

AAll - Houston ***AGENDA 02-18-24***

09:30 INCOME SIG UPDATE
Frank Erzinger

10:30 How Major Fraud Can Impact Your Investing
Professor Jim Park – UCLA School of Law

Income SIG – Disclosure & Disclaimer

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ADVISOR STATUS

- We are not investment advisors.

THE FUTURE IS NOT PREDICTABLE ... but RHYMES?

- Pursuant to the provisions of Rule 206(4)-1 of the Investment Advisors Act of 1940, all attendees should recognize that recommendations implied or made, may or may not duplicate the performance based on historical analysis.

SOURCES

- The contents of this presentation have been compiled from original and published sources believed to be reliable, but accuracy or completeness is not guaranteed.

Income SIG – Hybrid-Income

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- ▶ **OBJECTIVE**
 - Great Assets at Good Prices (Kettlebell, not Dumbbell)
 - Monthly Income via Dividends, Options ... & Price Δ
- ▶ **ASSETS CLASSES**
 - Au, Bonds, Stocks, Alternatives, US or non US
- ▶ **HORIZON**
 - 1 month +
- ▶ **EQUITIES**
 - Upper $\frac{1}{2}$ of Industry Benchmark(s);
 - 1st Position etfs or mfunds, 2nd Position - Companys
 - Morningstar >3 or C+
 - Dividend a f(Cash Flow, Inc Stmt Grwth, B.Sheet Debt)
 - Risk Adjusted Returns, Drawdowns
 - Momentum -> Buy Sell Sequence – etf, equity, options

Hybrid Income – Panel of (sort of free) Experts

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- Dr. Ed Yardeni, Yardeni.com (EY)
- Dr. Torston Slok – The Apollo Economist (TS)
- Helios Quantitative Research
- JP Morgan Analytics – Q4 2023 Outlook (JPM)
- Research Affiliates – Risk and Return Simulations

AAll Houston Speakers+:

- Sumgrowth.com, Scott Juds - Algorithmic Sector Surfer
- DeltaIM.com, Delta Investment Management, Nick Atkeson
- RGCcapitalGroup.com, Rob Bernstein, AAll San Diego
- CandorAssetAdvisors.com, Bill Hawes, AAll San Antonio
- Aeromir.com, Wayne Klump, SW Portfolio
- This Week in Charts – CharlieBilello

Income SIG – February 2024

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- ▶ **1. HyInc* PORTFOLIO UPDATE**
- ▶ **2. O&O – OUTLOOK & OPPORTUNITY**
- ▶ **3. NEXT STEPS**

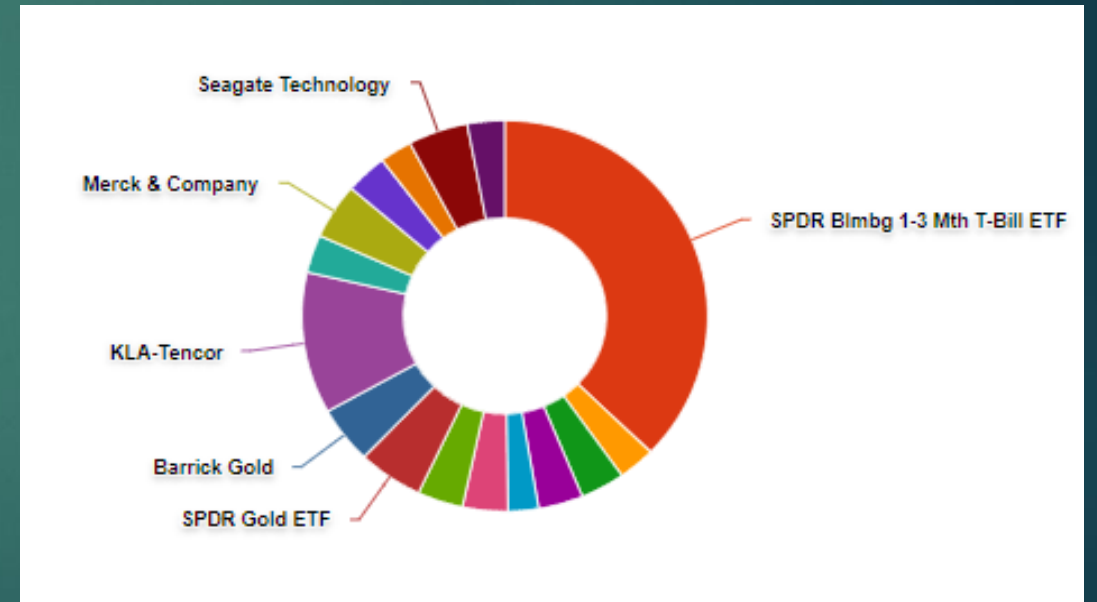
* Hybrid Income – Uses all Asset Classes and Options to Drive Return and Risk

2. PORTFOLIO – HyInc Plan 2024

		1/31/2024	2024	TARGET				
		Portfolio %	1/31/2024	\$/sh Jan 31	Portfolio %	Return %	Risk	2024 KFS - Key Success Factors
Symb	Company Name							
GOLD	Barrick Gold Corp	5.2%	\$ 15.60	\$ (2.49)				
FNV	Franco Nevada	3.7%	\$ 108.25	\$ (2.56)				
GLD	SPDR Gold	5.3%	\$ 188.45	\$ (2.72)				
Crisis Hedge ->		14%			5%	6%	nil	Feb Reduce %, Improve Return Option I/O
ENFR	Alerian Energy	3.6%	\$ 23.15	\$ 0.06				A. March - Momentum Rebalance - Option I/O
DUK	Duke Power	3.1%	\$ 95.83	\$ (1.21)				" " "
EOG	Enron Oil & Gas	2.5%	\$ 113.79	\$ (6.21)				" " "
EMR	Emerson Electric Co.	4.1%	\$ 91.73	\$ (5.60)				" " "
EPD	Enterprise	3.6%	\$ 26.76	\$ 0.90				" " "
KLAC	KLA Corporation	10.6%	\$ 594.04	\$ 12.74				Step (call option) Out at 20/50dma Cross Over
KMI	Kinder Morgan	3.2%	\$ 16.92	\$ (0.43)				A. March - Momentum Rebalance - Option I/O
MRK	Merck & Co., Inc.	4.4%	\$ 120.78	\$ 11.76				" " "
PXD	Pioneer	3.4%	\$ 229.83	\$ 4.95				" " "
RHHBY	Roche Holding AG	2.9%	\$ 35.14	\$ (1.09)				" " "
STX	Seagate Technology Holdin	4.7%	\$ 85.68	\$ 0.31				Step (call option) Out at 20/50dma Cross Over
WLKP	Westlake Polymer	3.1%	\$ 22.91	\$ 1.70				" " "
US Equities ->		49%		\$ (2,048)	40%	8%	1/3 of S&P 500	Retain Equity Percentage During Melt Up Retain Equity Percentage - Option I/O fr 2020 Playbook
T Bill	Fixed Income TBills->	37%			5%	5%		Retain Minimal 13 week TBills @5%
	& Low Correlation Assets				50%	9%		Feb - Expand Fixed Income Positions
TOTAL ->		100%			BASE ->	8.3%	1/3 of S&P 500	Base, Upside is 1.5 to 2x the Base

Hylnc Positions – 2024 Feb

Ticker	Name	Weight
BIL	SPDR Blmbg 1-3 Mth T-Bill ETF	37.26%
DUK	Duke Energy	2.96%
ENFR	Alerian Energy Infrastructure ETF	3.55%
ENFR	Alerian Energy Infrastructure ETF	3.55%
EOG	EOG Resources	2.44%
EPD	Enterprise Products Partners LP	3.60%
<hr/>		
FNV	Franco-Nevada Corp	3.64%
GLD	SPDR Gold ETF	5.20%
GOLD	Barrick Gold	4.70%
KLAC	KLA-Tencor	11.69%
KMI	Kinder Morgan Inc	3.14%
MRK	Merck & Company	4.59%
<hr/>		
PXD	Pioneer Natural Resources	3.34%
RHHBY	Roche Holding AG	2.59%
STX	Seagate Technology	4.77%
WLKP	Westlake Chemical Partners LP	2.97%
Total		100.00%

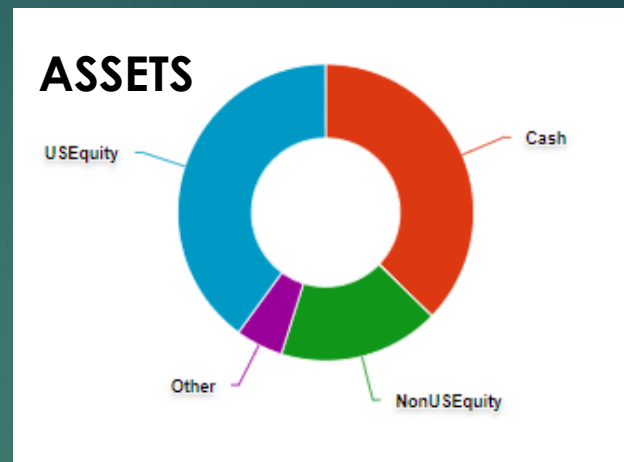


Hylnc Assets & Sectors – Feb 2024

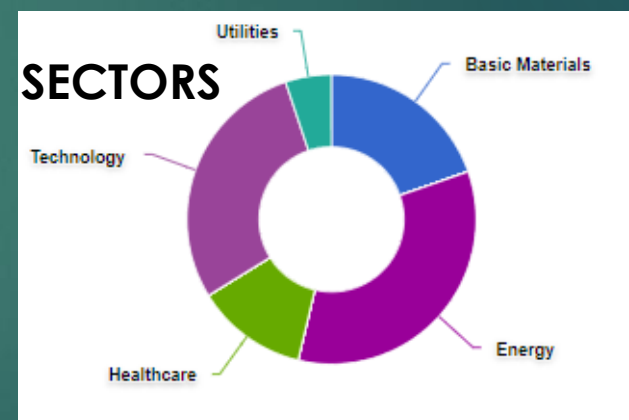
COMPANIES

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Ticker	Name	Weight
BIL	SPDR Blmbg 1-3 Mth T-Bill ETF	37.26%
DUK	Duke Energy	2.96%
ENFR	Alerian Energy Infrastructure ETF	3.55%
ENFR	Alerian Energy Infrastructure ETF	3.55%
EOG	EOG Resources	2.44%
FNV	Franco-Nevada Corp	3.64%
GLD	SPDR Gold ETF	5.20%
GOLD	Barrick Gold	4.70%
KLAC	KLA-Tencor	11.69%
KMI	Kinder Morgan Inc	3.14%
PXD	Pioneer Natural Resources	3.34%
RHHBY	Roche Holding AG	2.59%
STX	Seagate Technology	4.77%
WLKP	Westlake Chemical Partners LP	2.97%
Total		100.00%

