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## StratFI Caffeinated Market Timing Strategy

Q2 2020

### Overview

StratFI's market timing strategy for aggressive investors

### Investment Objective

Outperformance of the S&P 500 Total Return Index

### Suitability and Risk Profile

- Relatively higher risk
- Generates short-term capital gains/losses from trading activity

### Process

- Tactically allocates between 2x leveraged S&P 500 index funds and cash
- Invests in the market during 1-9 day "windows of opportunity", usually 2 or 3 times a month
- Actively trades based on cyclical, seasonal, and calendrical factors

### Manager

James H. Lee, CFA, CMT

### Maximum Advisory Fee

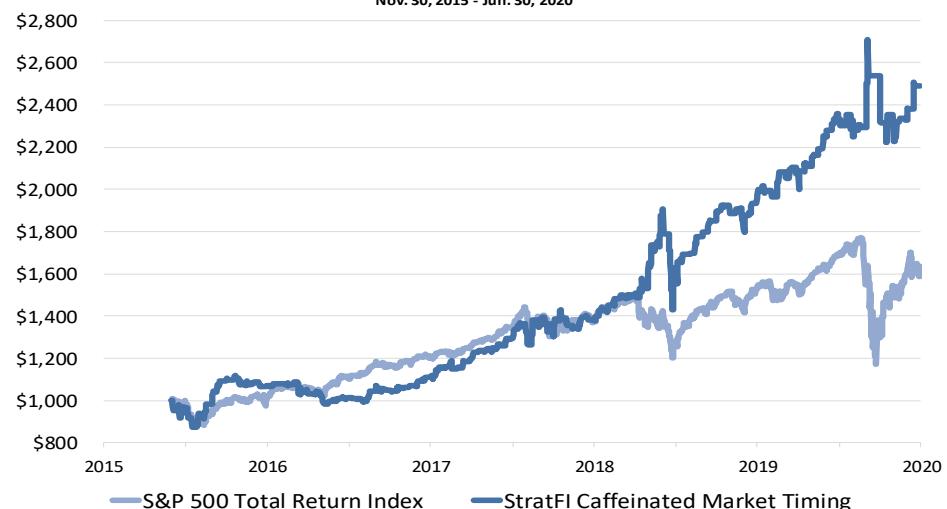
1.00% per year

### Minimum Account

\$100,000

### Growth of \$1,000

Net of Fees & Expenses  
Nov. 30, 2015 - Jun. 30, 2020



### Annual % Total Returns Net of Fees & Expenses

Performance returns of less than one year are not annualized

	2020 Ytd.	2019	2018	2017	2016	Since Incept. (Nov. 2015)
StratFI Caffeinated Market Timing	6.74	43.52	25.88	27.70	4.88	22.03
S&P 500 Total Return Index	-3.08	31.49	-4.38	21.83	11.96	11.22
+/- Benchmark	9.82	12.03	30.26	5.87	-7.08	10.81

3-Year Analytics	StratFI Caffeinated Market Timing	S&P 500 Total Return Index
Alpha	27.54	n/a
Beta	0.04	1
Mean	32.17	10.73
Standard Deviation	17.17	16.95
Sharpe Ratio	1.63	0.59

## Investment Philosophy

While “buy-and-hold” is an excellent strategy for index investors over the long-run, sometimes it can be useful to keep cash on the sidelines. Calendrical, seasonal, and holiday effects can all influence daily returns.

The StratFI Caffeinated Market Timing Strategy attempts to be invested when the S&P 500 has a higher than normal likelihood of generating gains. It attempts to stay in cash when the prospects of generating gains are below-average. By combining elements of risk management with tactical leverage, the StratFI Caffeinated Market Timing Strategy could provide aggressive investors with superior returns.

## Performance Disclosure

Past performance is no guarantee of future results, which may differ substantially. All calculations of returns and asset growth represent performance after consideration of fees for both StratFI and the underlying S&P 500 index funds, and associated trading costs. Strategy risk, investment return, principal value, and yield will fluctuate over time.

Total return for the strategy is based on underlying client portfolio value from the month of inception, and assumes reinvestment of dividends and capital gains. Performance results were created by StratFI, using time-weighted rates of return on Morningstar Office. Performance from inception is independently verified by Theta Research. Performance results do not reflect any taxes that a shareholder may pay on fund distributions and realized capital gains.

Alpha is a measurement of risk-adjusted performance, considering the risk of a specific security or strategy, rather than the overall market. A positive alpha indicates risk-adjusted outperformance relative to the market. A negative alpha indicates risk-adjusted underperformance.

The Sharpe ratio is a standard measurement for calculating risk-adjusted returns. The Sharpe ratio is the average return earned in excess of the risk-free rate per unit of volatility or total risk. The higher a strategy's Sharpe ratio, the better a strategy's returns have been relative to its historic risk exposure.

## Risk Disclosure

The strategy will have variable levels of risk over time. Beta is a measure of investment volatility relative to its benchmark index. A beta value greater (less) than 1 is more (less) volatile than the underlying index. Leveraged index funds pursue monthly leveraged investment objectives which means they are riskier than alternatives which do not use leverage. They seek to magnify the returns of their benchmarks on a monthly basis and should not be expected to track the underlying index over periods longer than one month.

## Benchmark Disclosure

The S&P 500 Total Return Index is an unmanaged index of common stocks and reflects total returns based on capital appreciation and dividends. Investors cannot invest directly in an index. The composition of the S&P 500 Total Return index is subject to change.

## Firm Disclosure

Strategic Foresight Investments LLC ("StratFI") is a Registered Investment Advisor ("RIA"), registered in the State of Delaware. StratFI provides asset management and related services for clients nationally. If you have any questions regarding this presentation, please contact [jlee@stratfi.com](mailto:jlee@stratfi.com)

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