

Model 6 – ETF Model - Core-Plus™

Medium Risk - Annual Details:

Investment Objective: Maximum Capital Gains, while accepting average market risk and volatility.
(Long: Non-Leveraged / Short: Non-Leveraged Inverse)

Not Available Prior to Inception 2009.

RETURN (1)						
YEAR	CONSERV	GROWTH	AGGRSV	S&P 500	NASDAQ	# OF TRADES

STANDARD DEVIATION (2)						
YEAR	CONSERV	GROWTH	AGGRSV	S&P 500	NASDAQ	# OF TRADES

MAXIMUM DRAWDOWN (3)						
YEAR	CONSERV	GROWTH	AGGRSV	S&P 500	NASDAQ	# OF TRADES

ULCER INDEX (4)						
YEAR	CONSERV	GROWTH	AGGRSV	S&P 500	NASDAQ	# OF TRADES

Medium Risk = Maximum Capital Gains, while accepting average market risk and volatility.

CONSERV = Conservative

GROWTH = Growth

AGGRSV = Aggressive

S&P 500 = S&P 500 Index

NASDAQ = NASDAQ Composite Index

TRADES = Number of times the Active portion of the portfolio changed from Long, Short, or Cash per year.

(1) Annualized Return. Hypothetical Returns prior to November, 2005; thereafter Live Returns Version I; Version II beginning 10/17/2007. See Service Explanation page under “Backtesting” <http://activeportfoliocoach.com/service.aspx> for explanation and history of Backtesting, Version I & II.

(2) Standard Deviation (SD):

Within Core-Plus™, Standard Deviation is measured monthly.

For example, when you see **SD = 4.0%**, this means that most of the time (8 out of 12 months) the portfolio has gains or losses of no more than 4.0% in a month. This monthly SD can be converted (approximately) to Morningstar’s annual SD by multiplying the SD= value by 3.4 (the square root of 12).

(3) Maximum Drawdown (MD):

The maximum percentage loss from the highest point to the lowest point shows the worst case drawdown during the given period of time.

(4) Ulcer Index (UI):

Ulcer Index measures the ability of a portfolio to regain its value from a previous high. It is calculated as the root-mean-square of the areas between highs and the time it takes for the portfolio to reach those highs again. It provides a measure of the magnitude of all of a portfolio’s losses. Ulcer Index shown represents the worst case event for the given period of time.