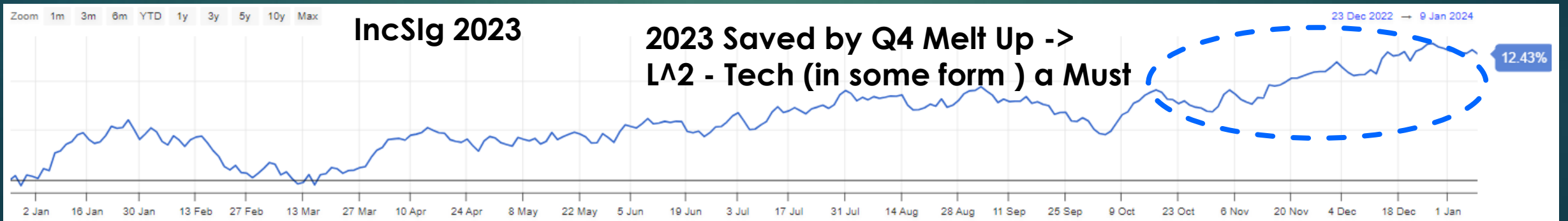
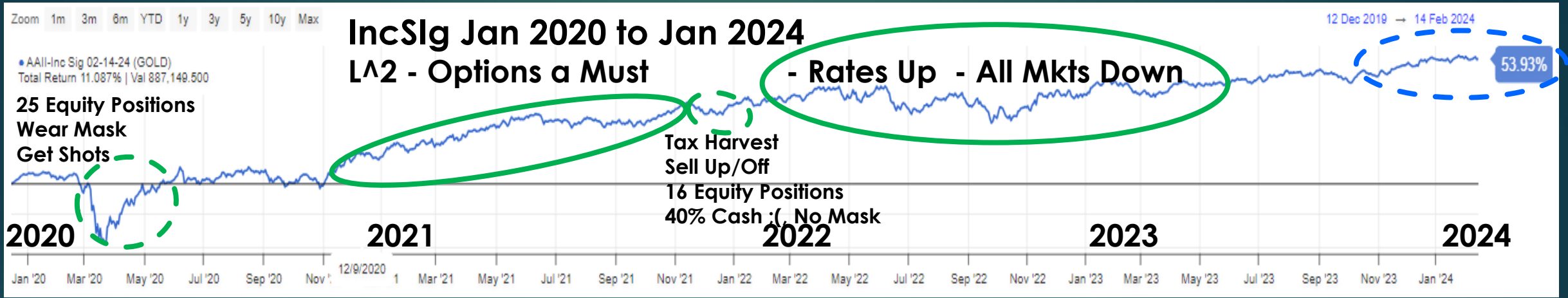


Name	Model Net Weight
Bonds	-
Cash	37.31%
NA	-
NonUSEquity	17.54%
Other	5.20%
USEquity	39.95%
Total	100.00%



Name	Model Net Weight
Utilities	2.96%
Technology	16.47%
Real Estate	-
Industrials	-
Healthcare	7.18%
Health Care	-
Financial	-
Energy	19.58%
Defense	-
Cyclical	-
Communications	-
Basic Materials	11.31%
Total	57.49%

Hylnc History – Lessons Learned (L^2)



Hylnc Return & Risk

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Returns By Year

	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD
AAll-Inc Sig 02-14-24	(11.26%)	19.91%	8.20%	(1.53%)	25.36%	6.14%	19.91%	3.51%	13.09%	(0.03%)

Performance

	YTD	3M	6M	1y	3y	5y	10y
AAll-Inc Sig 02-14-24	(0.03%)	3.54%	4.54%	8.78%	9.96%	11.83%	8.21%

Risk and Return

1Y 3Y 5Y

	Sharpe	UPI	FTAlpha	Corr	SD	UI	Beta	Alpha
AAll-Inc Sig 02-14-24	0.47	2.15	(996.5)	31.41%	2.17%	1.65	10.77	2.53%

Risk and Return

1Y 3Y 5Y

	Sharpe	UPI	FTAlpha	Corr	SD	UI	Beta	Alpha
AAll-Inc Sig 02-14-24	0.72	2.30	(996.1)	20.01%	3.04%	3.29	10.28	6.83%

Risk and Return

1Y 3Y 5Y

	Sharpe	UPI	FTAlpha	Corr	SD	UI	Beta	Alpha
AAll-Inc Sig 02-14-24	0.78	2.56	(995.2)	8.24%	3.66%	3.86	5.97	9.59%

Draw Down

	Max Draw	Length	Recovery	Peak	Valley
AAll-Inc Sig 02-14-24	(22.2%)	2 Months	3 Months	01/16/2020	03/23/2020

2. Hylnc – UPDATE 23

2024 qA – Asset Allocation Target?

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Symt	Company Name	Buy	\$/sh		Portfolio %
			12/30/2022	12/29/2023	
GOLD	Barrick Gold Corp	11/15/2022	\$ 16.77	\$ 18.09	
FNV	Franco Nevada	11/15/2022	\$ 135.07	\$ 110.81	
GLD	SPDR Gold	11/15/2022	\$ 169.64	\$ 191.17	
	<i>Crisis Hedge -></i>		\$ 106,978	\$ 108,305	14%
ENFR	Alerian Energy	12/15/2022	\$ 19.97	\$ 23.09	
DUK	Duke Power	12/15/2022	\$ 98.64	\$ 97.04	
EOG	Enron Oil & Gas	3/15/2023	\$ 122.48	\$ 120.00	
EMR	Emerson Electric Co.	12/30/2019	\$ 93.81	\$ 97.33	
EPD	Enterprise	12/15/2022	\$ 21.97	\$ 25.86	
KLAC	KLA Corporation	1/1/2020	\$ 372.51	\$ 581.30	
KMI	Kinder Morgan	12/15/2022	\$ 16.67	\$ 17.35	
MRK	Merck & Co., Inc.	12/30/2019	\$ 107.93	\$ 109.02	
PXD	Pioneer	12/15/2022	\$ 214.11	\$ 224.88	
RHHBY	Roche Holding AG	1/1/2020	\$ 37.75	\$ 36.23	
STX	Seagate Technology Holdings	1/1/2020	\$ 50.48	\$ 85.37	
WLKP	Westlake Polymer	12/15/2022	\$ 21.19	\$ 21.21	
	<i>US Equities -></i>		\$ 320,070	\$ 373,075	49%
	<i>Fixed Income TBills-></i>	various	\$ 262,598	\$ 277,041	37%
	<i>Low Correlation Assets</i>				
		no positions			
	TOTAL ->	16	\$ 689,646	\$ 758,421	100%
	Since Inception	36			

Crisis Hedge – Gold or Other

Equities

Fixed Income, Low Correlation Assets

2. PORTFOLIO – UPDATE 23

2024 qB – How Much Technology Exposure?

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Symb	Company Name	Buy	2023 Return							Sharpe	Symb
			Portfolio %	%	\$	% of Gain	Alpha	Beta	Correlation		
GOLD	Barrick Gold Corp	11/15/2022		10.7%	\$ 3,942		(0.37)	0.92	0.40	(1.32)	GOLD
FNV	Franco Nevada	11/15/2022		-15.8%	\$ (5,405)		(0.23)	(0.21)	(0.10)	(1.63)	FNV
GLD	SPDR Gold	11/15/2022		12.7%	\$ 4,566						GLD
	<i>Crisis Hedge -></i>		14%	2.9%	\$ 3,103	4%					
ENFR	Alerian Energy	12/15/2022		15.6%	\$ 3,657						ENFR
DUK	Duke Power	12/15/2022		1.4%	\$ 345		(0.21)	0.77	0.53	(1.38)	DUK
EOG	Enron Oil & Gas	3/15/2023		2.6%	\$ 500		(0.22)	0.68	0.29	(0.94)	EOG
EMR	Emerson Electric Co.	12/30/2019		8.8%	\$ 2,652		(0.13)	0.84	0.48	(0.72)	EMR
EPD	Enterprise	12/15/2022		26.8%	\$ 6,138		(0.01)	0.33	0.39	(1.23)	EPD
KLAC	KLA Corporation	1/1/2020	11%	57.4%	\$ 29,531	35%	0.14	1.81	0.67	0.82	KLAC
KMI	Kinder Morgan	12/15/2022		12.0%	\$ 2,808		(0.23)	0.94	0.68	(1.41)	KMI
MRK	Merck & Co., Inc.	12/30/2019		4.0%	\$ 1,335		0.13	0.44	0.29	0.15	MRK
PXD	Pioneer	12/15/2022		9.3%	\$ 2,268		(0.00)	0.36	0.16	(0.40)	PXD
RHHBY	Roche Holding AG	1/1/2020		0.0%	\$ (10)		(0.30)	0.86	0.57	(1.75)	RHHBY
STX	Seagate Technology Holding	1/1/2020	5%	74.7%	\$ 15,679	19%	(0.01)	1.42	0.54	0.19	STX
WLKP	Westlake Polymer	12/15/2022		9.0%	\$ 2,132		(0.16)	0.73	0.49	(1.11)	WLKP
	<i>US Equities -></i>		49%		\$ 67,036	79%	(0.002)	0.012	0.008	(0.016)	
				20.9%							
T Bill	<i>Fixed Income TBills-></i>	various	37%	5.5%	\$ 14,443	17%		nil			T Bill
	<i>& Low Correlation Assets</i>										
		no positions									
	TOTAL ->	16	100%	12.3%	\$ 84,582	100%					<_Total Gain

Two Tech Positions – 16% of Assets
– 54% of Gain

KLAC

STX

.... w Very High V&V
Valuation and Volatility

2. PORTFOLIO – UPDATE 23

2024 q3– How to Manage 2024 Volatility?

