



Bull|Bear  
Trend Switch Series



# WBI BULL|BEAR TREND SWITCH STRATEGIES

Built upon more than 30 years of quantitative modeling experience, the WBI Bull|Bear Trend Switch strategies are designed to optimize bull and bear market cycles to help moderate investors navigate the market's rollercoaster of gains and losses.

The strategies implement a “trend switch” by alternating between a risk on or risk off approach. The models signal high risk or low risk based on price trends and, more importantly, on macroeconomic factors. The goal is to avoid periods of high risk in equities and fixed income markets but participate in market rallies when risk is low.

We offer strategies in the following model designs:

- Equity
- Bond
- Multi-Asset Equity to Bond



## Equity Model

Combines macroeconomic factors and technical market trends to produce a risk on/risk off or “bull/bear” indication directing the fund to hold equities or take a defensive position.

## Bond Model

Consists of two independently calculated models to evaluate U.S. High Yield Bonds, U.S. Investment Grade Corporate Bonds, and U.S. Treasuries and determine their sensitivity to credit quality and duration.

## Multi-Asset Equity to Bond Model

The multi-asset blend approach is fueled by the non-correlation between equity and bond asset classes at market inflection points. The model takes an equity position if trend signals are bullish and switches to the bond model when signals are bearish.

## MACROECONOMIC FACTORS AND TRENDS EVALUATED BY THE TREND SWITCH MODEL

### EQUITY

- Monetary Policy
- Advisor Opinion
- Advance Decline Ratios
- Earnings Yield
- Up/Down Volume

### BOND

- The Economy
- Commodities
- Monetary Policy
- Change in Interest Rates

*Factors listed do not represent the entire universe, additional factors may be evaluated.*

## Trend Indicators

Each week the models evaluate factors and trends to see if a signal switch is indicated.

### Equity to Cash

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#### FAVORABLE CONDITIONS

- Low equity risk would trigger the strategy to invest in U.S. All Cap, Large Cap or Small and Mid-Cap equities and ETFs.

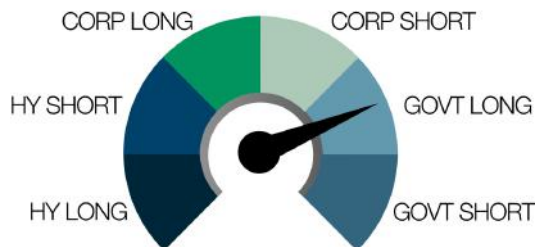
#### UNFAVORABLE CONDITIONS

- High equity risk signals a move to cash or equivalents.



### Bond

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#### FAVORABLE CONDITIONS

- Model aims to determine the best credit opportunities (U.S. Treasuries, corporate, or high yield) and the most effective duration (short or long) for fixed income holdings.

#### UNFAVORABLE CONDITIONS

- High fixed income risk signals a move to cash or equivalents.

### Equity to Bond

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#### FAVORABLE CONDITIONS

- Low equity risk would trigger the strategy to invest in U.S. All Cap, Large Cap or Small and Mid-Cap equities and ETFs.

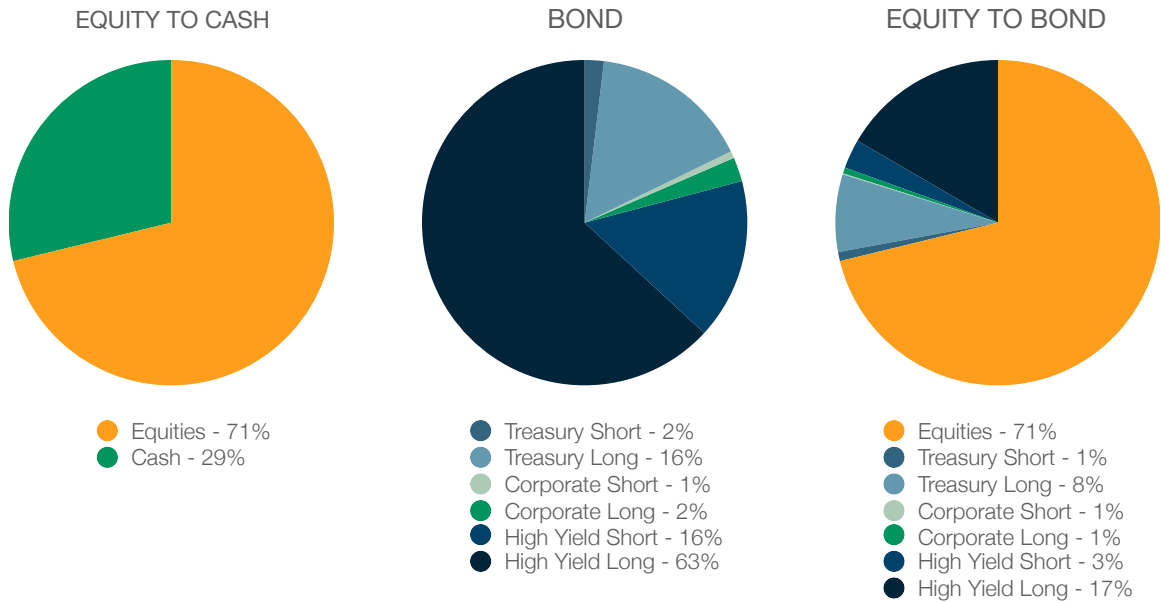
#### UNFAVORABLE CONDITIONS

- Bond model determines preference for bond type and duration or cash.



## Model Signal Duration

The charts represent the total percentage of time the model would have signaled to invest in each component from 2000 through 2019.



## Trend Switch Strategies

Model Type	Strategy Name	“Risk On” Exposure	“Risk Off” Exposure	Strategy Inception
Equity to Cash	Bull Bear Trend Switch US 1000	US Large Cap	US Short-Term Treasuries	7/31/1992
Equity to Cash	Bull Bear Trend Switch US 2000	US Small & Mid-Cap	US Short-Term Treasuries	9/29/2017
Bond	Bull Bear Trend Switch US Bond	US Fixed Income	US Short-Term Treasuries	2/28/2018
Equity to Bond	Bull Bear Trend Switch US 1000 Bond	US Large Cap	US Fixed Income	10/31/2017
Equity to Bond	Bull Bear Trend Switch US 2000 Bond	US Small & Mid-Cap	US Fixed Income	10/31/2017
Equity to Bond	Bull Bear Trend Switch US 3000 Bond	US All Cap	US Fixed Income	2/28/2019

## ABOUT WBI

Founded in 1984, we believe preserving capital to unleash the powerful benefits of compounding is the most important element of a successful investment approach. That's why we have spent over 35 years focused on building best-in-class retirement solutions for investors. Our unique, comprehensive wealth-management strategies aim to help investors achieve their life and wealth goals.

Learn more about our mission to help investors be more successful.

### CONTACT US



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### Important Information

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Market conditions may call for the strategy to remain in any of the possible exposure allocations for an extended period of time. At times, market conditions and the particular Portfolio Strategy, may call for an allocation of 100% to cash or cash equivalents. If the portfolio strategy invests all or a substantial portion of its assets in cash or cash equivalents for extended periods of time, including when it is investing for temporary defensive purposes, it could reduce the strategy's potential return as the limited returns of cash or cash equivalents may lag other investment instruments in a strong market.

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Tame the Bear. Run with the Bull.®

