



**SYMONS**<sup>®</sup>  
CAPITAL MANAGEMENT

# **SYMONS**<sup>®</sup> **CAPITAL MANAGEMENT**

**Our Mission: Building Durable Wealth Through  
Intelligent Risk Management Since 1983**

**Symons**<sup>®</sup> **Asset Allocation Strategy**  
**September 30, 2021**

**Symons**<sup>®</sup> **Asset Allocation Strategy (SAAS)** is designed to apply our Intelligent Risk Management process to a broader investment environment that may include equities, fixed income and other asset classes. Most asset allocation strategies are strategic, in the sense that they periodically rebalance to a fixed allocation model, such as 60% equities and 40% fixed income, regardless of market circumstances. SAAS is a tactical asset allocation strategy where we manage the strategy in accord with the probability of future market risks and opportunities based on Symons Capital's macroeconomic research. The approach is to calibrate the strategy by incrementally changing its holdings of investments.

SAAS principally invests in a range of equity and fixed income ETFs, individual stocks and bonds, market volatility futures, and sometimes holds cash as circumstances warrant. This larger investment universe gives us more flexibility than does a purely equity portfolio. SAAS potentially may be invested anywhere from 100% in equities to 100% in fixed income, along with other asset classes. There are times when SAAS can become more cautious, usually by reducing equity exposure, and there are times when SAAS can become more aggressive, usually by increasing equity exposure. SAAS seeks to take advantage of both cases.

SAAS seeks to deal with the constantly changing market situation by being more nimble than a passive 60/40 allocation. Historically, stock market downturns have begun with interest rates at higher than average levels. Since that is not true today, we believe it is necessary to be more flexible and nimble than simply staying with the strategic 60%/40% allocation. We believe that our macroeconomic research and our tactical asset allocation approach will help us to intelligently manage risk and to better achieve protecting savings and building financial security.

We expect it will be important to be agile with our stock/bond asset allocations. This means choosing the right mix of stock sectors at the right price, tactically shifting the overall allocations to and from equities when prudent, potentially keeping fixed income durations shorter as the risks of higher interest rates appear, and examining the possibilities of additional asset classes for SAAS, such as commodities. Overall, we believe that with our Intelligent Risk Management investment process and our macroeconomic research experience, we are equipped to provide value to SAAS portfolios over future full market cycles.

SAAS's overall goal is to generate modest absolute returns and limited downside risk through a moderately positioned portfolio that seeks to provide some equity exposure with less volatility, providing investors with attractive performance and risk patterns.

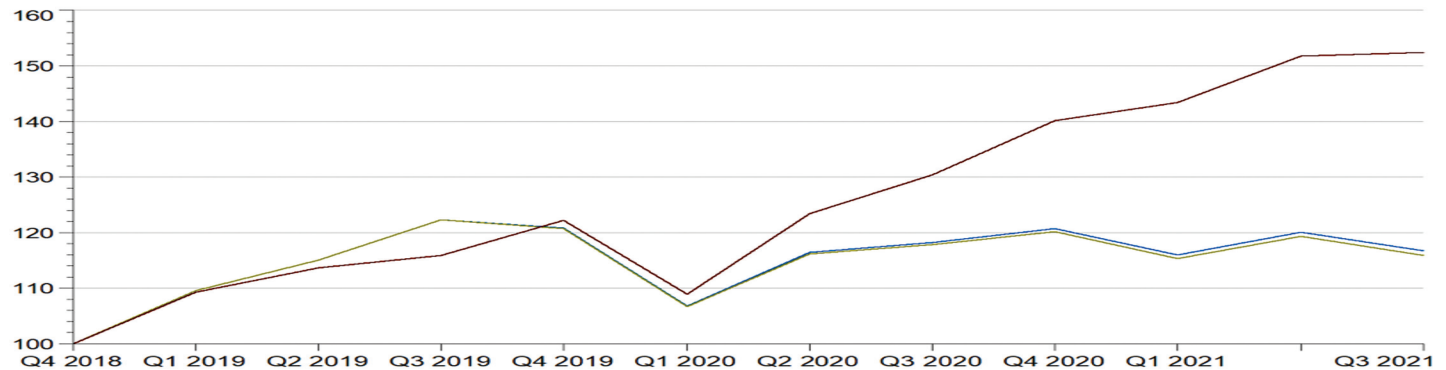
**Symons<sup>®</sup> Capital Management, Inc. – Asset Allocation Strategy Composite**

 Zephyr StyleADVISOR: Symons<sup>®</sup> Capital Management, Inc.

