

# Asbury Balanced Portfolio



Prepared for

**Asbury Research**

Sep 23, 2024

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Asbury Research models and portfolios were created by extensive quantitative backtesting of combinations of standard and proprietary indicators that measure a broad scope of data-driven market conditions including, but not limited to, asset flows, market volatility, standard deviation, and relative performance, all based on John Kosar's 40-plus year career in the financial markets

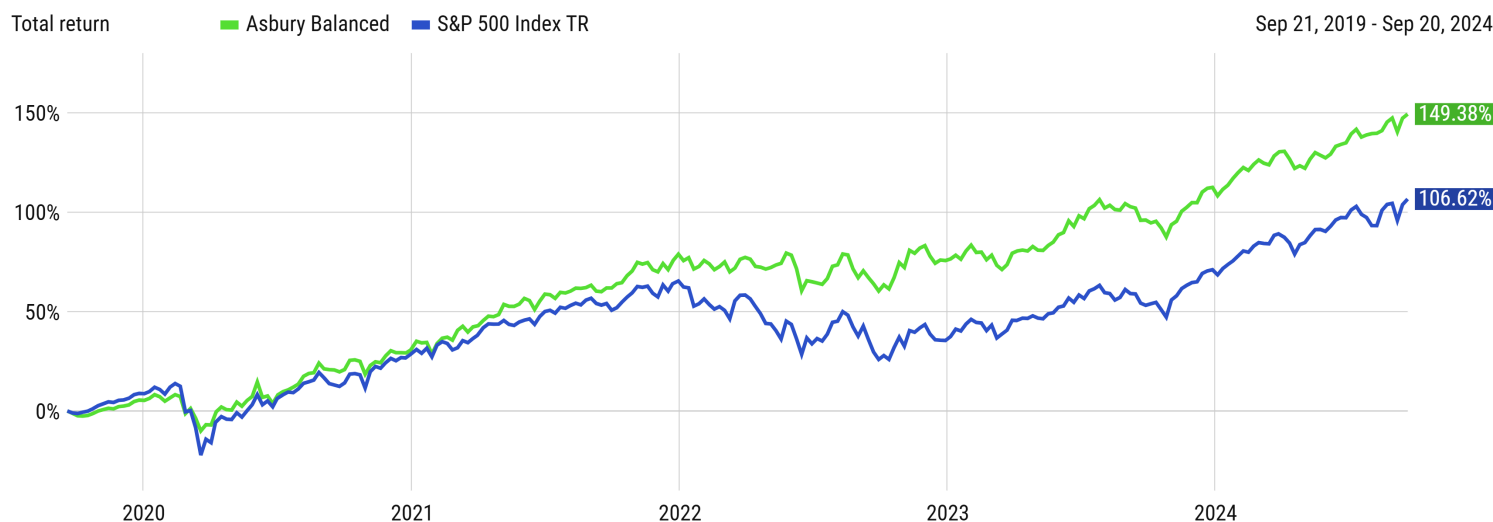
### **Asbury Balanced Portfolio (50/50)**

**The Asbury Balanced Portfolio is a 50/50 blend of our SEAF® (Sector ETF Asset Flows) Model and CPM® (Correction Protection Model) Models. SEAF is a completely data-driven sector rotation model that was created to quantitatively identify long/overweight opportunities in US market sectors. SEAF is always fully invested in the market, providing investors with a dynamic alternative to the traditional buy-and-hold portion of a portfolio. CPM is a completely data-driven, dynamic stocks/bonds allocation model.** It was designed to replace the traditional but outdated static stocks/bonds allocation (60/40, etc.) that completely disregards current market conditions. When the stock market is internally healthy according to CPM, the model is said to be on a "risk on" status and is fully invested in the SPDR S&P 500 Trust ETF (SPY). When the stock market is internally weak and vulnerable to a decline according to CPM, it is said to be on a "risk off" status and is completely out of SPY and fully invested in a short term US Treasuries ETF (BIL).

**The Asbury Standard Portfolio** is essentially the merger of a capital preservation strategy (CPM) and an alpha-generating sector rotation strategy (SEAF) which, when combined, also adds an element of diversification within the equity market that has resulted in a slightly lower drawdown than CPM but with relative outperformance versus the benchmark.

