

# Core Retirement Portfolio



## Fact Sheet

As of 6/30/2020

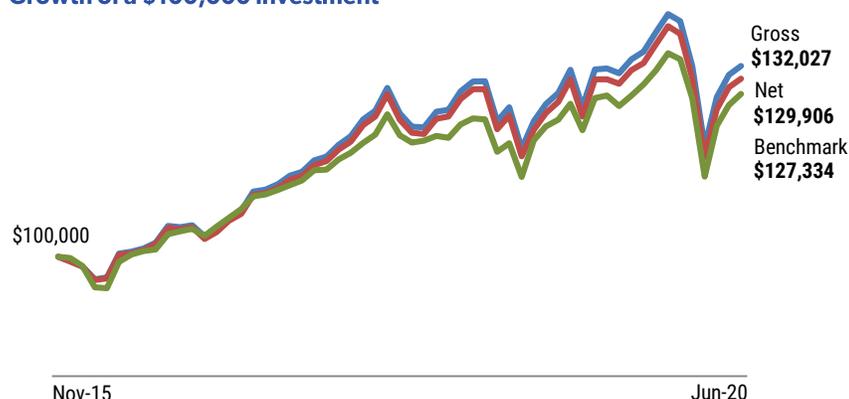
### Highlights

- ▲ Growth-oriented asset allocation**
  - ▶ Targets a 75/25 stock/bond allocation for higher growth prospects than available through generationally low bond yields
- ▲ Equity allocation that focuses on high-quality large-cap stocks to seek income and growth with lower volatility**
  - ▶ Seeks to generate income through high-dividend-paying stocks
  - ▶ Provides diversification and opportunity through global equity exposure
- ▲ Tactical equity allocation helps mitigate the impact of large stock market declines by reducing equity exposure**
  - ▶ Helps respond to market conditions and longer-term trends

### Performance Overview

October 31, 2015 — June 30, 2020 | Past performance is no guarantee of future results.

#### Growth of a \$100,000 investment



The growth of \$100,000 chart presented herein is for illustrative purposes only. The chart illustrates the growth of \$100,000 should it had been invested at the time of inception and includes reinvestment of dividends. It does not assume withdrawals or contributions. Any results shown above may not represent the actual experience of individual investors. Individual account performance may differ due to, e.g., account size, cash flows, investment restrictions, economic factors, and fees.

### Objective

A multi-strategy approach designed to fund retirement withdrawals by addressing four essential needs: income, capital appreciation, stability, and risk mitigation.

### Portfolio Characteristics

Inception	November 1, 2015
Number of Holdings	58
Benchmark	25% Russell 1000 Value TR 25% MSCI ACWI Index 25% HFRI Equity Hedge Index 25% Barclays U.S. Intermediate Aggregate Bond Index
Annual Turnover - 2019 (%)	18.1

### Risk Statistics (3-Year, Monthly)

	Portfolio	Benchmark
Standard Deviation (%)	11.45	10.85
Sharpe Ratio	0.26	0.19
Beta	1.04	1.00
R-Squared	0.96	1.00
Alpha (%)	0.69	0.00
Batting Average (%)	63.89	100.00
Up-Market Capture (%)	113.10	100.00
Down-Market Capture (%)	107.17	100.00

All risk measures are based on a 3-year time period using monthly returns.

	Total Returns			Annualized Returns			Calendar-Year Returns			
	3-Mos	6-Mos	YTD	1-yr	3-yr	Inception	2016	2017	2018	2019
Gross %	11.42	-6.15	-6.15	0.44	4.94	6.13	8.14	16.95	-5.08	19.05
Net %	11.33	-6.31	-6.31	0.10	4.58	5.77	7.77	16.55	-5.41	18.64
Benchmark %	12.24	-5.07	-5.07	0.56	4.13	5.31	8.17	13.09	-5.87	18.28

As of 6/30/2020; Inception—November 1, 2015; Net of fee calculated net of 35bps manager fee only; Benchmark = 25% Russell 1000 Value TR / 25% Barclays U.S. Intermediate Aggregate Bond Index / 25% MSCI All Country World Index / 25% HFRI Equity Hedge Index

The information provided herein is supplemental to the GIPS performance presentation. To obtain a compliant presentation or a list of our composite descriptions and/or policies for valuing portfolios, calculating performance, and preparing compliant presentations, please call (443) 224-1231 or send an e-mail to [info@equitycompass.com](mailto:info@equitycompass.com).