**Manager Performance**

 January 2019 – September 2021  
 (Single Computation)

- Symons<sup>®</sup> Asset Allocation Composite (gross of fees)
- Symons<sup>®</sup> Asset Allocation Composite (net of fees)
- Blended 60-40 Benchmark\*


**January 2019 - September 2021: Summary Statistics – Supplemental information to the full composite disclosure presentation.**

| MODERN PORTFOLIO THEORY STATISTICS                             | ANNUALIZED RETURN | EXCESS RETURN vs. MARKET | CUMULATIVE RETURN | STANDARD DEVIATION | RISK-ADJ. PERFORMANCE | UP CAPTURE vs. MARKET | DOWN CAPTURE vs. MARKET | ALPHA vs. MARKET | BETA vs. MARKET | NUMBER OF OBSERVATIONS |
|--|-------------------|--------------------------|-------------------|--------------------|-----------------------|-----------------------|-------------------------|------------------|-----------------|------------------------|
| Symons <sup>®</sup> Asset Allocation Composite (gross of fees) | 5.77%             | -10.80%                  | 16.67%            | 12.47%             | 5.71%                 | 48.99%                | 106.43%                 | -7.44%           | 0.86            | 11                     |
| Symons <sup>®</sup> Asset Allocation Composite (net of fees)   | 5.50%             | -11.07%                  | 15.85%            | 12.51%             | 5.43%                 | 47.81%                | 107.08%                 | -7.68%           | 0.86            | 11                     |
| Blended 60-40 Benchmark*                                       | 16.57%            | 0.00%                    | 52.41%            | 12.28%             | 16.56%                | 100.00%               | 100.00%                 | 0.00%            | 1.00            | 11                     |

**Note:** This data is presented as supplemental information to the GIPS<sup>®</sup> Composite Report on page 7.

Returns include the reinvestment of all income and dividends. Past performance is not indicative of future results. Metric Definitions can be found on page 6.

\* Blended 60/40 Benchmark is a blended benchmark of 60% S&P 500 (SPX) and 40% Bloomberg Barclay US Aggregate Bond Index (LBSTRUU).

**INVESTMENT PERFORMANCE**

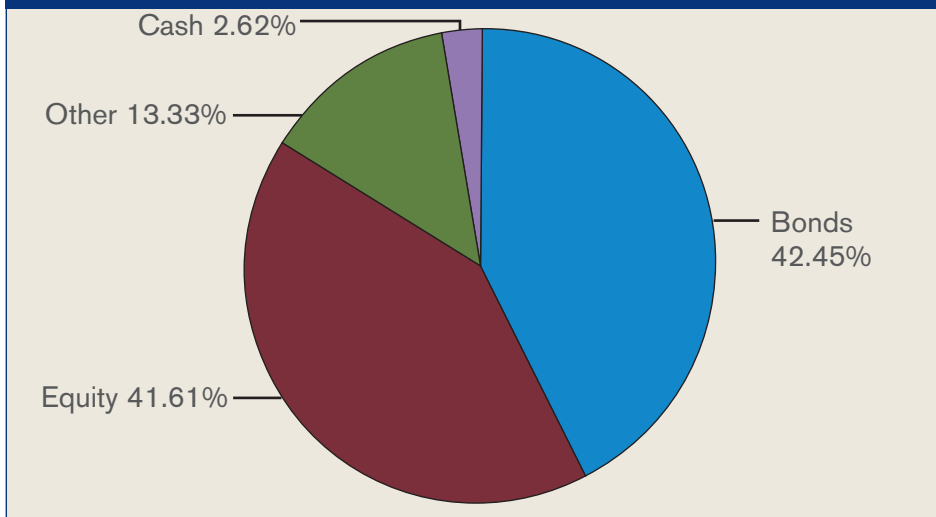
|                 | <b>SAAS<br/>(net)</b> | <b>SAAS<br/>(gross)</b> | <b>Blended<br/>Benchmark*</b> |
|-----------------|-----------------------|-------------------------|-------------------------------|
| YTD             | -3.61%                | -3.34%                  | 8.72%                         |
| 1 Year          | -1.69%                | -1.31%                  | 16.92%                        |
| Since Inception | 5.50%                 | 5.77%                   | 16.57%                        |

Periods of 1 year or greater are annualized net returns.

**TOP 5 HOLDINGS**

|  |        |        |
|--|--------|--------|
| iShares 20 Plus Treasury Bond fund ETF | 19.95% | Bonds  |
| Utilities Select Sector SPDR Fund      | 11.33% | Equity |
| iShares 1-3 Year Treasury Bond ETF     | 7.13%  | Bonds  |
| Ishares Iboxx Investment Grade         | 5.04%  | Bonds  |
| VanEck Vectors Gold Miners ETF         | 4.26%  | Equity |

The securities identified and described do not represent all of the securities purchased, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified will be profitable.

