

CASE STUDY

An Advisor Uses Nitrogen to Thrive During Market Volatility



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Get to Know Yo

- Graduated from University of California, Davis
- Started in financial services immediately out of college... he's a lifer
- Registered Principal with United Planners Financial Services for 11+ years
- Started using Nitrogen in 2014

Charting the Evolution of Risk Profiles

When Ioannis Meras (better known as “Yo”) started out in financial services, risk questionnaires were always a part of creating a client’s investment profile—but back then, they didn’t use academic frameworks or give investors one easy-to-understand number.

In the 1990s, Yo would take his clients through the risk questionnaire in a meeting and their response was, “How am I supposed to answer this, just tell me what my answer should be!”

Unfortunately, that process was the best the industry had to offer at the time.

In the end, those questionnaires weren’t much better than simply asking an investor to blindly define themselves as conservative, moderate, or aggressive—and if asked, they would simply say “Yes.” Those types of antiquated terms mean something different to each investor, and stereotyping investors based on their age is a pointless exercise.

But when Yo first saw Nitrogen in 2014, he knew something was different. After seeing a demo of the platform, his initial impression was: “These guys get it.”

The Risk Assessment in Nitrogen illustrates, in real dollars, how much a client can stomach losing when the market takes a downturn to make the results “real” and impactful to them.

In the end, it all comes down to, “What are you going to be able to sleep with at night?”

Today, Yo can engage clients in their real emotions about loss, and help them arrive at a much more realistic and comfortable place about risk in their portfolio, because as he says, “Loss Matters!”

Once he’s pinpointed an investor’s Risk Number®, he aligns them with the corresponding Risk Number portfolio. But that’s not the only benefit Yo gets from making Nitrogen a central piece of his practice.

Making Better Investment Decisions with the Nitrogen Partner Store

In Yo’s eyes, the Partner Store is the perfect fit for larger advisory firms because of its turnkey nature. He describes the process with only two words: “It’s brilliant.”

Yo uses the Partner Store to accommodate a truly unique vision. Unlike most advisors who use the Partner Store for outsourced portfolio management, he subscribes to models from these managers as a form of research.

Yo appreciates the automatic alerts he receives whenever a manager makes allocation adjustments. Those automated notifications alert him to what he calls the “Stractical” (strategic + tactical) decisions being made by these outstanding firms.

What is the Nitrogen Partner Store?

The Partner Store is your one-stop collection of models available right in your Nitrogen account. Tap into the industry’s best researchers and asset managers, and get alerts when strategies are updated. The Partner Store is included at no additional cost for most Nitrogen subscriptions.

Yo doesn't run a mega advisory practice and still enjoys creating and managing models for each of his clients. So when he gets the alerts through the Partner Store, it prompts him to see how another manager's decisions might align with his own.

From there, he grabs a model with a similar Risk Number to one of his own so he can compare the two.

In a way, the Partner Store helps him set personal benchmarks to identify his own asset management decisions.

"The Partner Store gives me a way to grade myself," Yo says. He can review how other managers allocate among asset classes, like large cap stocks or international bonds, or he can compare the Nitrogen GPATM of a particular model's allocations against his own.

Some of the models that Yo has subscribed to from the Partner Store come from firms like these:

Addressing the "Are You Okay" Question

When markets do what they do and head south for a period of time, every advisor is familiar with the "Are you okay?" question.



It's where an advisor who's doing their due diligence to monitor client portfolios will pick up the phone to make a proactive phone call and make sure their client is feeling good with the current level of volatility.

Proactive outreach to clients in the face of volatility can be helpful to get a pulse check, but for Yo, that call almost never has to happen. In fact, when the markets have taken a dip, he's had clients call to ask how he's doing.

Why do Yo's clients call him during market volatility, instead of the other way around? It's because, thanks to the Risk Number, they know who they are as investors.

"They have self-validated their risk," Yo says. "They chose to handle the downside they're experiencing. So if they feel uneasy, we both know it's time to re-evaluate and take the Risk Assessment again."

But as Yo reflects on his years of using Nitrogen, there's one thing he wants other advisors to know about the software that's even more important than the way it helps him refine his investment strategies and support clients in the most turbulent markets:

"For all you advisors thinking of using Nitrogen, DON'T! I want this fantastic, incredible, game changing tool all to myself. With it, only I will be able to rule the entire investment world!"


READY TO JOIN THE FEARLESS INVESTING MOVEMENT?


Sign up for a product demo at Nitrogenwealth.com/advisors and get to know the power of the Risk Number.

Sign up

Special thanks to Jeremy A. Cooley for his candor and commitment to empowering the world to invest fearlessly.

Nitrogen is the company that invented the Risk Number®, which powers the world's first Risk Alignment Platform and was built on top of a Nobel Prize-winning academic framework. Advisors, broker-dealers, RIAs and asset managers use the Nitrogen platform to create alignment between clients and portfolios, leverage sophisticated analytics to increase the quality of their advice, automate trading and client account management, and access world-class models and research in the Nitrogen Partner Store — all with the mission of empowering the world to invest fearlessly. To learn more, visit Nitrogenwealth.com.

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