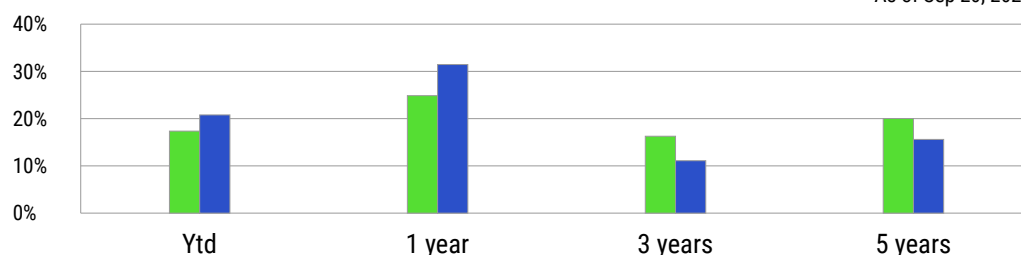
# Performance

## Cumulative returns 5y



## Periodic Returns

As of Sep 20, 2024



■ Asbury Balanced  
■ S&P 500 Index TR

Periodic returns for periods longer than one year are annualized.

## Assumptions

|                   | Advisory fee | Rebalancing |
|-------------------|--------------|-------------|
| ■ Asbury Balanced | 0%           | Trigger 10% |

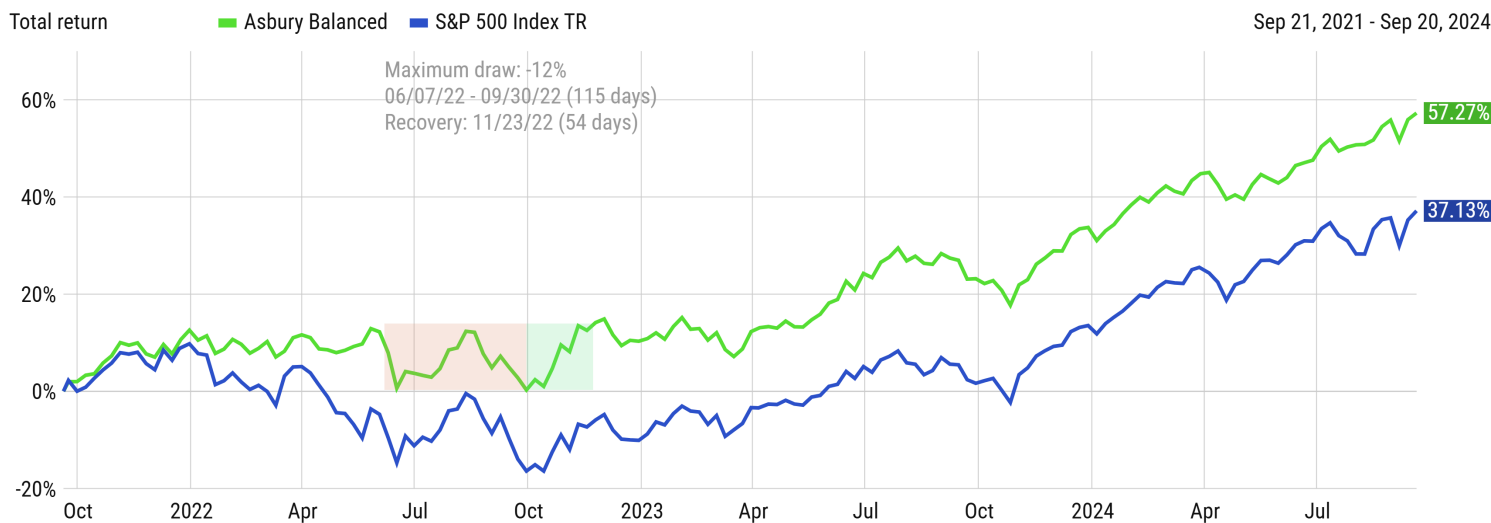
## Key Stats

|  | Current yield | Fund expense ratio |
|--|---------------|--------------------|
|  | 1.48%         | 0.09%              |
|  | -             | 0%                 |