**ASSET CLASS WEIGHTINGS**

**PORTFOLIO HIGHLIGHTS**

|                             |            |
|-----------------------------|------------|
| Weighted Average Market Cap | 52.26 B    |
| Median Mkt Cap              | 11.70 B    |
| Number of Holdings          | 34         |
| Largest Mkt Cap             | 2,339.02 B |
| Smallest Mkt Cap            | 0.02 B     |

**Note:** This data is presented as supplemental information to the GIPS<sup>®</sup> Composite Report on page 7. Returns include the reinvestment of all income and dividends. Past performance is not indicative of future results.

\*Blended 60/40 Benchmark is a blended benchmark of 60% S&P 500 (SPX) and 40% Bloomberg Barclay US Aggregate Bond Index (LBUSTRUU).

| SYMONS <sup>®</sup> ASSET ALLOCATION COMPOSITE (net of fees)<br>& BENCHMARK DATA – for periods ending 09-30-2021 |                       |                       |
|--|-----------------------|-----------------------|
| Metric   | Since 1/1/2019        |                       |
|  | SAAS<br>(net of fees) | Blended<br>Benchmark* |
| Max Drawdown   | -12.84%               | -10.88%               |
| Downside Capture   | 107.08%               | 100.00%               |
| Beta   | 0.86                  | 1.00                  |
| Standard Deviation   | 12.51                 | 12.28                 |
| Sortino Ratio  | 0.71                  | 2.52                  |
| Sharpe Ratio   | 0.36                  | 1.26                  |

\*Symons<sup>®</sup> Asset Allocation Composite (net of fees) vs. Blended Benchmark\* – Actual Date  
 (Sources: Morningstar, Zephyr StyleADVISOR)

*The statistics presented above are provided as supplemental information to the GIPS<sup>®</sup> Composite Report, which can be found on page 7.  
 Metrics Definitions can be found on page 6.*

**Note:** This data is presented as supplemental information to the GIPS<sup>®</sup> Composite Report on page 7. Returns include the reinvestment of all income and dividends. Past performance is not indicative of future results.

\*Blended 60/40 Benchmark is a blended benchmark of 60% S&P 500 (SPX) and 40% Bloomberg Barclay US Aggregate Bond Index (LBUSTRUU).

**Beta –**

Measures a portfolio's volatility relative to broad market movements. With the market given a beta of 1.00, a portfolio with a beta of 0.50 will participate only half as much in market movements, so that a lower number means less portfolio volatility than the market.

**Downside Capture vs. Market –**

Measures the percentage of market losses incurred by a portfolio when markets are down, compared to losses incurred by the market. The lower the number the better.

**Maximum Drawdown Recovery Length –**

Measures the number of periods it takes to reach the recovery level from maximum drawdown end rate. For timeframes in which the recovery does not reach the peak the number of periods is N/A.

**Risk-Adjusted Performance –**

Risk-adjusted performance is the annualized rate of return of a blend consisting of the manager's portfolio and cash. The blend is built in such a way that the

resulting portfolio has the same standard deviation as the market benchmark. In other words, risk-adjusted performance “normalizes” a manager's standard deviation to equal that of the market benchmark.

**Sharpe Ratio –**

Measures a portfolio's return relative to its risk, with the return being the portfolio's return above the risk-free Treasury bill rate and the risk being the portfolio's standard deviation. The higher the Sharpe ratio the better the portfolio's risk-adjusted performance.

**Sortino Ratio –**

Similar to the Sharpe Ratio, but measures only a portfolio's downside risk. The higher the Sortino Ratio the better the portfolio's downside risk protection.

**Standard Deviation –**

Measures the degree of variation of a portfolio's returns around the portfolio's mean (average) return. A high standard deviation means that the portfolio is volatile. A low standard deviation means that the portfolio is generally consistent in producing similar returns.

**Note:** This data is presented as supplemental information to the GIPS<sup>®</sup> Composite Report on page 7.

**ANNUAL GIPS<sup>®</sup> COMPOSITE REPORT**

| FIRM ASSETS |   | COMPOSITE ASSETS                               |                           |                       | ANNUAL PERFORMANCE RESULTS |                  |  | STANDARD DEVIATION                           |  |                         |
|-------------|---|--|---------------------------|-----------------------|----------------------------|------------------|--|--|--|-------------------------|
| YEAR END    | TOTAL FIRM ASSETS<br>U.S. DOLLARS<br>(MILLIONS) | COMPOSITE ASSETS<br>U.S. DOLLARS<br>(MILLIONS) | % NON-FEE<br>PAYING ACCTS | NUMBER OF<br>ACCOUNTS | COMPOSITE<br>GROSS         | COMPOSITE<br>NET | BLENDED BENCHMARK 60% S&P 500 <sup>®</sup> (SPX)/<br>40% BLOOMBERG BARCLAYS US<br>AGGREGATE BOND INDEX (LBSTRUU) | 3 YEAR EX-POST<br>STD DEVIATION<br>COMPOSITE | BLENDED BENCHMARK 60% S&P 500 <sup>®</sup> (SPX)/<br>40% BLOOMBERG BARCLAYS US<br>AGGREGATE BOND INDEX | COMPOSITE<br>DISPERSION |
| <b>2019</b> | 240.83  | 9.25   | 45.30%                    | 10                    | 20.78%                     | 20.69%           | 22.19%   | N.A.   | N.A.   | N.A.                    |
| <b>2020</b> | 213.81  | 14.59  | 31.60%                    | 18                    | (0.07%)                    | (0.41%)          | 14.73%   | N/A.   | N.A.   | 0.08%                   |

