



Our fixed income models provide price stability that offsets equity positions within a portfolio. High Fixed Income offers total return in the form of modest capital appreciation as well as dividend income. This model is our most aggressive fixed income model and focuses on longer-term bond holdings. Returns will vary more than the U.S. Aggregate Bond Index and be driven primarily by interest rate fluctuations. All of our fixed income models are passively managed outside of their annual rebalances.

The principles of diversification apply to fixed income markets just as they do to equities and this model reflects that ideology. Not all sectors of the bond market are identically impacted by movements in equity markets or interest rates. High yield and emerging market bonds tend to have higher correlations to equity markets than U.S. treasury or municipal bonds; investment grade corporate bonds tend to be more interest rate sensitive than their higher yielding counterparts. The table above left shows the correlations of various bond market sectors against the S&P 500 (outlined in black) as well as against each other. With this in mind, our fixed income models hold ETFs representing a variety of bond market sectors. In theory, this allows for some portion of the portfolio to be appreciating in all environments while every portion is providing significant dividend income.

**Current Yield: 3.36%**

### Risk Statistics

Most Conservative Most Aggressive



	High FI	U.S. Agg Bd
<b>Max Drawdown</b>	-15.52%	-6.30%
<b>Recovery Time</b>	4.2 mos	3.3 mos
<b>MAR Ratio</b>	0.46	0.88
<b>Alpha (3 Year)</b>	-3.97%	0.00%
<b>Beta (3 Year)</b>	1.97	1.00
<b>Std Dev (3 Year)</b>	9.72%	3.68%
<b>Sharpe (3 Year)</b>	0.72	1.52

### Return Statistics (net of 1.0% fee) \*Returns backtested through 2/28/2017

	2017*	2018	2019	2020 YTD	Since Incept <sup>1</sup>	Last Qtr	Last 12 Mos	3 Yr <sup>1</sup>
<b>High Fixed Income</b>	6.35%	-3.19%	13.53%	9.48%	7.12%	4.28%	12.47%	7.11%
<b>Bloomberg U.S. Agg Bond</b>	2.65%	0.01%	8.72%	7.72%	5.53%	2.61%	10.12%	5.69%

### Disclosures

Past results are not a guarantee or implied guarantee of future performance, returns, profit, or growth. Investors should thoroughly evaluate financial objectives, goals, and parameters such as risk tolerance with their Advisor before investing. Investment account values will be subject to fluctuation in capital markets. Fiduciary does not guarantee any level of investment performance, superior than the appropriate benchmark or otherwise. Carefully consider the investment objectives, risk factors, and charges and expenses before investing with A Smarter Way to Invest. This and other information can be found in A Smarter Way to Invest's Form ADV Part 2A, which can be obtained from your financial advisor, by calling (810) 588-6178 or by visiting [www.ASmarterWaytoInvest.com](http://www.ASmarterWaytoInvest.com). There are risks involved with investing, including possible loss of principal.

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<sup>1</sup>Figures are annualized