

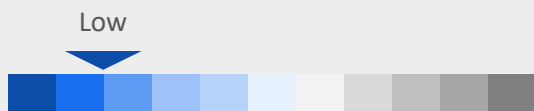
STRATEGY

In seeking to pursue its investment objective, the portfolio is designed to opportunistically provide exposure to US debt instruments throughout the business cycle by investing in ETFs covering the credit and maturity spectrum. This strategy is based on a proprietary multi-factor quantitative model.

OBJECTIVES

1. Provide a reasonable level of income while preserving capital with bonds.
2. Consistently deliver performance over the Barclays US Aggregate TR Index.
3. Maximize tax efficiency by using very liquid and low fee US listed ETFs.

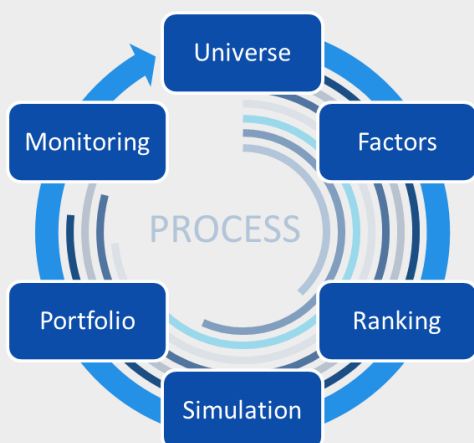
RISK RATING



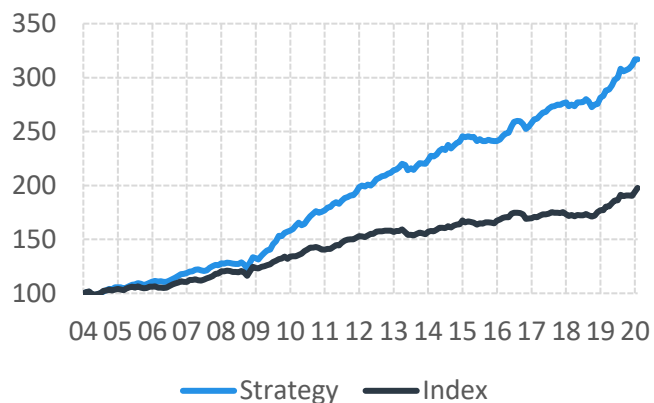
REASONS TO INVEST

- ❖ Historically outperformed benchmark.
- ❖ Risk-adjusted return performance.
- ❖ Consistent investment process.

INVESTMENT PROCESS



AS OF FEBRUARY 28TH, 2020



PERFORMANCE [see disclaimer]

Annualized (%)	1M	3M	1Y	3Y	5Y
Strategy	0.1	2.8	15.0	6.7	5.3
Index	1.8	3.7	12.8	5.0	3.6
Difference	-1.7	-0.9	2.2	1.6	1.7

Yearly (%)	2016	2017	2018	2019	2020
Strategy	5.6	8.5	-0.2	13.0	1.8
Index	2.6	3.5	0.0	8.7	3.8
Difference	2.9	5.0	-0.2	4.3	-2.0

Monthly (%)	Oct	Nov	Dec	Jan	Feb
Strategy	0.3	0.4	1.0	1.7	0.1
Index	0.3	-0.1	-0.1	1.9	1.8
Difference	0.0	0.5	1.1	-0.2	-1.7

TOP HOLDINGS

* Subscribers Only

Bond Type	ETF	Weight
Convertible Bonds	CWB	*
Emerging Market	EMB	*
Global Aggregate	IHY	*
Mortgage Backed	MBB	*
Municipal Bonds	MUB	*
US Corporate	LQD	*
US High Yield	HYG	*
US Inter. Term Govt	IEF	*
US Long Term Govt	TLT	*
US Short Term Govt	SHY	*

RISK STATISTICS

Since Inception	Strategy	Index
Ann. Return (%)	7.4	4.3
Standard Dev. (%)	3.8	3.2
Max Drawdown (%)	-4.6	-3.8
Sharpe Ratio	1.55	0.91
Sortino Ratio	2.17	1.30
Index Correlation	0.78	1.00
Upside Capture	1.29	0.00
Downside Capture	0.61	0.00
Portfolio Beta	0.92	1.00
Portfolio Alpha (%)	3.09	0.00

BOND ALLOCATION

* Subscribers Only

Weight (%)	Strategy	Index	Deviations
Convertible Bonds	*	0.3	*
US High Yield	*	3.5	*
Municipal Bonds	*	5.9	*
Emerging Market	*	0.0	*
Global Aggregate	*	0.0	*
US Corporate	*	21.6	*
US Long Term Govt	*	8.0	*
US Short Term Govt	*	7.6	*
Mortgage Backed	*	28.9	*
US Inter. Term Govt	*	24.2	*

CHARACTERISTICS

Median Value	Strategy	Index
Equity Beta	0.14	-0.01
Standard Dev.	3.86%	2.98%
12m Trailing Yield	2.08%	2.72%
30 Day SEC Yield	1.65%	2.74%
Avg. Yield to Maturity	1.68%	2.78%
Weighted Avg. Coupon	2.86%	3.32%
Weighted Avg. Maturity	8.27	7.78
Convexity	0.90	0.00
Effective Duration	5.22	5.38
Avg. Management Fee	0.18%	0.05%

PORTFOLIO FACTS

Number of Securities	10
Currency	USD
Benchmark	Barclays US Aggregate TR
Inception Date	January 1 st , 2004
Strategy Fees	Contact Us
Rebalancing Frequency	Quarterly

PORTFOLIO MANAGER

William Tremblay CFA, MBA, FRM, CIM
Senior Vice President, Portfolio Manager



With more than 10 years of experience in the financial services industry, William brings extensive background and innovation in the field of quantitative finance to the firm. He holds both a BBA and MBA from HEC Montreal.

CONTACT

Phone	(514) 700-1989
Email	info@factorbased.com
Website	www.factorbased.com

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