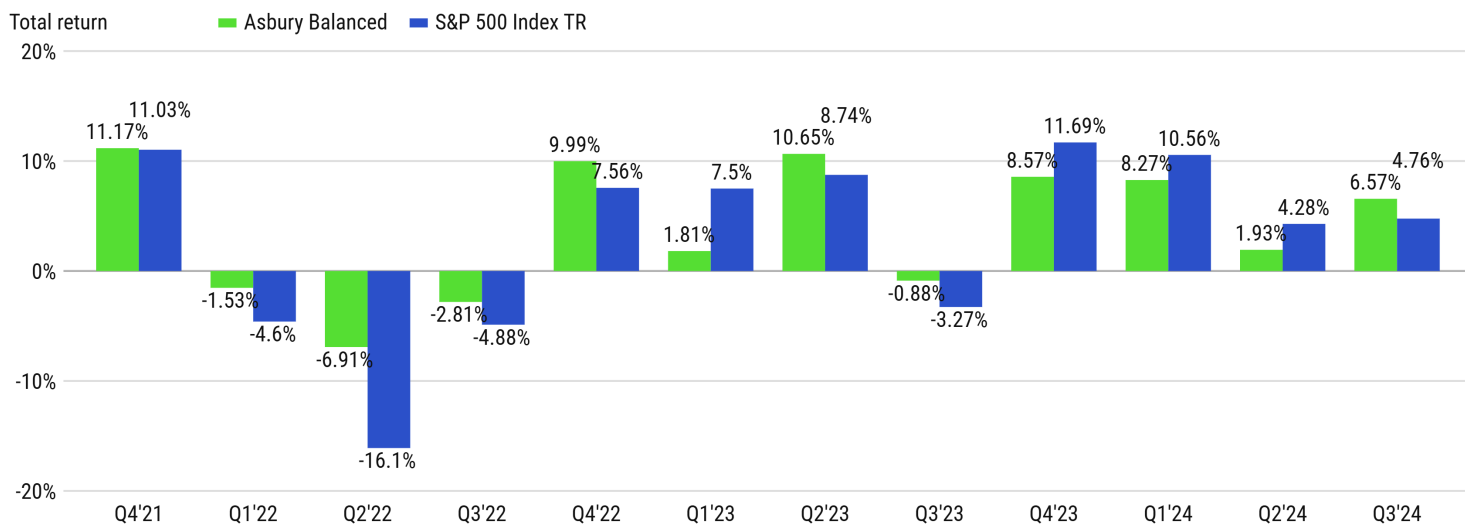
*These results are hypothetical. The performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost.*

