The Simpler, More Affordable Way To Invest

(NAPSA)—Just as innovation is changing how people order food, shop and make travel arrangements, financial services companies have found a way technology can make investing more convenient and affordable.

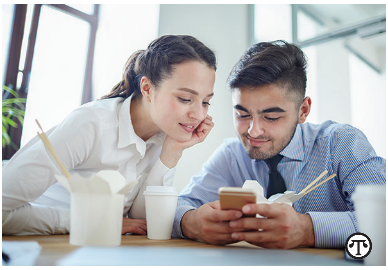
This latest trend is often referred to as automated investing. Before jumping in with your own finances, however, it's important that you learn the details to determine if an automated investment advisor is for you.

• **What's automated investing?** An automated investment advisor (sometimes referred to as "robo investing") uses sophisticated computer algorithms to offer low-cost managed investments. Users answer a series of intuitive questions about their financial goals, risk tolerance, and investment time horizon, and the automated advisor recommends a personalized investment portfolio suited to those needs. These portfolios are comprised of a diverse set of Exchange Traded Funds (ETFs) designed with low-cost diversification in mind. The financial services company executes the investment and automatically manages it for a fraction of the cost of a traditional advisor.

• **How does it make investing easier and more accessible?** Not everyone has the time or know-how to manage an investment portfolio, or the inclination or ability to pay potentially hefty fees for a portfolio manager to do it on their behalf. Access to an account professionally managed by human advisors, however, was historically a problem for those who did not meet their high minimums, oftentimes $500,000 or more.

Enter the automated advisor, which automatically monitors your investment portfolio and, as the stock market fluctuates, rebalances holdings based on your risk tolerance, projected investment timeline and wealth outlook, to help keep you on track with your goals.

"Some people are very good at managing their own investments," said Rich Hagen, president of Ally Invest, the online brokerage and wealth management arm of Ally Financial. "Others just don't have the time or expertise. Younger investors, in particular, often don't have the assets needed to get the attention of a top portfolio manager. An automated advisor can solve the disconnect by making professionally managed portfolios accessible to more people."



Don't have the time or expertise to manage market fluctuations? Consider new technologies that can help you grow your savings efficiently.

Automated advisors sift through thousands of ETFs to invest your money into a range of diversified low-cost index ETFs. Like mutual funds, ETFs pool the money of numerous investors to purchase a group of stocks. Like index mutual funds, most are passively managed, which means they work to mimic the performance of a specific index such as the S&P 500 or the Dow Jones Industrial Average.

• **What do they cost?** With an automated advisor, you don't have to pay exorbitant fees, earn a six-figure income or have thousands of dollars in savings to reap the benefits of a professionally managed investment portfolio. Industry average fees for a human financial advisor hover around 1.02 percent, meaning costs start to add up as your investment portfolio grows. Generally, automated advisors provide customized portfolios more affordably. For example, at Ally Invest Managed Portfolios, the annual advisory fee is 0.30 percent of account assets. That means for an account with a $10,000 balance, the monthly fee is $2.50. Plus, there are no trading fees and you can start investing with just $2,500.

• **Can I talk to a person?** A purely automated service isn't always enough, even when 24/7 phone support is available. Some firms, such as Ally Invest, provide customer service from knowledgeable professionals.

• **How can I learn more about automated investing?** Visit www.Ally.com and click on "managed portfolios."

***Editor's Note:** This post is sponsored content from Ally Financial. This disclosure is made in accordance with the Federal Trade Commission's 16 CFR, Part 255: "Guides Concerning the Use of Endorsements and Testimonials in Advertising."*