N.A. – Annual Dispersion and/or 3 Year Ex-Post Standard Deviation is not applicable for this period. Performance is shown as of inception date is 1/1/2019.

The Symons<sup>®</sup> Asset Allocation Composite (SAAS) was created on January 1, 2019 and consists of all fully discretionary portfolios that are managed in the Asset Allocation style, excluding wrap accounts. Symons<sup>®</sup> Asset Allocation Strategy (SAAS) is a tactical, intelligent asset allocation strategy that invests in passive stock, bond, and related market volatility futures ETFs and ETNs (Investments). As of December 16, 2020, the composite portfolio was redefined to allow individual stock and bond positions, in addition to ETFs and ETNs. SAAS seeks to generate modest absolute returns with limited downside risk by acting prudently. It is not managed against a specific benchmark and is not expected to be correlated with any particular market index. SAAS is managed in accord with the probability of future market risks and opportunities based on SCM's macroeconomic research. The approach is to calibrate the strategy by incrementally changing its holdings of Investments. Such Investments may include, but are not limited to individual U.S. and international stocks and bonds, in addition to ETFs and ETNs related to high-grade and low-grade bonds, U.S. and international stocks and bonds, large cap stocks and small cap stocks, emerging markets, defensive and cyclical stock sectors, and market volatility futures. The minimum initial investment in the Symons<sup>®</sup> Asset Allocation composite is generally \$500,000, which may be waived at the Adviser's discretion. The account size for composite inclusion is \$200,000.

For comparison purposes, SAAS is compared to a blended benchmark of 60% S&P 500<sup>®</sup> (SPX) and 40% Bloomberg Barclays US Aggregate Bond Index (LBSTRUU). The component benchmark returns are blended on a monthly basis to calculate the custom blend return. The custom blend returns are geometrically linked to calculate benchmark annual returns. But the SAAS portfolio may be composed of a materially different investment blend and actual exposure to the benchmark sectors will vary. It is not managed against a specific benchmark and is not expected to be correlated with any particular market index.

Results are based on fully discretionary accounts under management, including those accounts no longer managed by the firm. The U.S. Dollar is the currency used to express performance. Composite performance is presented net of foreign withholding taxes on dividends, interest income, and capital gains. Returns include the effect of foreign currency exchange rates. Returns are presented gross and net of management fees and include the reinvestment of all income. Gross of fees returns are presented before management and custodial fees, but after all trading expenses. Some accounts do not pay transaction fees. Net of fee performance was calculated using actual management fees. Past performance is not indicative of future results.

The investment management fee is 0.60% on all assets for direct client accounts and 0.45% for institutional accounts. Actual investment advisory fees incurred by clients may vary.

The annual composite dispersion is an asset-weighted standard deviation, using gross-of-fee returns, calculated for the accounts in the composite for the entire year. The three-year annualized standard deviation measures the variability of the composite gross returns over the preceding 36-month period.

Securities purchased by Symons<sup>®</sup> Capital Management, Inc. are listed on a major exchange with published values. Generally, month-end valuations as shown on custodian account statements are used to calculate portfolio assets and returns. Any cash flow equal to or greater than 5% of a portfolio's market value would cause the portfolio to be revalued and accounted for properly so as not to distort performance. Additional information regarding the policies for valuing investments, calculating performance and preparing GIPS Composite Reports is available upon request.

Symons<sup>®</sup> Capital Management, Inc. is an independent investment management firm, not affiliated with any parent organization, established in 1983 and registered with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940. A list of composite descriptions and a list of broad distribution pooled funds are available upon request.

Symons<sup>®</sup> Capital Management, Inc. claims compliance with the Global Investment Performance Standards (GIPS<sup>®</sup>) and has prepared and presented this report in compliance with the GIPS<sup>®</sup> standards. Symons<sup>®</sup> Capital Management, Inc. has been independently verified for the periods January 1, 1996 through December 31, 2020. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Symons<sup>®</sup> Asset Allocation Strategy composite has been examined for the periods from January 1, 2019 through December 31, 2020. The verification and performance examination reports are available upon request.

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