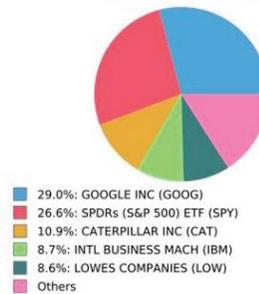
HiddenLevers uses statistical analysis and other approaches to model the relationships between industries, securities and economic factors. Underneath the accessible interface is hard-core math called multivariate regression analysis. Use the portfolio comparison report to showcase your ability to model scenarios in several contexts:

- Comparing portfolios of prospects to your own models
- Changing a model to effect a tactical or hedging strategy
- Pre and post rebalancing
- Investment committee meetings on portfolio manager evaluation
- Getting a better understanding of clients' risk tolerance and risk capacity
- Retirement planning

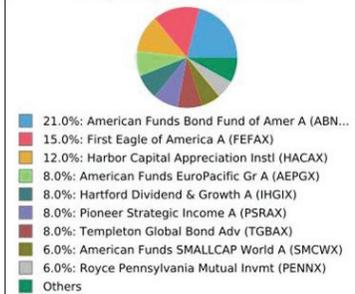


**Portfolio Comparison Report**  
Prepared For John Vanderman By Pro Demo User  
June 27, 2013

John Vanderman: Top Holdings



Montgomery 60/40: Top Holdings



### Scenario Impact Summary

Scenario:	John Vanderman Return:	Montgomery 60/40 Return:
<b>End of QE: Bond Exodus</b> What if the Fed decides to taper its QE programs in 2013, resulting in a 1994-style bond exodus and crash?	-0.8%	-2.5%
<b>End of QE: Deflation Strikes Back</b> What if the Fed begins to unwind QE, but the economy is not able to sustain growth on its own?	-22.8%	-11.7%
<b>End of QE: Economy Back on Track</b> What if economic growth continues to accelerate, enabling the Fed to wind down QE and return to a more neutral monetary policy?	7.7%	4.1%
<b>End of QE: Stagflation</b> What if the Fed is forced to end its QE programs as a result of rising inflation?	-4.6%	-5.5%

## Pricing

FEATURES	BASIC	PRO	ELITE
Scenario Modeling	•	•	•
Risk Profiles	•	•	•
Reports	•	•	•
Custom Branding		•	•
Hedging Wizard for Rebalancing		•	•
Options and Alternatives Support			•
Embedded Stress Testing App			•
<b>Logins</b>	<b>1</b>	<b>3</b>	<b>5</b>
<b>Monthly Pricing (USD)</b>	<b>\$300</b>	<b>\$600</b>	<b>\$1200</b>

For more information, please call your relationship consultant or visit [www.hiddenlevers.com/envestnet](http://www.hiddenlevers.com/envestnet)

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