

What is low volatility investing

LOW VOLATILITY INVESTING

Low volatility stocks

- Safe haven stocks
- Often are also reliable dividend paying stocks
- Sectors:
 - Utilities
 - Healthcare, drugs
 - Consumer staples
 - Real estate
- Barometer of investor sentiment
- If low volatility stocks are weak = "Risk on" market
- If low volatility stocks are strong = "Risk off" market

Low volatility Investing

- An investing factor, like
 - Growth,
 - Volume,
 - Quality,
 - Market Cap
- Reduces losses during market declines
- Maintains exposure to upside when market is advancing
- Long-term approach, or
- Short-term defensive approach
- Defensive, conservative investors
- Low risk tolerance
- Low risk appetite