# Performance

## Cumulative returns 3y



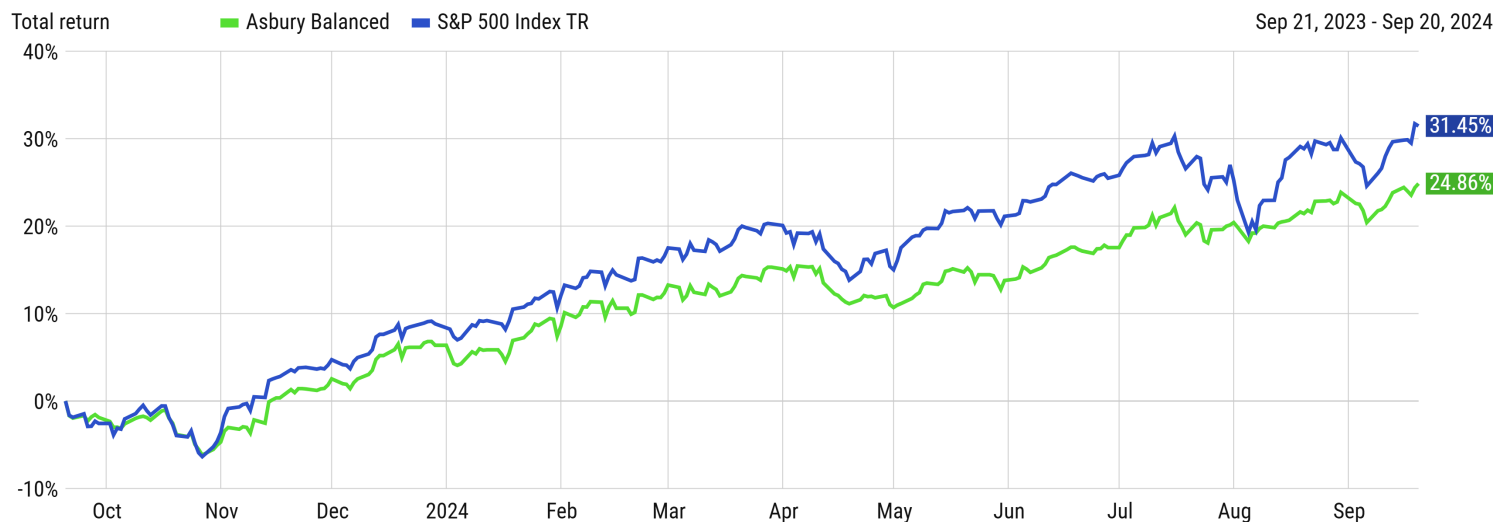
## Periodic returns 3y



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# Performance

## Cumulative returns 1y



## Risk metrics

As of Sep 20, 2024

|                                  | Ytd   | 1 year | 3 years | 5 years |
|----------------------------------|-------|--------|---------|---------|
| <b>Risk (standard deviation)</b> |       |        |         |         |
| Asbury Balanced                  | 9%    | 11.2%  | 13.9%   | 13.6%   |
| S&P 500 Index TR                 | 12.4% | 12.5%  | 17.8%   | 18.2%   |
| <b>Alpha</b>                     |       |        |         |         |
| Asbury Balanced                  | 4.2%  | -2.3%  | 6%      | 7.9%    |
| S&P 500 Index TR                 | 0%    | 0%     | 0%      | 0%      |
| <b>Beta</b>                      |       |        |         |         |
| Asbury Balanced                  | 0.61  | 0.86   | 0.73    | 0.69    |
| S&P 500 Index TR                 | 1.00  | 1.00   | 1.00    | 1.00    |
| <b>Sharpe ratio</b>              |       |        |         |         |
| Asbury Balanced                  | 2.30  | 1.87   | 0.88    | 1.27    |
| S&P 500 Index TR                 | 1.97  | 2.19   | 0.51    | 0.78    |
| <b>Sortino ratio</b>             |       |        |         |         |
| Asbury Balanced                  | 4.10  | 3.83   | 1.72    | 2.72    |
| S&P 500 Index TR                 | 3.46  | 5.28   | 0.90    | 1.38    |
| <b>Maximum drawdown</b>          |       |        |         |         |
| Asbury Balanced                  | -4.1% | -6.2%  | -12%    | -18.8%  |
| S&P 500 Index TR                 | -8.4% | -8.4%  | -24.5%  | -33.8%  |

The benchmark used to calculate alpha, beta is: S&P 500 Index TR

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## IMPORTANT DISCLOSURES

This report is being provided by your financial professional as a courtesy and is not intended to be used as or in lieu of an account statement.

This report presents past performance, which does not guarantee future results. The investment return and principal value will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than return data quoted herein.

The portfolio performance presented in this report is hypothetical and based on simulated investments. Unlike the results shown in an actual performance record, these results do not represent actual trading. Also, because these trades have not actually been executed, these results may have under- or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to these being shown.

Returns in this report are time-weighted returns (TWR). Returns include distribution income such as dividends. The simulation of model portfolios does not take into account trading costs and tax implications.

The projections or other information generated by Kwanti Analytics regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results.

Performance is presented net of advisory fees. Other fees borne by investors and not included in this report are: commissions, custodial charges and sales loads. If applicable, these fees will have a compounding effect on performance that can be material.

The information on this website is provided solely for informational purposes and is not intended to be an offer to sell securities or a solicitation of an offer to buy securities. The strategies employed in managing this and other model portfolios may involve algorithmic techniques such as trend analysis, relative strength, moving averages, various momentum, and related strategies. There is no assurance that these strategies and techniques will yield positive outcomes or prevent losses. Past performance as indicated from historical back-testing is hypothetical in nature and does not involve actual client portfolios, does not consider cash flows or market events, and is not predictive of future performance. The model is managed by contemporaneously recording hypothetical trades. Such trades are not live trades and are not influenced by emotional or subjective reactions to extraneous market, economic, political and related factors. The performance for such model(s) is derived from utilizing a variety of technical trading strategies and techniques. Technical trading models are mathematically driven based upon historical data and trends of domestic and foreign market trading activity, including various industry and sector trading statistics within such markets. Technical trading models utilize mathematical algorithms to attempt to identify when markets are likely to increase or decrease and identify appropriate entry and exit points. The primary risk of technical trading models is that historical trends and past performance cannot predict future trends and there is no assurance that the mathematical algorithms employed are designed properly, new data is accurately incorporated, or the software can accurately predict future market, industry, and sector performance. Asbury Research LLC does not and cannot provide any assurance that an investment in the model portfolios will yield profitable outcomes. The risk of loss trading in financial assets can be substantial, and different types of investment vehicles, including ETFs, involve varying degrees of risk. Therefore, you should carefully consider whether such trading is suitable for you in light of your financial condition. An investor's personal goals, risk tolerance, income needs, portfolio size, asset allocation and securities preferences, income tax, and estate planning strategy should be reviewed and taken into consideration before committing to a specific investment program. Please consult with your financial advisor to discuss the appropriateness of any strategy prior to investing. All investments involve risk. Principal is subject to loss, and actual returns may be negative. Returns are not guaranteed in any way and may vary widely from year to year.