							\$/sh 23	
Symb	Company Name	Portfolio %	Δ Price 23	Div & Int 23	B Back 23	Options Inc	Gain (Loss)	
GOLD	Barrick Gold Corp	A2	\$ 1.32	\$ 0.40	\$ 0.07		\$ 1.79	GOLD
FNV	Franco Nevada		\$ (24.26)	\$ 1.36	\$ 1.54		\$ (21.36)	FNV
GLD	SPDR Gold		\$ 21.53				\$ 21.53	GLD
Crisis Hedge ->		14%	\$ 1,327	\$ 1,222	\$ 553		\$ 3,103	\$ -
ENFR	Alerian Energy	A1	\$ 3.12		\$ -		\$ 3.12	ENFR
DUK	Duke Power		\$ (1.60)	\$ 3.02	\$ -		\$ 1.42	DUK
EOG	Enron Oil & Gas		\$ (2.48)	\$ 4.31	\$ 1.38		\$ 3.21	EOG
EMR	Emerson Electric Co.		\$ 3.52	\$ 2.07	\$ 2.65		\$ 8.24	EMR
EPD	Enterprise		\$ 3.89	\$ 2.00	\$ -		\$ 5.89	EPD
KLAC	KLA Corporation		11%	\$ 208.79	\$ 5.20	\$ -		\$ 213.99
KMI	Kinder Morgan		\$ 0.68	\$ 1.13	\$ 0.19		\$ 2.00	KMI
MRK	Merck & Co., Inc.		\$ 1.09	\$ 2.92	\$ 0.33		\$ 4.34	MRK
PXD	Pioneer		\$ 10.77	\$ 4.80	\$ 4.32		\$ 19.89	PXD
RHHBY	Roche Holding AG		\$ (1.52)	\$ 1.27	\$ 0.23		\$ (0.02)	RHHBY
STX	Seagate Technology Holding	5%	\$ 34.89	\$ 2.80	\$ -		\$ 37.69	STX
WLKP	Westlake Polymer		\$ 0.02	\$ 1.89	\$ -		\$ 1.91	WLKP
US Equities ->		49%	\$ 53,005	\$ 11,954	\$ 2,077	\$ -		
			16.6%	3.7%	0.6%			
T Bill	Fixed Income TBills->	37%		\$ 14,443				T Bill
& Low Correlation Assets								
TOTAL ->		100%	\$ 54,332	\$ 27,619	\$ 2,630	C	\$ 84,582	
			7.9%	4.0%	0.4%			

Manage Volatility w/;
A1. The Asset Mix

A2. Crisis Hedge Alternatives

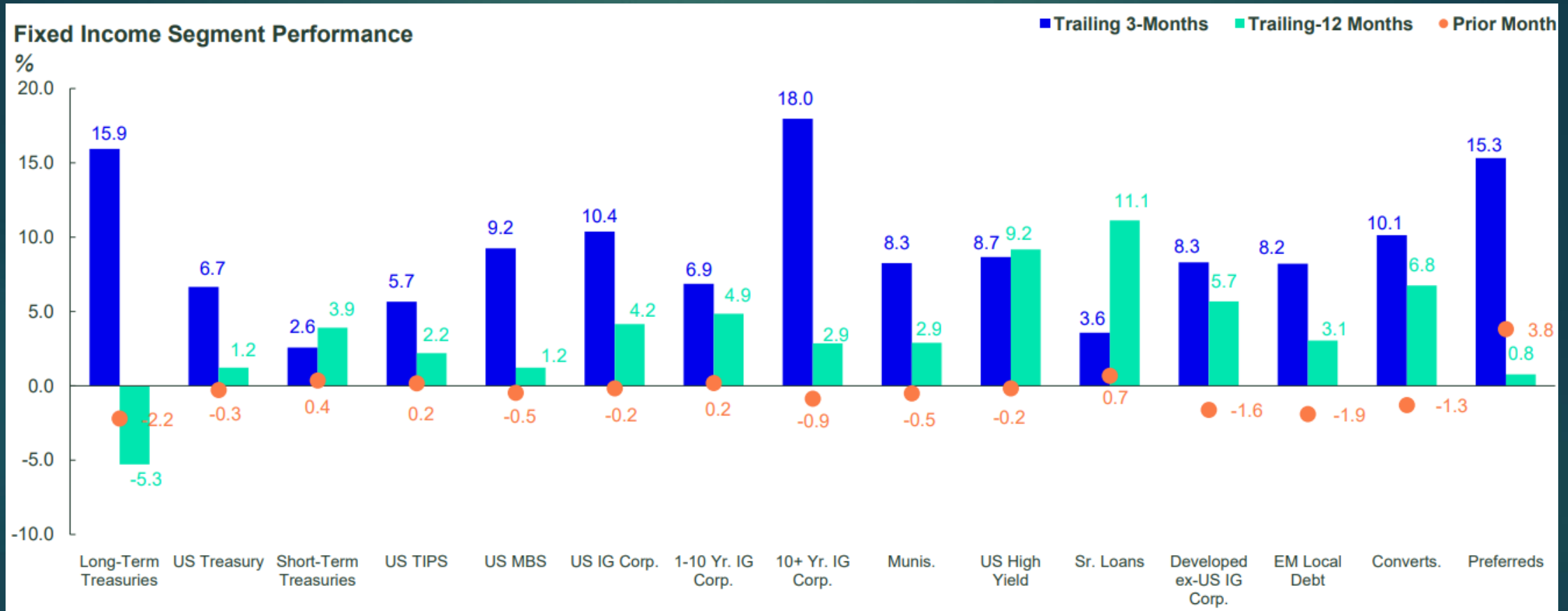
B. Realized Gain /or Loss
Stop Out (loss)
or
Step Out (gains)

C1. Options – Calls, Put or Spreads

C2. Options – via ETFs

2. OUTLOOK & OPPORTUNITY (O&O) – FIXED INCOME & RATE EXPECTATIONS “in the NUMBER”

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2. O&O – FIXED INCOME BOND ETFs

Ticker	Name	Fund Size	Morningstar Category	Average Credit Quality	Morningstar Rating for Funds - 3 Year	Total Return - 1 Year (%)	Standard Deviation - 1 Year, Monthly	Total Return - 3 Year (%)	Standard Deviation - 3 Year, Monthly	Beta - 3 Year, Monthly	Sharpe Ratio - 3 Year, Monthly	Maximum Drawdown - 3 Year (%)	
Corporate Bond													
Corporate Bond		10,432,368,424	hi		4	4.5	9.6	(1.8)	9.3	1.3	(0.6)	(13.6)	
Corporate Bond		7	2,163,300,138	Corporate Bond	A	3	3.9	8.3	(2.9)	8.1	1.1	(0.6)	(18.3)
Corporate Bond		246,668,201	low		3	3.6	5.6	(3.4)	5.4	0.7	(0.8)	(20.5)	
Corporate Bond	Bloomberg US Corp Bond TI		stdev		0.5	0.3	1.7	0.7	1.7	0.2	0.1	3.1	
SKOR	FlexShares Credit-Scored US Corp	\$ 337,417,415	Corporate Bond	-	4	4.52	5.94	-1.77	5.96	0.8	-0.65	-14.14	
IBD	Inspire Corporate Bond ETF	\$ 246,668,201	Corporate Bond	-	4	3.82	5.64	-2.01	5.35	0.71	-0.78	-13.59	
SPBO	SPDR® Portfolio Corporate Bond	\$ 1,267,883,253	Corporate Bond	A	3	3.78	9.64	-3.35	9.29	1.27	-0.55	-20.52	
USIG	iShares Broad USD Invmt Grd Corp	\$ 10,432,368,424	Corporate Bond	A	3	3.78	9.01	-3.26	8.79	1.2	-0.58	-20.04	
CORP	PIMCO Investment Grade Corpora	\$ 1,078,355,418	Corporate Bond	A	3	3.91	9.06	-3.05	8.83	1.2	-0.55	-19.7	
SPBO	SPDR® Portfolio Corporate Bond	\$ 1,267,883,253	Corporate Bond	A	3	3.78	9.64	-3.35	9.29	1.27	-0.55	-20.52	
VCEB	Vanguard ESG US Corporate Bond	\$ 512,525,000	Corporate Bond	A	3	3.63	9.22	-3.36	9.04	1.23	-0.58	-19.79	
Corporate Bond													
Corporate Bond		48,622,939,635	hi		5.0	4.4	13.7	(1.7)	12.2	1.4	(0.5)	(13.5)	
Corporate Bond		11	7,788,934,654	Corporate Bond	BBB	3.6	3.6	8.9	(3.0)	8.5	1.1	(0.6)	(18.4)
Corporate Bond		210,622,106	low		2.0	(0.1)	5.9	(5.5)	5.9	0.8	(0.6)	(23.0)	
Corporate Bond			stdev		1.0	1.3	2.2	1.1	1.9	0.2	0.0	3.3	
SPIB	SPDR® Portfolio Interm Term Co	\$ 7,993,509,929	Corporate Bond	BBB	5	4.34	5.92	-1.66	5.88	0.79	-0.64	-13.52	
SPIB	SPDR® Portfolio Interm Term Co	7993509929	Corporate Bond	BBB	5	4.34	5.92	-1.66	5.88	0.79	-0.64	-13.52	
KORP	American Century Dvrs Corp Bd E	237382948	Corporate Bond	BBB	5	4.19	6.53	-1.7	6	0.8	-0.61	-13.65	
IGEB	iShares Investment Grade Systmt	540094099	Corporate Bond	BBB	4	4.36	9.12	-2.86	8.86	1.2	-0.52	-19.66	
IGIB	iShares 5-10 Year invmt Grd Corp	12135669708	Corporate Bond	BBB	4	4.31	9.1	-2.99	8.67	1.18	-0.55	-19.08	
SCHI	Schwab 5-10 Year Corp Bd ETF	5811282999	Corporate Bond	BBB	3	4.03	9.34	-3.13	8.81	1.2	-0.55	-18.89	
FCOR	Fidelity Corporate Bond ETF	210622106	Corporate Bond	BBB	3	3.54	9.3	-3.47	9.16	1.24	-0.57	-20.75	
GIGB	Goldman Sachs Acss Invmt Grd Co	705767907	Corporate Bond	BBB	3	3.54	9.85	-3.55	9.44	1.28	-0.56	-20.59	
VCIT	Vanguard Interm-Term Corp Bd E	48622939635	Corporate Bond	BBB	3	4.01	9.36	-3.09	8.85	1.21	-0.54	-18.87	
WIP	SPDR® FTSE Intl Govt Infl-Protfd I	\$ 414,542,853	Global Bond	BBB	3	-0.06	13.73	-5.49	12.23	1.42	-0.55	-22.98	
SUSC	iShares ESG USD Corporate Bond	1012959080	Corporate Bond	BBB	2	3.38	9.61	-3.65	9.31	1.27	-0.59	-20.83	

2. O&O – FIXED INCOME BOND ETFs

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Ticker	Name	Fund Size	Morningstar Category	Average Credit Quality	Morningstar Rating for Funds - 3 Year	Total Return - 1 Year (%)	Standard Deviation - 1 Year, Monthly	Total Return - 3 Year (%)	Standard Deviation - 3 Year, Monthly	Beta - 3 Year, Monthly	Sharpe Ratio - 3 Year, Monthly	Maximum Drawdown - 3 Year (%)
SPTI	SPDR® Portfolio Intmdt Term Treas	\$ 4,874,932,039	IntGovernment	AA	4.0	1.38	6.46	-3.54	5.89	0.78	-0.95	-14.11
SPMB	SPDR® Portfolio Mortgage Backed	\$ 4,812,877,984	IntGovernment	AAA	3.0	-0.15	8.9	-3.95	7.82	1.07	-0.73	-17.07
SPTL	SPDR® Portfolio Long Term Treas	\$ 8,498,483,073	Long Govt	AA	3.0	-6.82	18.05	-11.32	15.88	2.11	-0.83	-39.47
SPLB	SPDR® Portfolio Long Term Corp	\$ 772,730,647	Long-Term	A	3.0	1.69	17.32	-6.89	15.97	2.16	-0.49	-31.82
PSK	SPDR® ICE Preferred Securities E	\$ 822,842,262	Preferred Stock	-	2.0	1.33	13.42	-1.72	14.45	1.41	-0.23	-20.48
SPTS	SPDR® Portfolio Short Term Treas	\$ 5,564,051,265	Short Gov	AA	4.0	3.66	2.45	-0.24	2.19	0.23	-1.3	-5.34
SPSB	SPDR® Portfolio Short Term Corp	\$ 7,344,950,360	Short-Term Bond	A	4.0	4.84	2.22	0.6	2.44	0.29	-0.81	-5.34
STOT	SPDR® DoubleLine Shrt Dur Ttl R	\$ 164,772,851	Short-Term Bond	BB	4.0	5.42	1.36	0.82	2.12	0.22	-0.94	-5.83
FLRN	SPDR® Blmbg Inv Grd Flt Rt ETF	\$ 2,286,040,222	Ultrashort Bond	A	4.0	6.32	0.66	2.92	1.09	0.01	0.29	-0.81
ULST	SPDR® SSgA Ultra Short Term Bo	\$ 610,811,364	Ultrashort Bond	BBB	4.0	5.36	0.68	2.3	0.99	0.06	-0.54	-1.12