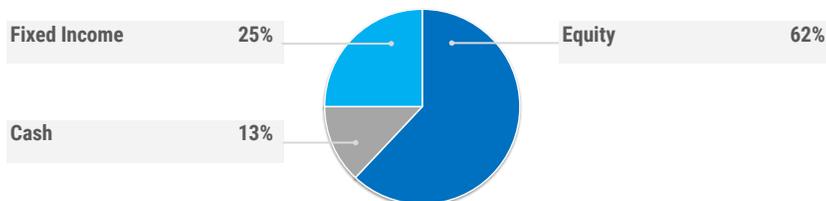
# Core Retirement Portfolio

## Fact Sheet

As of 6/30/2020



### Portfolio Allocation



### Holdings By Market Cap

Category	%
Large Cap - > \$10 bn (%)	91.46
Mid Cap - \$3.5 - \$10 bn (%)	6.91
Small Cap - < \$3.5 bn (%)	1.63

### Top Equity Holdings By Weight

Security	%
Invesco Russell 1000 Equal Weight ETF	10.17
SPDR S&P 500 ETF Trust	9.55
QUALCOMM Inc.	2.37
PayPal Holdings Inc.	2.06
Amazon.com, Inc.	1.68
Alphabet Inc. Class A	1.60
Digital Realty Trust, Inc.	1.48
Apple Inc.	1.43
Gilead Sciences, Inc.	1.41
Estee Lauder Cos. Inc. Class A	1.33

For illustrative purposes only and not intended as personalized recommendations. The yield information included is as of the period indicated and should not be considered a recommendation to purchase, hold, or sell any particular security. There is no assurance that any of the yields noted will remain and may vary over time. The specific securities identified and described herein do not represent all of the securities purchased, sold, or recommended to advisory clients, and the reader should not assume that investments in the securities identified and discussed were or will be profitable. A complete list of all recommendations made by the firm is available upon request.

### About EquityCompass

EquityCompass is a Baltimore-based SEC registered investment adviser offering a broad range of portfolio strategies and custom plans for individuals, financial intermediaries, and institutional clients in the U.S. and Europe. Formally organized in 2008, EquityCompass provides portfolio strategies with respect to total assets over \$3.6 billion as of June 30, 2020.\*

The EquityCompass team of professionals represents deep industry experience in security analysis, capital markets, and portfolio management. We are committed to a consistent investment process that relies on enduring principles, sound empirical reasoning, and the recognition of a dynamic investment environment with a global reach.

### Sector Allocation

Sector	%
Information Technology	21.39
Financials	12.26
Consumer Discretionary	11.60
Consumer Staples	11.33
Health Care	10.92
Industrials	8.45
Communication Services	7.98
Energy	5.92
Utilities	4.58
Real Estate	2.90
Materials	2.67

### Fixed Income Stats

Stat	Portfolio
Wtd. Avg. Coupon	1.61
Wtd. Avg. Maturity	3.03
Effective Duration	2.81
Wtd. Avg. Div Yield	0.81
Investment Grade or Above (%)	99.88

### Portfolio Management Team



**Robert G. Hagstrom, CFA**  
Chief Investment Officer  
Senior Portfolio Manager



**Timothy M. McCann**  
Senior Portfolio Manager



**James J. DeMasi, CFA**  
Senior Portfolio Manager

All charts and tables are calculated by EquityCompass using data provided by FactSet Research Systems, Inc.

**DESCRIPTION OF TERMS****Alpha**

The relationship between the performance of the strategy and its beta over a three-year period of time.

**Batting Average**

A measure of a manager's ability to beat the market consistently, the Batting Average is calculated by dividing the number of quarters in which the manager beat or matched an index by the total number of quarters in the period. For example, a manager who meets or outperforms the market every quarter in a given period would have a batting average of 100. A manager who beats the market half of the time would have a batting average of 50.

**Beta**

A measure of the volatility, or systematic risk, of a security or a portfolio relative to the market as a whole. A beta of one is considered as risky as the benchmark and is therefore likely to provide expected returns approximate to those of the benchmark during both up and down periods. A portfolio with a beta of two would move approximately twice as much as the benchmark.

**Down-Market Capture Ratio**

Down-Market Capture Ratio is a measure of managers' performance in down markets relative to the market itself. A down market is one in which the market's quarterly return is less than zero. The lower the manager's down-market capture ratio, the better the manager protected capital during a market decline. A value of 90 suggests that a manager's losses were only 90% of the market loss when the market was down. A negative down-market capture ratio indicates that a manager's returns rose while the market declined. For example, if the market fell 8% while the manager's returns rose 2%, the down-market capture ratio would be -25%.

**R-Squared**

R-Squared is a statistic that measures the reliability of alpha and beta in explaining the manager's return as a linear function of the market. If you are searching for a manager with a particular style, for example a growth manager, you would expect that manager to have an R-Squared that is high relative to a growth index if the manager has a diversified portfolio. If the manager's return is explained perfectly, the R-Squared would equal 100, while an R-Squared of 0 would indicate that no relationship exists between the manager and the linear function. Higher R-Squared values indicate more reliable alpha and beta statistics and are useful in assessing a manager's investment style.

**Sharpe Ratio**

Sharpe Ratio is one of two alternative, yet similar, methods of measuring excess return per unit of risk. (The other method is the Treynor Ratio.) In the case of the Sharpe Ratio, risk is measured using the standard deviation of the returns in the portfolio. The Sharpe Ratio relates the difference between the portfolio return and the risk-free rate to the standard deviation of that difference for a given time period.