### Leveraged and Inverse Exchange-Traded Funds ("ETFs")

Leveraged ETFs employ financial derivatives and debt to try to achieve a multiple (for example two or three times) of the return or inverse return of a stated index or benchmark over the course of a single day. The use of leverage typically increases risk for an investor. However, unlike utilizing margin or shorting securities in your own account, you cannot lose more than your original investment. An inverse ETF is designed to track, on a daily basis, the inverse of its benchmark. Inverse ETFs utilize short selling, derivatives trading, and other leveraged investment techniques, such as futures trading to achieve their objectives. Leverage and inverse ETFs reset each day; as such, their performance can quickly diverge from the performance of the underlying index or benchmark. An investor could suffer significant losses even if the long-term performance of the index showed a gain. Engaging in short sales and using swaps, futures, contracts, and other derivatives can expose the ETF.

There is always a risk that not every leveraged or inverse ETF will meet its stated objective on any given trading day. An investor should understand the impact an investment in the ETF could have on the performance of their portfolio, taking into consideration goals and tolerance for risk. Leveraged or inverse ETFs may be less tax-efficient than traditional ETFs, in part because daily resets can cause the ETF to realize significant short-term capital gains that may not be offset by a loss. Be sure to check with your tax advisor about the consequences of investing in a leveraged or inverse ETF. Leveraged and Inverse ETFs are not suited for long-term investment strategies. These are not appropriate for buy-and-hold or conservative investors and are more suitable for investors who understand leverage and are willing to assume the risk of magnified potential losses. These funds tend to carry higher fees, due to active management, that can also affect performance.

The use of margin leverage enhances the overall risk of investment gain and loss to the client's investment portfolio. For example, investors are able to control \$2 of a security for \$1. So if the price of a security rises by \$1, the investor earns a 100% return on their investment. Conversely, if the security declines by \$.50, then the investor loses 50% of their investment.

The use of margin leverage entails borrowing, which results in additional interest costs to the investor.

Broker-dealers who carry customer accounts require a minimum equity requirement when clients utilize margin leverage. The minimum equity requirement is stated as a percentage of the value of the underlying collateral security with an absolute minimum dollar requirement. For example, if the price of a security declines in value to the point where the excess equity used to satisfy the minimum requirement dissipates, the broker-dealer will require the client to deposit additional collateral to the account in the form of cash or marketable securities. A deposit of securities to the account will require a larger deposit, as the security being deposited is included in the computation of the minimum equity requirement. In addition, when leverage is utilized and the client needs to withdraw cash, the client must sell a disproportionate amount of collateral securities to release enough cash to satisfy the withdrawal amount based upon similar reasoning as cited above.

Regulations concerning the use of margin leverage are established by the Federal Reserve Board and vary if the client's account is held at a broker-dealer versus a bank custodian. Broker-dealers and bank custodians may apply more stringent rules as they deem necessary.

## INDEXES AND BENCHMARKS

References to indexes and benchmarks are hypothetical illustrations of aggregate returns and do not reflect the performance of any actual investment. Investors cannot invest in an index.

S&P 500 Index TR: Measures the performance of 500 widely held, large-capitalization US stocks.

Bloomberg US Aggregate Bond Index: Measures the U.S. bond market and covers all major types of bonds, including taxable corporate bonds, treasury bonds, and municipal

bonds.

## DEFINITIONS

**Alpha:** the excess return of the investment over the benchmark, after adjusting for risk. A positive value implies that the investment has performed better than expected, relatively to its risk. The benchmark used for alpha calculation in this report is the S&P500 Index Total Return.

**Beta:** the volatility of the investment compared to the volatility of the benchmark. A value lower than 1 indicates that the investment is less volatile than the benchmark. A value greater than 1 indicates a higher volatility. The benchmark used for beta calculation in this report is the S&P500 Index Total Return.

**Current yield:** the total distributions paid from the portfolio positions over 12 trailing months, divided by the total market price of the portfolio positions.

**Fund expense ratio:** for investment funds, the expense ratio as reported in the fund's prospectus.

**Maximum drawdown:** the largest percent retrenchment from an investment's peak value to the investment's valley value for a given period.

**Risk (Standard Deviation):** a measure of dispersion of returns around their historical average. The higher the standard deviation, the more widely the investment's returns vary over time.

**Sharpe ratio:** compares the investment return against the risk-free return (US Treasury Bill), after adjusting for risk. The greater the Sharpe ratio, the better its risk-adjusted performance.

**Sortino ratio:** a modification of the Sharpe ratio, using downside deviation for the risk adjustment instead of standard deviation. The downside deviation only considers periods of negative returns.

**Yield 12-month:** the sum of distributions from the asset(s) over 12 trailing months, divided by the current market price of the asset(s).

**Yield SEC:** the annualized yield based on the 30-day period ending on the last day of previous month.

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