

# TACTICAL BOND STRATEGY

AS OF SEPTEMBER 30, 2022



Available on TAMP Platforms

## INVESTMENT OBJECTIVES & STRATEGY

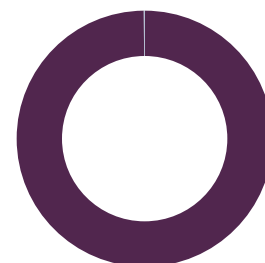
The Ocean Park Tactical Bond Strategy seeks to produce satisfying long-term returns while limiting downside risk. It uses a tactical approach to move between three uncorrelated asset classes: High Yield Corporate Bonds (HYCB), U.S. Treasuries, or Cash. Tactical Bond Strategy accounts are typically diversified directly across multiple HYCB fund assets, and indirectly as pooled assets within HYCB funds. When each underlying HYCB mutual fund hits our proprietary Sell level, we will move the relevant assets temporarily into a long-term Treasury bond fund (provided the Treasury fund is in an uptrend) until the next set of our Buy signals in the HYCB funds. If the Treasury fund is not in an uptrend, we will instead move temporarily into a money-market fund until either the HYCB funds or Treasury fund gives a new Buy signal is generated for either the HYCB funds or Treasury fund.

## HOLDINGS

FUND	WEIGHT
Sierra Tactical Bond Instl	80.0%
<b>Total</b>	<b>80.0%</b>

## ASSET ALLOCATION

Cash and Equivalents	99.9%
High Yield Corp. Bonds	0.1%



Holdings and Asset Allocation are subject to change. Representative account is being used for illustrative purposes only

## PERFORMANCE METRICS

Since Inception (11/1/2017 – 9/30/2022)	CUMULATIVE RETURN	RETURN	STANDARD DEVIATION	SHARPE RATIO	DOWNSIDE DEVIATION	SORTINO RATIO	MAXIMUM DRAWDOWN
Investment – Gross	28.48%	5.23%	5.52%	0.73	2.51%	1.62	-6.69%
Investment – Net	18.75%	3.56%	5.52%	0.44	2.51%	0.90	-7.92%
Primary Benchmark†	-1.39%	-0.29%	4.81%	-0.28	3.89%	-0.35	-16.09%
Secondary Benchmark^	6.76%	1.34%	9.19%	0.06	7.20%	0.08	-14.62%

† **Primary Benchmark: Bloomberg U.S. Aggregate Index** is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency).

^ **Secondary Benchmark: ICE BofA US High Yield Index** tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody's, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one-year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of \$100 million. In addition, qualifying securities must have risk exposure to countries that are members of the FX-G10, Western Europe or territories of the US and Western Europe. Index constituents are capitalization-weighted based on their current amount outstanding times the market price plus accrued interest.

One cannot invest directly in an index or category and unmanaged index or category returns do not reflect any fees, expenses, or sales charges.

## QUARTERLY AND ANNUAL RETURNS

	Q1		Q2		Q3		Q4		FULL YEAR				MAXIMUM DRAWDOWN			
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Primary Benchmark†	Secondary Benchmark^	Gross	Net	Primary Benchmark†	Secondary Benchmark^
2022	-2.02%	-2.41%	-2.57%	-2.96%	0.51%	0.11%	—	—	-4.05%	-5.19%	-14.61%	-14.62%	-4.53%	-5.29%	-14.61%	-14.62%
2021	0.42%	0.02%	2.35%	1.94%	0.52%	0.12%	-2.08%	-2.47%	1.18%	-0.43%	-1.54%	5.36%	-2.25%	-2.77%	-3.37%	-1.20%
2020	6.20%	5.77%	1.53%	1.12%	2.93%	2.52%	3.78%	3.37%	15.18%	13.35%	7.51%	6.17%	-2.59%	-2.85%	-1.30%	-13.13%
2019	5.22%	4.80%	2.53%	2.12%	1.47%	1.06%	2.72%	2.31%	12.45%	10.66%	8.72%	14.41%	-0.87%	-1.00%	-0.53%	-1.27%
2018	-0.36%	-0.76%	-0.22%	-0.61%	2.16%	1.75%	1.05%	0.65%	2.63%	1.00%	0.01%	-2.26%	-1.38%	-1.83%	-2.38%	-4.67%
2017*	—	—	—	—	—	—	-0.06%	-0.46%	-0.06%	-0.46%	0.39%	0.41%	-1.35%	-1.48%	-0.13%	-0.27%

\*The composite for Q4 2017 is for a partial period from November 1, 2017 – December 31, 2017

## AVERAGE ANNUAL RETURNS AND VOLATILITY

ANNUALIZED RETURNS	QTD	YTD	1 YEAR	PERIODS OVER A YEAR ARE ANNUALIZED				SINCE INCEPTION
				3 YEARS	5 YEARS	10 YEARS	15 YEARS	
Investment – Gross	0.51%	-4.05%	-6.04%	4.73%	—	—	—	5.23%
Investment – Net	0.11%	-5.19%	-7.53%	3.07%	—	—	—	3.56%
Primary Benchmark†	-4.75%	-14.61%	-14.60%	-3.26%	—	—	—	-0.29%
Secondary Benchmark^	-0.68%	-14.62%	-14.06%	-0.67%	—	—	—	1.34%

## STANDARD DEVIATION % (TRAILING PERIODS)

Investment – Gross	N/A	N/A	3.33	6.47	—	—	—	5.52
Investment – Net	N/A	N/A	3.32	6.46	—	—	—	5.52
Primary Benchmark†	N/A	N/A	6.91	5.36	—	—	—	4.81
Secondary Benchmark^	N/A	N/A	11.16	11.14	—	—	—	9.19

## SENIOR INVESTMENT TEAM



**Kenneth L. Sleeper MBA, PhD**  
Co-Founder, Portfolio Manager  
Started in Industry: 1984



**Doug Loeffler, CFA, CAIA**  
Executive VP of Investment Management,  
Portfolio Manager  
Started in Industry: 1988



**Marshall Quan**  
Lead Portfolio Analyst, Portfolio Manager  
Started in Industry: 1999

## DEFINITIONS

**Standard Deviation** is a statistical concept used in investment management to measure risk for the variability of return of a fund's performance. A high standard deviation represents greater risk.

**Sharpe Ratio** uses standard deviation to measure a fund's risk-adjusted returns. The higher a fund's Sharpe Ratio, the better a fund's returns have been relative to the risk it has taken on.

**Downside Deviation** is a risk statistic measuring volatility. It is a variation of Standard Deviation that focuses only upon the "bad" volatility.

**Sortino Ratio** is a modification of the Sharpe Ratio that differentiates harmful volatility from general volatility by taking into account the Standard Deviation of negative asset returns, called Downside Deviation.

**Max Drawdown** is an indicator of the risk of a portfolio chosen based on a certain strategy. It measures the largest single drop from peak to bottom in the value of a portfolio (before a new peak is achieved) using month-end data.

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The currency used to express performance is USD.

Gross-of-fee returns are reduced by trading costs. Returns include the reinvestment of all income. Net-of-fee returns are calculated using a model fee of 1.6%. The annual model management fee is applied on a monthly basis, by deducting 1/12th of the model fee from the monthly gross returns. Because clients will have different fee arrangements and specific investments in the strategy may be made at different times, net performance for any individual client will vary from the net performance as stated herein.

The source of performance is based on a composite inceptioned in November 1,2017. A portion of the Tactical Bond Strategy may be allocated to proprietary mutual funds managed by an affiliate of Ocean Park.

Past performance is not indicative of future results. All investments involve risk, including loss of principal.

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