

# ETF Sector Rotation Model

|   | <u>Model</u> | <u>S&amp;P 500</u> |                       | <u>Model</u> | <u>S&amp;P 500</u> |                                   | <u>Model</u> | <u>S&amp;P 500</u> |
|---|--------------|--------------------|-----------------------|--------------|--------------------|-----------------------------------|--------------|--------------------|
|   |              |                    | <b>Annual Returns</b> |              |                    | <b>Compound Annual Growth</b>     |              |                    |
| Sharpe                                    | 0.78         | 0.49               | 2001                  | -9.85        | -11.86             | Inception                         | 9.78         | 8.18               |
| Skew                                      | -0.59        | -0.73              | 2002                  | -5.15        | -22.10             | 20 Year                           | 11.01        | 10.15              |
| Kurtosis                                  | 2.32         | 1.25               | 2003                  | 24.83        | 28.69              | 15 Year                           | 11.63        | 15.63              |
| Max drawdown                              | -22.55       | -50.95             | 2004                  | 17.40        | 10.88              | 10 Year                           | 9.52         | 12.96              |
| Up Capture                                | 0.75         |                    | 2005                  | 6.95         | 4.91               | 5 Year                            | 8.75         | 15.05              |
| Down Capture                              | 0.55         |                    | 2006                  | 13.33        | 15.79              | 3 Year                            | 5.97         | 11.49              |
| Alpha                                     | 5.17         |                    | 2007                  | 15.33        | 5.49               |                                   |              |                    |
| Beta                                      | 0.55         |                    | 2008                  | -5.66        | -37.00             | <b>Standard Deviation History</b> |              |                    |
| Up Beta                                   | 0.53         |                    | 2009                  | 17.98        | 26.47              | Inception                         | 12.56        | 16.68              |
| Down Beta                                 | 0.28         |                    | 2010                  | 10.22        | 15.06              | 20 Year                           | 12.99        | 16.16              |
| Correlation                               | 0.72         |                    | 2011                  | 4.09         | 2.11               | 15 Year                           | 13.92        | 15.79              |
| Up Correlation                            | 0.55         |                    | 2012                  | 13.21        | 16.00              | 10 Year                           | 14.17        | 16.25              |
| Down Correlation                          | 0.31         |                    | 2013                  | 37.28        | 32.39              | 5 Year                            | 17.55        | 19.97              |
|   |              |                    | 2014                  | 11.49        | 13.69              | 3 Year                            | 14.58        | 18.90              |
| Positive months                           | 178          | 184                | 2015                  | 3.54         | 1.38               |                                   |              |                    |
| Negative months                           | 101          | 95                 | 2016                  | 7.31         | 11.96              | <b>Average Monthly Returns</b>    |              |                    |
| Win rate                                  | 63.80        | 65.95              | 2017                  | 21.64        | 21.83              | January                           | 0.00         | 0.04               |
|   |              |                    | 2018                  | 1.64         | -4.38              | February                          | 1.31         | -0.28              |
| Positive quarters                         | 67           | 67                 | 2019                  | 20.81        | 31.49              | March                             | 0.26         | 1.03               |
| Negative quarters                         | 26           | 26                 | 2020                  | 7.44         | 18.40              | April                             | 0.78         | 2.09               |
| Win rate                                  | 72.04        | 72.04              | 2021                  | 25.23        | 28.71              | May                               | 0.35         | 0.55               |
|   |              |                    | 2022                  | -8.63        | -18.11             | June                              | 0.45         | -0.45              |
| Positive years                            | 19           | 18                 | 2023                  | 0.55         | 26.29              | July                              | 1.12         | 1.66               |
| Negative years                            | 4            | 5                  | 2024-03               | 10.15        | 10.56              | August                            | 0.10         | -0.11              |
| Win Rate                                  | 82.61        | 78.26              |                       |              |                    | September                         | -0.32        | -1.49              |
|   |              |                    |                       |              |                    | October                           | 1.75         | 1.45               |
| Positive positions                        | 290          |                    |                       |              |                    | November                          | 2.10         | 2.58               |
| Average gain                              | 6.56         |                    |                       |              |                    | December                          | 1.46         | 0.84               |
| Negative positions                        | 131          |                    |                       |              |                    |                                   |              |                    |
| Average loss                              | -5.51        |                    |                       |              |                    | May-Oct                           | 1.71         | 0.16               |
|   |              |                    |                       |              |                    | Nov-Apr                           | 7.66         | 7.75               |
| Trades                                    | 297          |                    |                       |              |                    |                                   |              |                    |
| ... per month                             | 1.07         |                    |                       |              |                    |                                   |              |                    |
| <b>Range of Historical Rolling CAGRs:</b> |              |                    |                       |              |                    |                                   |              |                    |
| Best 1-year                               | 45.65        | 56.35              |                       |              |                    |                                   |              |                    |
| Worst 1-year                              | -12.24       | -43.32             |                       |              |                    |                                   |              |                    |
| Best 3-year                               | 21.89        | 26.07              |                       |              |                    |                                   |              |                    |
| Worst 3-year                              | 0.32         | -15.11             |                       |              |                    |                                   |              |                    |
| Best 5-year                               | 18.32        | 23.00              |                       |              |                    |                                   |              |                    |
| Worst 5-year                              | 4.98         | -6.64              |                       |              |                    |                                   |              |                    |
| Best 10-year                              | 14.49        | 16.67              |                       |              |                    |                                   |              |                    |
| Worst 10-year                             | 7.95         | 1.30               |                       |              |                    |                                   |              |                    |

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