2. O&O – FIXED INCOME BANK LOANS & HY Bonds

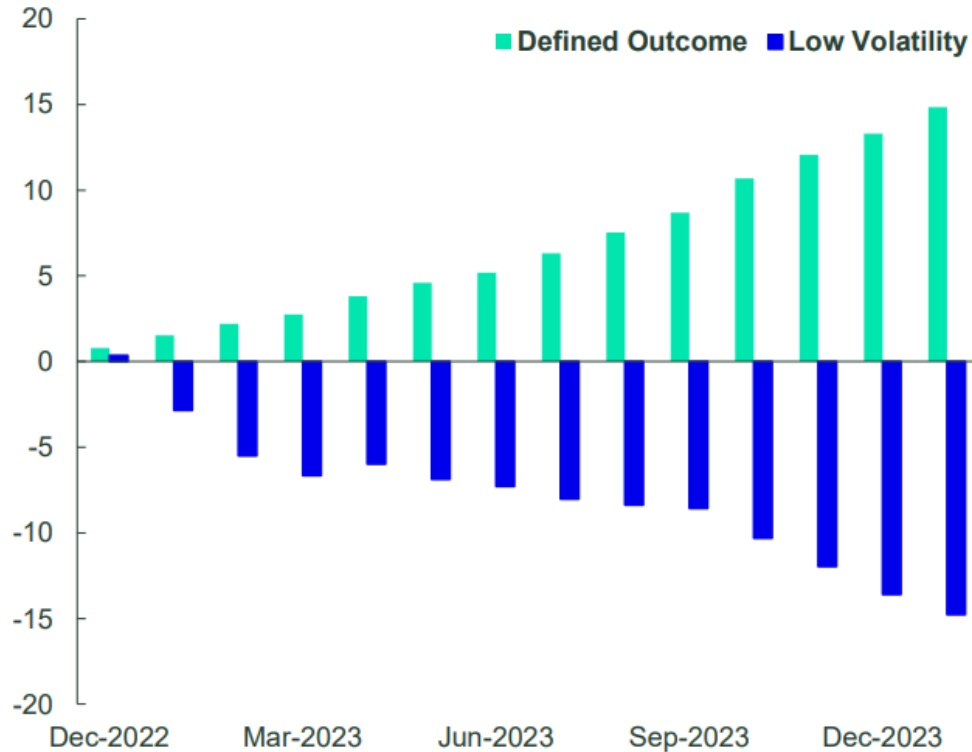
17

Ticker	Name	Fund Size	Bro a d	Morningstar Category	Average Credit Quality	Morningstar Rating for Funds - 3 Year	Total Return - 1 Year (%)	Standard Deviation - 1 Year, Monthly	Standard Deviation - 3 Year, Monthly	Beta - 3 Year, Monthly	Sharpe Ratio - 3 Year, Monthly	Maximum Drawdown - 3 Year (%)	
Bank Loan													
Bank Loan		6,628,731,903			hi	4.0	11.9	3.2	5.1	4.9	0.3	0.7	(5.6)
Bank Loan		2,821,271,651	Fix	Bank Loan	B	3.0	9.4	2.9	4.1	4.3	0.3	0.4	(6.2)
Bank Loan		105,208,251			low	2.0	8.2	2.4	3.1	3.8	0.2	0.2	(6.8)
Bank Loan	<i>Morningstar LSTA US LL Index</i>	7			stdev								
SRLN	SPDR Blackstone Senior Loan	\$ 5,183,448,153	Fix	Bank Loan	B	2	8.17	2.95	3.12	4.37	0.28	0.15	-6.68
FTSL	First Trust Senior Loan ETF	\$ 2,146,311,810	Fix	Bank Loan	B	3	8.54	2.39	4.06	4.08	0.25	0.38	-5.87
BKLN	Invesco Senior Loan ETF	\$ 6,628,731,903	Fix	Bank Loan	B	2	8.68	2.87	3.8	4.25	0.27	0.3	-5.82
SEIX	Virtus Seix Senior Loan ETF	\$ 105,208,251	Fix	Bank Loan	-	4	10.19	2.75	5.11	3.8	0.21	0.69	-5.84
SRLN	SPDR Blackstone Senior Loan	\$ 5,183,448,153	Fix	Bank Loan	B	2	8.17	2.95	3.12	4.37	0.28	0.15	-6.68
FLRT	Pacer Pacific Asset Fltng Rt Hi	\$ 190,639,484	Fix	Bank Loan	-	4	11.92	2.93	4.85	4.86	0.33	0.5	-6.8
FLBL	Franklin Senior Loan ETF	\$ 311,113,800	Fix	Bank Loan	B	4	10.28	3.18	4.97	4.49	0.29	0.57	-5.64
			2	High Yield Bond	B	3.5	9.2	5.8	2.4	7.2	0.7	0.1	-11.8
SJNK	SPDR® Blmbg ST HY Bd ETF	\$ 4,472,038,918		High Yield Bond	B	4	8.81	5.03	3.09	6.16	0.61	0.15	-9.43
SPHY	SPDR® Portfolio High Yield B	\$ 3,657,580,270		High Yield Bond	B	3	9.67	6.65	1.72	8.29	0.88	-0.01	-14.23

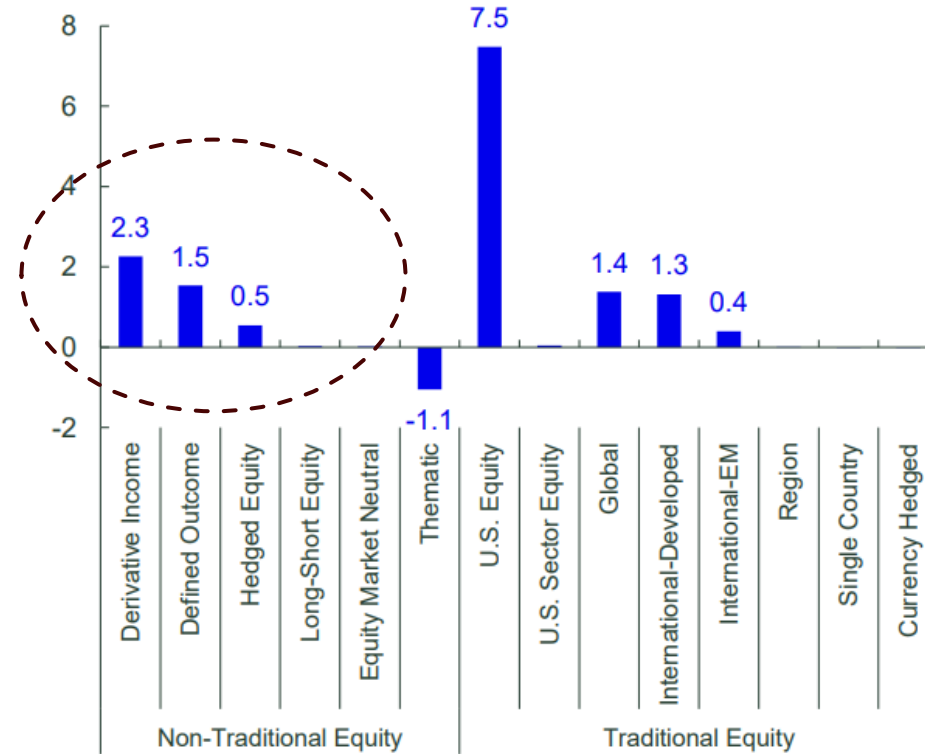
Source: Morningstar, 02-07-24 vA

2. O&O – LOW VOLATILITY VS ALTERNATIVES

Cumulative Flow Trends
Defined Outcome vs Low Volatility Fund Flows, \$ Billions



January Active Equity ETF Fund Flows
\$ Billions



Low market volatility and the emergence of defined outcome ETFs with downside protection have driven consistent outflows from low volatility ETFs

2. O&O ALTERNATIVES - DERIVATIVES & CONVERTIBLES

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Ticker	Name	Fund Size	Morningstar Category	Average Credit Quality	Morningstar Rating for Funds - 3 Year	Total Return - 1 Year (%)	Standard Deviation - 1 Year, Monthly	Standard Deviation - 3 Year, Monthly	Beta - 3 Year, Monthly	Sharpe Ratio - 3 Year, Monthly	Maximum Drawdown - 3 Year (%)	
Income		31,642,342,033	hi		5.0	18.3	15.0	10.1	16.5	0.9	0.7	(8.1)
Income	8	6,102,248,790	Derivative Income		3.6	10.1	8.3	7.4	12.1	0.6	0.5	(14.8)
Income		380,791,801	low		2.0	2.8	2.7	3.2	7.3	0.4	0.1	(22.8)
Income		CBOE S&P 500 BuyWrite BXI	stdev		1.2	5.0	3.6	2.4	2.7	0.2	0.2	4.7
JEPI	JPMorgan Equity Premium Income	\$ 31,642,342,033	Derivative Income	-	5	10.2	8.17	9.23	11.66	0.61	0.65	-13.12
XYLD	Global X S&P 500 [®] Covered Call	\$ 2,789,497,235	Derivative Income	-	2	8.57	5.81	5.12	10.41	0.53	0.35	-18.01
QYLD	Global X NASDAQ 100 Covered Ca	\$ 7,968,882,172	Derivative Income	-	2	18.33	9.17	3.18	13.34	0.65	0.14	-22.8
BUYW	Main BuyWrite ETF	\$ 396,030,629	Derivative Income	-	4	7.73	2.66	6.75	7.34	0.36	0.74	-8.07
SIXH	ETC 6 Meridian Hdg Eq-Idx Opt Str	\$ 380,791,801	Derivative Income	-	5	8.69	6.62	10.06	11.13	0.42	0.74	-10.07
DIVO	Amplify CWP Enhanced Dividend I	\$ 2,998,432,377	Derivative Income	-	4	7.6	10.41	8.84	13.59	0.69	0.58	-12.99
KNG	FT Cboe Vest S&P 500 [®] Dv Ast T	\$ 2,182,249,366	Derivative Income	-	3	2.84	14.99	6.41	16.54	0.86	0.39	-17.63
FTHI	First Trust BuyWrite Income ETF	\$ 459,764,704	Derivative Income	-	4	16.52	8.18	9.25	12.76	0.66	0.61	-15.89
	3	2,664,379,866	Convertibles	B								
		ICE BofA US Conv Bond TR USD										
CWB	SPDR [®] Blmbg Convert Secs ETF	\$ 3,673,979,484	Convertibles	B	3	6.47	11.93	-6.25	12.94	0.87	-0.43	-26.09
ICVT	iShares Convertible Bond ETF	\$ 1,654,780,248	Convertibles	B	2	6.82	11.83	-7.51	13.09	0.79	-0.5	-27.35
CWB	SPDR [®] Blmbg Convert Secs ETF	\$ 3,673,979,484	Convertibles	B	3	6.47	11.93	-6.25	12.94	0.87	-0.43	-26.09

