



Risk Score™

RISK
23

Riskalyze: #SWCNI

Investment Discipline™

Stable Fixed Income is our most conservative investment model. It holds fixed income ETFs with shorter durations and varying sector exposure to provide a counterbalance to the other equity-based models we offer. This is a passive model that does not often make changes other than to adjust the relative weighting of the holdings inside.

Model Objective

This model's primary objective is principal preservation. It also provides a small dividend yield. Returns tend to be fairly flat and are influenced primarily by interest rate and inflation expectations both domestically and globally. During periods of extreme volatility in interest rate and inflation expectations, this model may see above average price fluctuations.

Dividend Yield

YIELD
2.1%

Returns (net of max fee)

2012*	2.22%
2013*	-5.26%
2014*	0.66%
2015*	-2.16%
2016*	-0.28%
2017*	1.69%
2018	-1.06%

*Backtested through 2/28/17

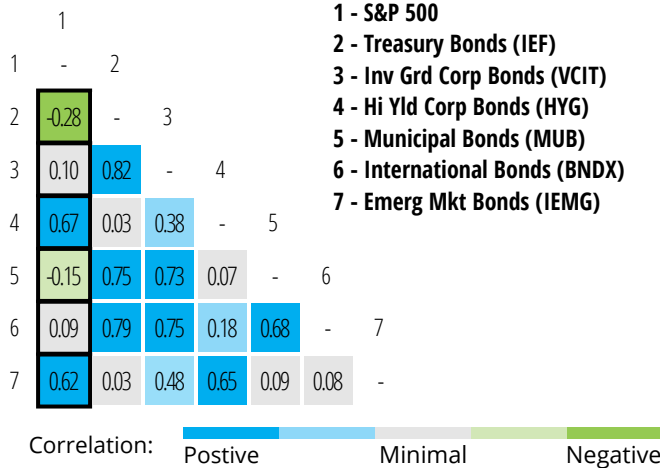
Return Statistics

Ann. Since Inception	0.41%
Last Quarter	0.01%
Trail 12 Months	-1.06%

Risk Statistics

Max Drawdown	-1.72%
Recovery Time	NA
MAR Ratio	0.24
Alpha (1 Yr)	-2.74%
Beta (1 Yr)	-0.03
Std Dev (1 Yr)	1.55%
Sharpe (1 Yr)	-1.96

Correlation in the Bond Market and the Importance of Diversification



Many investors are familiar with the concept of diversification; avoid putting all your eggs in one basket. In the equity markets, this means buying stock in companies of different sizes, different countries of origin, and different sectors. This same principal applies to investments in bonds. The matrix to the left shows how correlated the various bond market sectors are to the S&P 500 (outlined in black) as well as to each other (no outline).

As you can see, the sectors we incorporate in our income models range from high to moderate positive correlation to the S&P 500 (when stocks move up, these bond sectors tend to rise as well) all the way to negative correlation to the S&P 500 (when stocks move up, these sectors tend to fall and vice versa). Our aim in doing this is to always have the potential for gains in certain sectors while collecting dividend income from all sectors.

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. There are risks involved with investing, including possible loss of principal.

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Backtesting was performed assuming quarterly rebalances, reinvested dividends, and using actual security weightings as used in the model. For times when historical price data was not available, the most highly correlated alternative fund's price data was used. Actual return data is used where available.