**Standard Deviation**

Standard Deviation is a gauge of risk which measures the spread of the difference of returns from their average. The more a portfolio's returns vary from its average, the higher the standard deviation. It is important to note that higher-than-average returns affect the standard deviation just as lower-than-average returns. Thus, it is not a measure of downside risk. Since it measures total variation of return, standard deviation is a measure of total risk, unlike beta, which measures market risk.

**Up-Market Capture Ratio**

Up-Market Capture Ratio is a measure of managers' performance in up markets relative to the market itself. An up market is one in which the market's quarterly return is greater than or equal to zero. The higher the manager's up-market capture ratio, the better the manager capitalized on a rising market. For example, a value of 110 suggests that the manager captured 110% of the up market (performed 10% better than the market) when the market was up. A negative up-market capture ratio indicates that a manager's returns fell while the market rose. For example, if the market gained 8% while a manager's returns fell 2%, the up-market capture ratio would be -25%.

**DISCLOSURES**

The information contained herein has been prepared from sources believed to be reliable but is not guaranteed and is not a complete summary or statement of all available data nor is it considered an offer to buy or sell any securities referred to herein. EquityCompass Investment Management, LLC ("EquityCompass") is a wholly owned subsidiary and affiliated SEC registered investment adviser of Stifel Financial Corp. Affiliates of EquityCompass may, at times, release written or oral commentary, technical analysis, or trading strategies that differ from the opinions expressed within. Opinions expressed are subject to change without notice and do not take into account the particular investment objectives, financial situation, or needs of individual investors. This commentary often expresses opinions about the direction of market, investment sector, and other trends. The opinions should not be considered predictions of future results. Gross-of-fees returns are not reduced by any fees, expenses, or transaction costs (i.e., Pure Gross). Net-of-fees returns are presented after the deduction of the manager fee of 0.35%. There will be additional wrap sponsor fees, including trading expenses and management fees, which will vary by wrap sponsor. These additional fees will lower overall net performance. Please consult the wrap sponsor ADV Part 2A for additional fee information.

\*Total assets combines both Assets Under Management and Assets Under Advisement as of June 30, 2020. Assets Under Management represents the aggregate fair value of all discretionary and non-discretionary assets, including fee paying and non-fee paying portfolios. Assets Under Advisement represent advisory-only assets where the firm provides a model portfolio and does not have trading authority over the assets.

Foreign investments are subject to risks not ordinarily associated with domestic investments, such as currency, economic and political risks, and different accounting standards. There are special considerations associated with international investing, including the risk of currency fluctuations and political and economic events. Investing in emerging markets may involve greater risk and volatility than investing in more developed countries. Due to their narrow focus, sector-based investments typically exhibit greater volatility and are generally associated with a high degree of risk. Changes in market conditions or a company's financial condition may impact the company's ability to continue to pay dividends. Companies may also choose to discontinue dividend payments. High-dividend paying stocks may carry elevated risks and companies may lower or discontinue dividends at any time. Diversification and/or asset allocation does not ensure a profit or protect against loss. Any investment involves risks, including a possible loss of principal. Rebalancing may have tax consequences, which should be discussed with your tax advisor. **Exchange Traded Funds (ETFs) are subject to market risk, including the possible loss of principal, and may trade for less than their net asset value. ETFs trade like a stock, and there will be brokerage commissions associated with buying and selling exchange traded funds unless trading occurs in a fee-based account. Investors should consider an ETF's investment objective, risks, charges, and expenses carefully before investing. The prospectus, which contains this and other important information, is available from your Financial Advisor and should be read carefully before investing.**

The S&P 500® Index is a broad market index that tracks the performance of 500 stocks from major industries of the U.S. economy. This index is generally considered representative of the U.S. large capitalization market. The MSCI All Country World Index captures large- and mid-cap representation across 23 Developed Markets and 21 Emerging Markets countries. With 2,434 constituents, the index covers approximately 85% of the global investable equity opportunity set. The Barclays Intermediate U.S. Aggregate Bond Index Unmanaged index that measures the performance of the US investment grade bond market while removing the longer maturity portions of the broad market benchmarks. The index invests in a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States — including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities, all with maturities of more than 1 year. The Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 Index companies with lower price-to-book ratios and lower expected growth values. The HFRI Equity Hedge (Total) Index (HFRIEHI) is a fund-weighted index of strategies that maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques, strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. Indices are unmanaged, do not reflect fees and expenses, and it is not possible to invest directly in an index. All performance results presented are done solely for educational and illustrative purposes and are not intended for trading, or to be considered investment advice. No representation is made that any Strategy, model, or model mix will achieve results similar to those shown in these materials. It should not be assumed that any holdings included in these materials were or will prove to be profitable, or that recommendations or decisions that the firm makes in the future will be profitable or will equal the investment performance of the securities discussed herein. Diversification (or asset allocation) does not ensure a profit or protect against loss.

**Past performance does not guarantee future performance or investment results.**

© 2020 EquityCompass Investment Management, LLC, One South Street, 16th Floor, Baltimore, Maryland 21202. All rights reserved.