2. O&O ALTERNATIVES - ETF w US AGG OPTIONS

Ticker	Name	Fund Size	Morningstar Category	Average Credit Quality	Morningstar Rating for Funds - 3 Year	Total Return - 1 Year (%)	Standard Deviation - 1 Year, Monthly	Standard Deviation - 3 Year, Monthly	Total Return - 3 Year (%)	Standard Deviation - 3 Year, Monthly	Beta - 3 Year, Monthly	Sharpe Ratio - 3 Year, Monthly	Maximum Drawdown - 3 Year (%)
ns Trading		17	439,076,926	Options Trading	-	3.6	14.7	9.1	6.8	9.4	0.5	0.5	(11.2)
ns Trading			105,710,059	low		3.0	9.9	5.0	4.6	5.5	0.3	0.3	(15.8)
ns Trading			Morningstar US Agg Tgt Allo	stdev		0.8	2.4	2.4	1.5	2.5	0.2	0.2	3.3
UJAN	Innovator US Equity Ultra Buff ETF	186103013	Options Trading	-	3	13.32	7.3	5.43	6.1	0.3	0.5	-7.83	
PJAN	Innovator US Equity Power Buff E	1197631162	Options Trading	-	4	15.06	8.87	7.18	9.55	0.54	0.56	-11.45	
PNOV	Innovator US Equity Power Buffer	786258626	Options Trading	-	3	9.85	9.41	6.03	9.55	0.52	0.45	-9.35	
BUFD	FT Cboe Vest Fund of Deep Buffer	785123346	Options Trading	-	3	13.21	8.17	4.62	7.51	0.43	0.32	-10.06	
PSEP	Innovator US Equity Power Buffer	755264425	Options Trading	-	4	15.76	9.03	7.8	9.22	0.53	0.63	-8.65	
FDEC	FT Cboe Vest US Equity Buffer ETF	730940012	Options Trading	-	4	19.08	12.04	8.48	12.35	0.72	0.57	-15.41	
FNOV	FT Cboe Vest US Equity Buffer ETF	605603192	Options Trading	-	3	15.05	12.51	6.47	12.71	0.73	0.41	-15.65	
PAPR	Innovator S&P 500 Power Bffr ETF	518733507	Options Trading	-	3	14.16	7.31	6.5	8.54	0.48	0.48	-10.31	
DJUL	FT Cboe Vest US Equity Deep Bffr	436884848	Options Trading	-	3	15.64	9.23	5.29	8.67	0.5	0.35	-12.11	
JANW	AllianzIM US Large Cap Buffer20 J	396227582	Options Trading	-	4	12.39	6.36	6.71	6.64	0.36	0.7	-7.33	
BFEB	Innovator S&P 500 Buffer ETFâ„, C	203685257	Options Trading	-	5	18.63	11.23	10.04	12.05	0.7	0.7	-13.42	
DSEP	FT Cboe Vest US Equity Dp Bffr ET	183362781	Options Trading	-	3	16.16	8.21	5.77	8.04	0.45	0.46	-11.7	
BOCT	Innovator U.S. Equity Buffer ETFâ„,	183011270	Options Trading	-	5	16.86	10.79	8.67	11.39	0.66	0.63	-13.5	
BDEC	Innovator S&P 500 Buffer ETF Dec	147284017	Options Trading	-	4	15.56	12.42	7.91	12.81	0.75	0.51	-15.76	
OCTW	AllianzIM US Large Cap Buffer20 C	134731402	Options Trading	-	5	15.31	4.99	8.38	5.49	0.29	1.12	-5.38	
BNOV	Innovator US Equity Buffer ETF No	107753239	Options Trading	-	3	12.45	11.64	5.55	12.56	0.71	0.34	-15.62	

2. O&O ALTERNATIVES – ETF w R 3000 OPTIONS

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Ticker	Name	Fund Size	Morningstar Category	Average Credit Quality	Morningstar Rating for Funds - 3 Year	Total Return - 1 Year (%)	Standard Deviation - 1 Year, Monthly	Standard Total Return - 3 Year (%)	Standard Deviation - 3 Year, Monthly	Beta - 3 Year, Monthly	Sharpe Ratio - 3 Year, Monthly	Maximum Drawdown - 3 Year (%)
s Trading												
s Trading		912,618,437	hi		5.0	19.7	12.3	9.5	13.4	0.8	1.0	(7.0)
s Trading	10	542,731,857	Options Trading		4.1	16.6	10.2	8.1	10.5	0.6	0.6	(11.4)
s Trading		117,721,575	low		3.0	12.8	6.2	6.8	7.2	0.4	0.5	(16.9)
s Trading		Russell 3000 TR USD	stdev		0.7	2.2	1.9	0.9	1.9	0.1	0.2	3.2
PJUL	Innovator S&P 500 Power Buffer I	912618437	Options Trading	-	4	17.01	9.39	8.31	8.85	0.49	0.68	-6.97
PDEC	Innovator U.S. Eq Power Buffer ET	842147663	Options Trading	-	3	13.65	11.38	6.75	9.92	0.55	0.49	-9.98
POCT	Innovator U.S. Equity Power Buf E	742665737	Options Trading	-	5	16.74	6.18	9.28	7.16	0.4	1	-7.56
FJUN	FT Cboe Vest US Equity Buffer ETF	662372621	Options Trading	-	5	18.46	11.17	9.47	10.96	0.62	0.68	-10.23
FJUL	FT Cboe Vest US Equity Buffer ETF	660859507	Options Trading	-	4	17.34	10.48	8.38	11.6	0.67	0.56	-11.4
FOCT	FT Cboe Vest US Equity Buffer ETF	490371762	Options Trading	-	3	12.75	10.9	7.1	11.5	0.67	0.51	-13.7
FSEP	FT Cboe Vest US Equity Buffer ETF	464605123	Options Trading	-	4	16.12	10.45	7.91	10.96	0.64	0.57	-12.21
PSFF	Pacer Swan SOS Fund of Funds ET	274567026	Options Trading	-	5	15.35	7.88	8.19	8.59	0.5	0.73	-9.36
BJAN	Innovator US Equity Buff ETFà, C Ja	259389118	Options Trading	-	4	19.73	12.3	7.89	13.38	0.78	0.49	-16.89
JANT	AllianzIM US Large Cap Buffer10 J	117721575	Options Trading	-	4	18.87	11.84	7.54	12.54	0.73	0.5	-15.4

2. O&O ALTERNATIVES – ETF w S&P 500 OPTIONS

22

Ticker	Name	Fund Size	Morningstar Category	Average Credit Quality	Morningstar Rating for Funds - 3 Year	Total Return - 1 Year (%)	Standard Deviation - 1 Year, Monthly	Total Return - 3 Year (%)	Standard Deviation - 3 Year, Monthly	Beta - 3 Year, Monthly	Sharpe Ratio - 3 Year, Monthly	Maximum Drawdown - 3 Year (%)
Trading												
Trading		3,260,211,518	hi		5.0	18.4	12.3	9.6	12.8	0.8	0.7	(8.6)
Trading	15	618,648,874	Options Trading		3.7	15.2	10.0	7.2	10.7	0.6	0.5	(12.7)
Trading		121,881,444	low		3.0	11.4	7.0	4.8	7.2	0.4	0.4	(17.5)
Trading		S&P 500 TR USD	stdev		0.7	2.0	1.4	1.4	1.9	0.1	0.1	2.7
BUFR	FT Cboe Vest Fund of Buffer ETFs	3260211518	Options Trading	-	4	16.04	10.34	7.58	11.24	0.66	0.51	-13.25
FFEB	FT Cboe Vest US Equity Buffer ETF	1013659142	Options Trading	-	5	18.4	10.52	9.09	11.13	0.65	0.63	-13.33
PFEB	Innovator US Equity Power Bffr ET	704224607	Options Trading	-	4	14.07	8.49	7.01	8.39	0.47	0.62	-9.21
FJAN	FT Cboe Vest US Equity Buffer ETF	695710394	Options Trading	-	5	16.96	10.3	9.6	11	0.62	0.72	-12.59
ACIO	Aptus Collared Investment Opp E	653286627	Options Trading	-	4	14.69	9.95	8	11.68	0.67	0.54	-13.64
FAUG	FT Cboe Vest US Equity Buffer ETF	587621728	Options Trading	-	3	13.44	10.32	5.47	11.46	0.68	0.35	-15.18
FMAY	FT Cboe Vest US Equity Buffer ETF	547318891	Options Trading	-	3	13.87	9.56	6.6	11.27	0.66	0.41	-12.99
PMAR	Innovator S&P 500 Power Buffer I	340279724	Options Trading	-	4	15.03	6.95	7.98	7.76	0.43	0.71	-9.03
DJAN	FT Cboe Vest US Equity Dp Bffr ET	323056894	Options Trading	-	3	13.04	8.13	4.77	7.16	0.38	0.38	-8.63
BJUL	Innovator U.S. Equity Buffer ETF J	286426045	Options Trading	-	4	17.82	11.23	8.22	11.85	0.69	0.53	-12.83
BAUG	Innovator U.S. Equity Buffer ETF A	239209465	Options Trading	-	3	16.89	10.67	6.94	12.19	0.72	0.43	-15.25
DFEB	FT Cboe Vest US Equity Deep Bffr	196009097	Options Trading	-	3	13.14	9.15	5.13	7.85	0.43	0.38	-8.81
BSEP	Innovator US Equity Buffer ETF-Se	183090268	Options Trading	-	4	17.05	11.2	8.03	12.77	0.75	0.52	-14.73

