



## U.S. Equity ETF

### Objective

Match or exceed the performance of the benchmark (S&P 500) with lower volatility over a market cycle.

### Investment Approach

An actively managed, diversified model portfolio of broad-based core U.S. ETFs. May also include specific sector and industry ETF exposure.

### Highlights

- Separately managed account (not pooled instrument)
- Blends quantitative process and macroeconomic analysis

### Investment Philosophy

- Macroeconomic factors and fundamentals drive asset class returns.
- Allocation techniques help stabilize the returns while reducing overall risk.
- Attention to risk management is as important as return management over time.

### Portfolio Managers



David R. Kotok  
Chairman &  
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Wharton School, BS Economics  
University of Pennsylvania,  
MS Organizational Dynamics



Matt McAleer  
Executive Vice President &  
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Rider University,  
BS Marketing / Economics

### Investment Process

- Provides diversified exposure to the U.S. market using 10-to 25 ETFs. Cash may be used as a defensive allocation.
- Selection begins with quantitatively screening ETFs by market capitalization and filtering out ETNs, leveraged ETFs and illiquid products. Analysis of macroeconomic factors determines broad sector and industry themes.
- Risk management is prioritized. Allocation techniques help stabilize returns while reducing overall risk.
- Sell discipline based on relative total return to benchmark, technical analysis based on relative strength and trends, and macroeconomic changes.
- Rebalancing is monthly or opportunistically.

Disclosure: Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the investment strategies recommended or undertaken by Cumberland Advisors), equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful. The portfolio discussed above does not use leverage. It is not our intention to state or imply in any manner that past results and profitability are an indication of future performance. This does not constitute an offer to sell or the solicitation or recommendation of an offer to buy or sell any securities directly or indirectly herein.

The benchmark for the US Equity ETF style is the Standard Poor's 500 Index The S&P 500 Index consists of 500 stocks chosen for market size Liquidity, and industry group representation It is market value weighted index and one of the most widely used benchmarks of U S stock performance