

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Dear [Client Name],

Subject: Portfolio Optimization and Tax-Loss Harvesting Update

As part of our ongoing commitment to your wealth management strategy, we have recently completed a comprehensive review of your investment portfolio. Our objective is to ensure your asset allocation remains aligned with your long-term financial goals while maximizing after-tax returns.

Based on current market conditions, we have identified opportunities to enhance your portfolio through the following actions:

- **Tax-Loss Harvesting:** We have identified specific securities currently trading below their cost basis. By realizing these losses, we can offset capital gains and potentially reduce your taxable income for the current year.
- **Strategic Rebalancing:** To maintain your target risk profile, we will transition proceeds from sales into diversified positions that align with your core investment strategy.
- **Cost Optimization:** We are reviewing underlying fund expenses to ensure you are utilizing the most cost-efficient investment vehicles available.

These adjustments are designed to improve your portfolio's efficiency without significantly altering your overall market exposure. No action is required on your part at this time; however, if there have been any recent changes to your financial situation or tax status, please let us know immediately.

We will provide a detailed summary of these transactions in your next monthly statement. If you have any questions regarding these optimizations, please contact our office to schedule a brief call.

Sincerely,

[Advisor Name]

[Title]

[Firm Name]