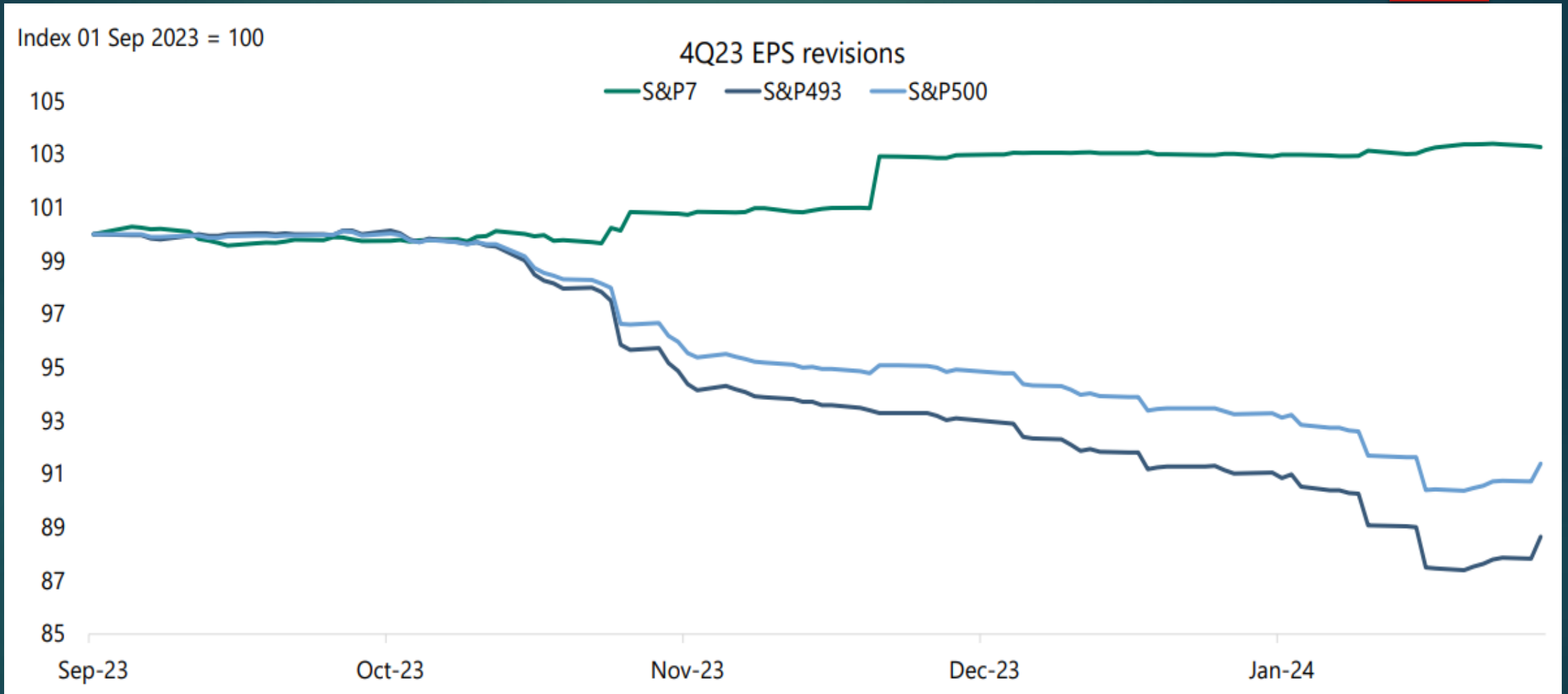
3. NEXT STEPS – Hylnc Fixed Inc (Feb) & Equity (March)

23

			1/31/2024	2024	TARGET			
		Portfolio %	1/31/2024	\$/sh Jan 31	Portfolio %	Return %	Risk	2024 KFS - Key Success Factors
Symb	Company Name							
GOLD	Barrick Gold Corp	5.2%	\$ 15.60	\$ (2.49)				
FNV	Franco Nevada	3.7%	\$ 108.25	\$ (2.56)				
GLD	SPDR Gold	5.3%	\$ 188.45	\$ (2.72)				
	Crisis Hedge ->	14%			5%	6%	nil	Feb Reduce %, Improve Return Option I/O
ENFR	Alerian Energy	3.6%	\$ 23.15	\$ 0.06				A. March - Momentum Rebalance - Option I/O
DUK	Duke Power	3.1%	\$ 95.83	\$ (1.21)				" " "
EOG	Enron Oil & Gas	2.5%	\$ 113.79	\$ (6.21)				" " "
EMR	Emerson Electric Co.	4.1%	\$ 91.73	\$ (5.60)				" " "
EPD	Enterprise	3.6%	\$ 26.76	\$ 0.90				" " "
KLAC	KLA Corporation	10.6%	\$ 594.04	\$ 12.74				Step (call option) Out at 20/50dma Cross Over
KMI	Kinder Morgan	3.2%	\$ 16.92	\$ (0.43)				A. March - Momentum Rebalance - Option I/O
MRK	Merck & Co., Inc.	4.4%	\$ 120.78	\$ 11.76				" " "
PXD	Pioneer	3.4%	\$ 229.83	\$ 4.95				" " "
RHHBY	Roche Holding AG	2.9%	\$ 35.14	\$ (1.09)				" " "
STX	Seagate Technology Holdin	4.7%	\$ 85.68	\$ 0.31				Step (call option) Out at 20/50dma Cross Over
WLKP	Westlake Polymer	3.1%	\$ 22.91	\$ 1.70				" " "
	US Equities ->	49%		\$ (2,048)	40%	8%	1/3 of S&P 500	Retain Equity Percentage During Melt Up
								Retain Equity Percentage - Option I/O fr 2020 Playbook
T Bill	Fixed Income TBills->	37%			5%	5%		Retain Minimal 13 week Tills @5%
	& Low Correlation Assets				50%	9%		Feb - Expand Fixed Income Positions
	TOTAL ->	100%			BASE ->	8.3%	1/3 of S&P 500	Base, Upside is 1.5 to 2x the Base

MARCH

3. NEXT STEPS – EQUITY S&P 7 VS 493



3. NEXT STEPS EQUITY – SECTOR MOMENTUM

	DJIG - SECTORS					last week	4 week	
year-wk-doy - >	<u>2024.02.013</u>	<u>2024.03.020</u>	<u>2024.04.026</u>	<u>2024.05.034</u>	<u>2024.06.040</u>		change	
<u>SECTOR</u>								
TECHNOLOGY	5432	5683	5737	5788	5995		9.4%	TECHNOLOGY
CONSUMER SERVICES	1452	1468	1493	1525	1537		5.6%	CONSUMER SERVICES
INDUSTRIALS	1264	1266	1283	1311	1328		4.8%	INDUSTRIALS
FINANCIALS	572	577	585	586	590		3.2%	FINANCIALS
TELECOMMUNICATIONS	216	219	229	230	220		1.9%	TELECOMMUNICATIONS
HEALTH CARE	2054	2038	2030	2072	2093		1.8%	HEALTH CARE
OIL & GAS	648	629	658	646	644		-0.6%	OIL & GAS
CONSUMER GOODS	824	814	810	819	817		-0.8%	CONSUMER GOODS
BASIC MATERIALS	494	482	488	494	489		-1.1%	BASIC MATERIALS
UTILITIES	765	731	725	725	714		-7.2%	UTILITIES

3. NEXT STEPS EQUITY – DJIG MOMENTUM (top 20/137)

26

Sector	Rank Week	Pct of 52 wk	Industry	IG - Sym	52 Week High	Idx Close	52 Week Low	% Change Week	Rank Week	Rank last 4 weeks	Change last 4 weeks	% Change Yr to Date	Rank Yr to Date	3 yr chg %
		High				2024.06.040 2/9/2024								
CONSUMER GOODS	10	70%	Automobiles	DJUSAU	1,029	716	580	2.9	[10]	17 low	-8%	-18.59	[136]	-1.7%
CONSUMER GOODS	12	89%	Footwear	DJUSFT	2,414	2,152	1,755	2.83	[12]		2%	-0.02	[74]	-0.3%
CONSUMER GOODS	13	96%	Clothing & Accessories	DJUSCF	364	349	259	2.69	[13]		2%	-3.61	[102]	-0.9%
CONSUMER GOODS	16	71%	Automobiles & Parts	DJUSAP	1,176	833	704	2.53	[16]	17 low	-7%	-17.19	[133]	-1.4%
					-		-							
CONSUMER SERVICES	3	100%	Gambling	DJUSCA	739	736	578	5.16	[3]	17 high	11%	7.21	[19]	-0.8%
CONSUMER SERVICES	8	78%	Airlines	DJUSAR	198	155	116	3.18	[8]	17 high	8%	4	[42]	-5.0%
CONSUMER SERVICES	11	98%	Travel & Tourism	DJUSTT	1,082	1,056	638	2.88	[11]	17 high	8%	7.72	[18]	0.7%
					-		-							
FINANCIALS	4	98%	Insurance Brokers	DJUSIB	680	669	548	4.24	[4]		3%	6.95	[21]	2.2%
FINANCIALS	19	100%	Asset Managers	DJUSAG	291	291	212	2.43	[19]		4%	2.2	[59]	2.3%
					-		-							
HEALTH CARE	6	100%	Pharmaceuticals	DJUSPR	906	906	741	4.09	[6]		5%	10.56	[8]	1.2%
					-		-							
INDUSTRIALS	1	100%	Trucking	DJUSTK	1,963	1,963	1,343	7.18	[1]	17 high	16%	12.72	[3]	0.9%
INDUSTRIALS	7	100%	Electrical Comps & Equip	DJUSEC	627	627	475	3.6	[7]	17 high	9%	6.65	[23]	1.5%
INDUSTRIALS	9	100%	Electronic & Electrical Equip	DJUSEE	706	706	555	3.18	[9]	17 high	8%	5.33	[28]	0.7%
INDUSTRIALS	18	100%	Heavy Construction	DJUSHV	1,148	1,148	907	2.46	[18]		6%	1.86	[60]	2.1%
INDUSTRIALS	20	99%	Industrial Transportation	DJUSIT	1,706	1,680	1,393	2.29	[20]		4%	1.84	[61]	0.3%
					-		-							
TECHNOLOGY	2	100%	Semiconductor	DJUSSC	13,724	13,724	6,763	6.26	[2]	17 high	19%	20.57	[1]	0.2%
TECHNOLOGY	5	100%	Technology Hardware & Equip	DJUSTQ	5,702	5,702	3,586	4.15	[5]	17 high	11%	10.13	[10]	0.3%
TECHNOLOGY	14	100%	Internet	DJUSNS	4,021	4,021	2,116	2.67	[14]	17 high	12%	15	[2]	0.2%
TECHNOLOGY	15	100%	Software	DJUSSW	6,882	6,882	4,113	2.59	[15]	17 high	8%	10.86	[7]	0.2%
TECHNOLOGY	17	100%	Software & Computer Svcs	DJUSSV	6,242	6,242	3,624	2.52	[17]	17 high	9%	12.15	[4]	0.2%

Source: Barrons DJIG's

3. NEXT STEPS EQUITY – DJIG MOMENTUM (low 17/137)

27

Sector	Rank Week	Pct of 52 wk Low	Industry	IG - Sym	52 Week High	Idx Close	52 Week Low	% Change Week	Rank Week	Rank last 4 weeks	Change last 4 weeks	% Change Yr to Date	Rank Yr to Date	3 yr chg %
						2024.06.040								
						2/9/2024								
BASIC MATERIALS	137	115%	Aluminum	DJUSAL	190	91.86	80	-8.82	[137]	17 low	-10%	-20.91	[137]	16.9%
BASIC MATERIALS	135	112%	Nonferrous Metals	DJUSNF	597	499.76	444	-6.83	[135]	17 low	-9%	-12.24	[132]	2.5%
BASIC MATERIALS	130	100%	Gold Mining	DJUSPM	123	82.22	82	-4.21	[130]	17 low	-11%	-17.44	[135]	-16.3%
BASIC MATERIALS	129	100%	Mining	DJUSMG	112	74.57	74	-4.16	[129]	17 low	-11%	-17.39	[134]	-18.8%
					-		-							
CONSUMER GOODS	132	112%	Food Products	DJUSFP	705	608.25	544	-4.29	[132]		-2%	-1.08	[83]	0.6%
CONSUMER GOODS	131	106%	Food Producers	DJUSFO	510	419.66	396	-4.21	[131]	17 low	-4%	-4.37	[111]	0.5%
CONSUMER GOODS	126	102%	Tobacco	DJUSTB	750	639.08	627	-3.78	[126]	17 low	-5%	-3.73	[104]	0.0%
CONSUMER GOODS	125	112%	Durable Hshld Pdts	DJUSHD	174	134.44	120	-3.68	[125]	17 low	-6%	-9.8	[130]	-17.5%
CONSUMER GOODS	123	119%	Brewers	DJUSDB	727	636.35	536	-2.72	[123]		-4%	-0.94	[82]	-1.2%
CONSUMER GOODS	122	109%	Distillers & Vintners	DJUSVN	583	506.46	464	-2.64	[122]	17 low	-5%	0.07	[73]	0.3%
CONSUMER GOODS	121	108%	Food & Beverage	DJUSFB	846	741.58	685	-2.57	[121]		-2%	-2.06	[92]	0.6%
					-		-							
CONSUMER SERVICES	128	147%	Recreational Svcs	DJUSRQ	107	95.66	65	-4.15	[128]		-3%	-9.52	[128]	2.0%
CONSUMER SERVICES	124	117%	Media Agencies	DJUSAV	606	519.94	443	-3.38	[124]		0%	-2.7	[98]	-2.7%
					-		-							
FINANCIALS	136	111%	Diversified REITs	DJUSDT	72	49.33	44	-6.87	[136]	17 low	-15%	-11.46	[131]	-15.7%
FINANCIALS	133	144%	Mortgage Finance	DJUSMF	10	9.41	7	-4.94	[133]		-3%	-3.96	[108]	69.1%
FINANCIALS	120	131%	Reinsurance	DJUSIU	509	486.03	370	-2.49	[120]		1%	4.25	[37]	3.5%
FINANCIALS	117	119%	Mortgage REITs	DJUSMR	32	28.53	24	-2.25	[117]	17 low	-6%	-5.27	[119]	-40.1%
					-		-							
TELECOMMUNICATIONS	135	127%	Fixed Line Telecom	DJUSFC	117	99.73	79	-5.58	[134]		2%	-0.14	[75]	-8.6%
TELECOMMUNICATIONS	127	124%	Mobile Telecom	DJUSWC	356	339.93	273	-3.82	[127]		2%	3.93	[43]	-1.4%
					-		-							
UTILITIES	119	108%	Conventional Electricity	DJUSVE	331	284.7	263	-2.29	[119]	17 low	-5%	-4.78	[115]	-0.7%
UTILITIES	118	108%	Electricity	DJUSEU	330	284.01	263	-2.29	[118]	17 low	-5%	-4.83	[116]	-0.7%

Income SIG – February 2024

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- ▶ **1. HyInc* PORTFOLIO UPDATE**
- ▶ **2. O&O – OUTLOOK & OPPORTUNITY**
- ▶ **3. NEXT STEPS**

* Hybrid Income – Uses all Asset Classes and Options to Drive Return and Risk

App A BASELINE - LARGE CAP ETFs

Fund Size	Morningstar Category	Morningstar Rating for Funds - 3 Year	Portfolio Price/Fair Value	Market Return - 3 Month (%)	Market Return - 1 Year (%)	Standard Deviation - 1 Year, Monthly	Sharpe Ratio - 1 Year, Monthly	Maximum Drawdown - 1 Year (%)	Market Return - 3 Year (%)	Standard Deviation - 3 Year, Monthly	Beta - 3 Year, Monthly	Sharpe Ratio - 3 Year, Monthly	Maximum Drawdown - 3 Year (%)	Downside Capture Ratio - 3 Year
246,531,342,153	hi	5.0	1.2	21.4	43.2	18.6	1.9	(3.8)	11.9	22.5	1.2	0.6	(16.5)	123.7
31 24,325,297,827	Large Growth	3.7	1.1	14.3	33.8	15.8	1.5	(8.0)	8.1	20.3	1.1	0.4	(30.0)	112.6
118,297,062	low	2.0	1.0	7.1	22.0	13.5	0.7	(11.5)	1.5	12.7	0.5	0.0	(39.6)	54.6
	stdev	0.8	0.0	2.5	6.4	1.3	0.3	1.6	2.3	1.9	0.1	0.1	4.0	13.5
156,913,712,362	hi	5.0	1.0	13.8	24.8	18.1	1.0	(4.7)	15.9	20.6	1.1	0.8	(13.1)	104.0
61 9,976,155,980	Large Value	3.3	1.0	9.2	9.4	14.3	0.3	(8.6)	9.2	16.5	0.9	0.5	(17.5)	83.2
113,472,454	low	2.0	0.9	4.5	(5.5)	10.0	(0.6)	(14.2)	5.7	14.2	0.7	0.4	(23.9)	66.1
	stdev	0.9	0.0	1.8	5.4	1.5	0.3	1.6	1.8	1.2	0.1	0.1	2.4	7.7
1,473,664,152,462	hi	5.0	1.1	14.7	35.3	18.0	1.7	(4.2)	13.2	20.2	1.2	0.8	(10.5)	118.3
87 38,884,298,907	Large Blend	3.5	1.0	11.2	21.0	14.0	0.9	(8.2)	9.6	17.3	1.0	0.5	(23.1)	96.9
106,572,927	low	2.0	0.9	6.5	5.3	11.0	0.0	(13.2)	6.4	11.1	0.5	0.4	(28.2)	45.4
	stdev	0.8	0.0	1.7	5.6	1.3	0.3	1.4	1.4	1.2	0.1	0.1	3.1	9.9

App B BASELINE – MID & SMALL CAPS

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	Fund Size	Morningstar Category	Morningstar Rating for Funds - 3 Year	Portfolio Price/Fair Value	Market Return - 3 Month (%)	Market Return - 1 Year (%)	Standard Deviation - 1 Year, Monthly	Sharpe Ratio - 1 Year, Monthly	Maximum Drawdown - 1 Year (%)	Market Return - 3 Year (%)	Standard Deviation - 3 Year, Monthly	Beta - 3 Year, Monthly	Sharpe Ratio - 3 Year, Monthly	Maximum Drawdown - 3 Year (%)	Downside Capture Ratio - 3 Year
	246,531,342,159		5.0	1.2	21.4	43.2	18.6	1.9	(3.8)	11.9	22.5	1.2	0.6	(16.5)	123.7
31	24,325,297,827	Large Growth	3.7	1.1	14.3	33.8	15.8	1.5	(8.0)	8.1	20.3	1.1	0.4	(30.0)	112.6
	118,297,062		2.0	1.0	7.1	22.0	13.5	0.7	(11.5)	1.5	12.7	0.5	0.0	(39.6)	54.6
			0.8	0.0	2.5	6.4	1.3	0.3	1.6	2.3	1.9	0.1	0.1	4.0	13.5
	76,467,951,915		5	1	23	30	23	0.9	(5)	11	22	1	1	(12)	120
33	6,995,933,179	Mid-Cap Blend	3	0.96	11.69	9.32	17.9	0.18	(11.44)	5.78	18.87	0.99	0.34	(21.06)	99.17
	102,511,950		1	1	6	(2)	10	(0.6)	(14)	(0)	13	1	0	(27)	71
			1.0	0.0	3.3	6.9	2.5	0.3	2.2	2.5	1.7	0.1	0.1	3.2	11.0
	22,715,151,373		5.0	1.1	21.4	21.3	21.4	0.6	(11.3)	3.6	22.2	1.2	0.2	(21.8)	129.5
11	4,767,003,372	Mid-Cap Growth	3.5	1.0	15.3	14.7	19.1	0.3	(13.2)	(0.1)	20.8	1.1	0.1	(29.0)	116.5
	178,427,385		2.0	1.0	12.9	11.2	16.7	0.2	(15.7)	(5.7)	19.6	0.9	(0.2)	(35.4)	95.5
			0.8	0.0	2.6	3.1	1.8	0.1	1.4	2.6	1.0	0.1	0.1	4.3	11.3
	27,665,430,860		5.0	1.0	13.2	27.0	22.4	1.1	(5.3)	14.7	22.9	1.1	0.9	(9.7)	104.6
21	4,822,638,595	Mid-Cap Value	3.6	0.9	8.6	5.6	18.7	0.1	(11.7)	9.0	19.5	0.9	0.5	(17.1)	88.2
	137,637,959		2.0	0.8	3.8	(2.1)	13.5	(0.4)	(15.2)	5.4	15.5	0.6	0.3	(21.0)	61.7
			0.9	0.1	2.0	7.0	2.9	0.4	2.6	2.7	2.3	0.1	0.1	2.9	11.9
	130,413,921,035		5.0	1.0	16.7	13.9	23.1	0.4	(8.6)	8.3	21.8	1.1	0.5	(16.9)	116.8
29	9,031,858,674	Small Blend	3.5	0.9	10.7	6.1	20.4	0.0	(13.5)	3.0	20.0	1.0	0.2	(22.0)	101.5
	103,714,277		2.0	0.8	5.0	(2.6)	11.4	(0.4)	(16.4)	(1.5)	13.4	0.7	0.0	(26.8)	73.9
	27,178,477,950		0.9	0.0	2.7	3.7	2.6	0.2	2.1	2.5	1.7	0.1	0.1	2.3	9.9
	31,384,853,434		5.0	1.0	19.0	16.7	22.0	0.4	(9.9)	1.8	22.9	1.1	0.2	(22.6)	132.1
8	5,325,187,121	Small Growth	3.6	0.9	13.6	10.2	21.3	0.2	(14.8)	(2.8)	21.3	1.0	(0.0)	(28.3)	117.1
	247,923,389		2.0	0.9	11.4	4.9	20.5	(0.1)	(17.9)	(7.7)	20.3	1.0	(0.3)	(33.8)	101.3
			0.9	0.0	2.7	4.0	0.7	0.2	2.6	3.2	1.0	0.0	0.2	3.9	9.7
	50,586,563,923		5.0	0.9	11.9	20.8	26.7	0.7	(9.4)	12.2	24.7	1.1	0.6	(16.0)	103.8
18	5,525,830,009	Small Value	3.0	0.8	9.3	4.1	23.4	0.0	(14.2)	6.8	22.6	1.0	0.4	(20.5)	97.4
	176,526,116		2.0	0.7	4.7	(3.1)	21.0	(0.3)	(17.1)	1.6	20.6	1.0	0.2	(24.8)	80.7
			1.1	0.0	2.0	5.9	1.6	0.2	2.1	3.3	1.2	0.0	0.1	2.6	6.0

App C – GROWTH SECTOR BASELINE

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	Fund Size	es t Morningstar Category	Morningstar Rating for Funds - 3 Year	Portfolio Price/Fair Value	Market Return - 3 Month (%)	Total Return - 1 Year (%)	Deviation - 1 Year, Monthly	Beta - 1 Year, Monthly	Ratio - 1 Year, Monthly	Maximum Drawdown - 1 Year (%)	Market Return - 3 Year (%)	Deviation - 3 Year, Monthly	Beta - 3 Year, Monthly	Ratio - 3 Year, Monthly	Maximum Drawdown - 3 Year (%)
	17,306,993,394	hi	5.0	0.9	15.7	44.0	24.8	1.4	2.1	(5.7)	3.8	29.0	1.2	0.2	(37.9)
8	2,903,880,461	Communications	3.3	0.8	10.7	23.5	17.7	1.0	0.8	(10.9)	(6.0)	22.1	1.1	(0.2)	(45.7)
	127,677,246	low	2.0	0.8	4.4	(4.6)	14.0	0.8	(0.4)	(16.1)	(19.6)	19.4	1.0	(0.8)	(65.6)
		stdev	1.4	0.1	5.3	17.8	4.4	0.2	0.9	4.2	8.8	3.2	0.1	0.4	8.4
	19,466,658,931	hi	5.0	1.1	21.5	44.1	36.0	2.2	1.1	(6.8)	18.0	34.8	1.7	0.7	(21.8)
13	2,678,988,698	Consumer Cyclical	3.4	0.9	12.9	17.8	23.8	1.5	0.4	(14.8)	2.0	25.4	1.3	0.1	(36.3)
	181,162,962	low	1.0	0.7	6.4	3.2	14.6	0.9	(0.1)	(21.6)	(27.4)	17.2	0.9	(0.8)	(70.1)
		stdev	1.1	0.1	4.8	12.7	6.3	0.4	0.4	3.9	10.7	4.5	0.2	0.4	11.1
	71,690,135,264	hi	5.0	1.2	27.0	61.8	30.0	1.4	2.0	(7.0)	17.8	32.8	1.6	0.7	(23.6)
20	10,568,911,147	Technology	4.3	1.1	16.0	36.0	21.9	1.1	1.3	(11.5)	8.6	24.1	1.2	0.4	(34.3)
	159,902,955	low	3.0	0.9	8.5	4.4	16.2	0.7	0.1	(20.4)	(1.5)	18.3	0.9	0.1	(45.1)
		stdev	0.7	0.1	5.3	16.3	4.1	0.2	0.6	3.9	5.3	3.6	0.2	0.2	5.2

App D – CYCLIC EQUITY SECTORS

32

	Fund Size	es t Morningstar Category	Morningstar Rating for Funds - 3 Year	Portfolio Price/Fair Value	Market Return - 3 Month (%)	Total Return - 1 Year (%)	Deviation - 1 Year, Monthly	Beta - 1 Year, Monthly	Ratio - 1 Year, Monthly	Maximum Drawdown - 1 Year (%)	Market Return - 3 Year (%)	Deviation - 3 Year, Monthly	Beta - 3 Year, Monthly	Ratio - 3 Year, Monthly	Maximum Drawdown - 3 Year (%)
19	35,317,786,388 3,138,514,694	hi Equity Energy	5.0 3.3	1.0 0.9	4.2 (3.4)	4.0 (4.7)	34.0 21.6	1.7 0.6	0.1 (0.4)	(6.1) (17.1)	36.2 22.6	43.7 34.5	1.2 0.8	1.1 0.8	(16.1) (23.3)
	126,031,180	low	1.0	0.8	(10.5)	(23.8)	11.1	0.3	(1.4)	(34.2)	(21.8)	25.7	0.7	(0.7)	(52.6)
		stdev	1.2	0.1	3.7	6.3	6.4	0.3	0.3	6.3	12.7	5.5	0.2	0.4	8.6
17	36,345,838,370 5,588,301,602	hi Equity Precious Metals	5.0 3.1	1.1 0.8	17.1 2.0	16.9 (3.8)	39.6 25.2	1.9 1.0	1.1 (0.1)	7.4 (17.6)	18.2 (0.3)	39.5 25.3	1.5 0.9	1.0 0.2	8.2 (30.9)
	110,449,547	low	1.0	0.1	(19.1)	(47.6)	7.5	0.1	(2.2)	(49.3)	(20.1)	3.9	0.2	(0.5)	(58.7)
		stdev	1.6	0.2	10.6	17.6	10.2	0.6	0.8	12.0	14.0	9.1	0.3	0.5	18.2
20	36,345,838,370 3,024,953,238	hi Financial	5.0 3.5	1.1 0.9	17.1 12.1	16.9 4.7	39.1 23.2	1.5 1.0	1.1 0.2	(4.5) (16.0)	18.2 8.1	30.4 22.6	1.4 1.0	1.0 0.5	(12.7) (25.6)
	110,449,547	low	1.0	0.7	2.8	(14.4)	11.9	0.1	(0.3)	(32.6)	(2.1)	17.5	0.5	0.1	(43.4)
		stdev	1.1	0.1	3.7	9.0	7.5	0.4	0.3	7.4	5.3	3.9	0.2	0.2	8.2
19	16,188,984,684 2,142,959,653	hi Industrials	5.0 3.3	1.1 1.0	21.7 11.5	42.7 12.5	35.5 23.2	2.0 1.3	1.0 0.3	(6.3) (15.7)	16.9 5.8	33.4 23.6	1.5 1.2	0.7 0.3	(17.0) (27.9)
	104,309,274	low	1.0	0.6	(14.7)	(34.1)	14.6	0.8	(1.4)	(38.5)	(19.9)	18.4	0.8	(0.6)	(54.6)
		stdev	1.4	0.1	8.8	17.3	6.3	0.3	0.6	9.0	9.0	4.4	0.2	0.3	10.0
20	32,455,247,342 2,999,188,111	hi Real Estate	4.0 2.9	0.9 0.8	19.0 6.2	(1.2) (4.2)	46.8 23.0	2.7 1.4	(0.2) (0.3)	(14.0) (17.9)	3.5 (0.6)	39.6 23.4	1.7 1.2	0.2 0.1	(27.5) (34.6)
	100,956,022	low	1.0	0.6	(0.6)	(11.6)	18.4	1.2	(0.5)	(39.3)	(34.8)	20.7	1.1	(0.9)	(77.3)
		stdev	1.1	0.1	3.9	2.7	6.2	0.3	0.1	5.3	8.7	4.5	0.1	0.3	10.8
20	6,171,245,616 1,530,800,912	hi Natural Resources	5.0 3.5	1.0 0.9	13.0 3.7	36.9 0.2	28.4 20.9	1.6 1.1	1.4 (0.3)	(11.0) (15.2)	23.0 8.9	34.9 24.3	1.6 1.1	1.0 0.5	(17.4) (24.3)
	106,158,341	low	2.0	0.8	(4.3)	(14.0)	16.7	0.3	(1.2)	(21.8)	0.0	19.7	0.8	0.1	(33.6)
		stdev	0.8	0.1	5.6	12.1	3.2	0.3	0.6	2.9	6.0	4.7	0.2	0.2	4.5

App E – DEFENSIVE SECTOR BASELINE

33

	Fund Size	es t Morningstar Category	Morningstar Rating for Funds - 3 Year	Portfolio Price/Fair Value	Market Return - 3 Month (%)	Total Return - 1 Year (%)	Deviation - 1 Year, Monthly	Beta - 1 Year, Monthly	Ratio - 1 Year, Monthly	Maximum Drawdown - 1 Year (%)	Market Return - 3 Year (%)	Deviation - 3 Year, Monthly	Beta - 3 Year, Monthly	Ratio - 3 Year, Monthly	Maximum Drawdown - 3 Year (%)
	15,228,454,014	hi	5.0	1.0	5.3	4.4	14.1	0.9	(0.1)	(9.3)	6.7	14.6	0.7	0.4	(11.8)
8	3,385,866,561	Consumer Defensive	3.8	1.0	4.2	1.0	12.8	0.8	(0.3)	(11.2)	5.5	14.2	0.6	0.3	(13.5)
	131,084,556	low	2.0	0.9	3.2	(6.1)	12.1	0.7	(0.7)	(16.5)	3.0	13.8	0.5	0.2	(16.5)
		stdev	1.0	0.0	0.8	3.3	0.8	0.1	0.2	2.4	1.5	0.2	0.0	0.1	1.8
	7,548,920,307	hi	5.0	0.9	5.8	18.1	13.8	0.7	1.3	(2.9)	29.8	25.6	0.8	1.2	(9.8)
11	1,543,320,966	Energy Ltd Partnership	2.9	0.9	3.1	10.9	11.8	0.5	0.7	(4.9)	22.3	20.0	0.7	1.1	(13.7)
	127,075,535	low	1.0	0.9	0.9	2.2	9.0	0.3	(0.2)	(7.0)	11.0	15.0	0.6	0.7	(16.9)
		stdev	1.3	0.0	2.0	5.5	1.5	0.2	0.5	1.5	6.0	2.8	0.1	0.2	1.9
	40,436,455,395	hi	5.0	1.0	36.1	13.6	28.8	1.7	0.5	(6.7)	9.5	23.8	1.2	0.6	(13.1)
20	4,556,541,933	Health	3.3	0.9	14.5	2.6	17.9	1.0	(0.2)	(14.9)	(1.1)	17.1	0.8	(0.1)	(25.3)
	145,231,164	low	2.0	0.8	6.1	(10.6)	12.6	0.6	(0.7)	(30.7)	(13.6)	12.3	0.5	(0.7)	(47.9)
		stdev	1.1	0.1	6.4	7.3	5.2	0.3	0.3	6.9	7.5	3.1	0.2	0.4	11.8
	12,076,577,147	hi	4.0	0.9	0.7	(4.5)	16.2	0.9	(0.5)	(11.6)	4.2	18.5	0.9	0.2	(14.7)
7	2,967,538,496	Utilities	3.1	0.9	(1.0)	(7.0)	15.3	0.9	(0.8)	(12.8)	2.2	18.0	0.8	0.1	(16.4)
	114,318,332	low	2.0	0.9	(2.0)	(8.8)	14.9	0.8	(0.9)	(13.4)	0.3	17.3	0.8	0.0	(17.7)
		stdev	0.7	0.0	1.1	1.7	0.5	0.0	0.2	0.7	1.4	0.4	0.0	0.1	1.3