



Watch List	Symbol/ Abbrev.	Worst Year	10yr Total Return	Annualized Returns				Annual Yield	Expense Ratio	# of ETFs
				10yr	5yr	3yr	1yr			
<b>ETF PM Passive Cores</b>										
Income & Growth	IG	- 4%	92%	7%	6%	6%	5%	2.9%	0.14%	3
Income & Growth 2x	IG 2x	- 11%	216%	12%	16%	15%	10%	0.7%	0.92%	3
Income & Growth 3x	IG 3x	- 17%	463%	19%	23%	21%	12%	0.1%	0.97%	3
Income & Tech 3x	IT 3x	- 49%	na	na	30%	26%	13%	0.0%	0.98%	3
20+ Yr. Treasuries	TLT	- 22%	90%	7%	2%	8%	1%	3.0%	0.15%	1
S&P 500	SPY	- 37%	94%	7%	15%	9%	12%	1.9%	0.10%	1

**Note:** Investable Benchmarks are comprised of leading ETFs from Vanguard, iShares, ProShares, and Direxion. Conservative estimates were used for underlying ETF performance prior to their inception. Worst year is based on worst calendar year since 2000. The performance data reflects annual rebalancing of the allocations and excludes transaction costs. All Annual Yield and Expense Ratio data as of 12/31/16. na Not available. Past performance does not guarantee future results.

**ETF Portfolio Management (ETF PM)** is a revolutionary financial advisor specialized in investing with exchange-traded funds (ETFs). We customize active and passive investment portfolios for each client account. Client accounts are held at Schwab and other custodians may be available upon request.

Please see full performance disclosures on the following page or visit [www.etfpm.com](http://www.etfpm.com).

## General Information

The Investable Benchmarks (IBs) are comprised of leading ETFs from Vanguard, iShares, ProShares, and Direxion. The performance estimates for the IBs relate to a range of hypothetical core models, strategies that David Kreinces first backtested in 2016. These portfolios do not take into account an individual's investment objectives and financial circumstances. Consult your investment adviser before investing.

Mr. Kreinces was solely responsible for the development of all four IBs and he had full discretionary authority over the selection of investments.

**Income & Growth (IG):** 42% Global Equity (VT), 8% REITs (VNQ), and 50% Long-Term Treasuries (TLT).

**Income & Growth 2x (IG 2x):** 42% S&P 500 2x (SSO), 8% REITs 2x (URE), and 50% Long-Term Treasuries 2x (UBT).

**Income & Growth 3x (IG 3x):** 42% S&P 500 3x (UPRO), 8% REITs 3x (DRN), and 50% Long-Term Treasuries 3x (TMF).

**Income & Tech 3x (IT 3x):** 42% Nasdaq 100 3x (TQQQ), 8% Semiconductors 3x (SOXL), and 50% Long-Term Treasuries 3x (TMF).

## Performance Estimates

The performance estimates reflect performance that would have been achieved by a hypothetical account with annual rebalancing. The performance estimates are backtested and have not been audited. Conservative estimates were used for underlying ETF performance prior to their inception. The performance estimates do not reflect trading fees associated with annual rebalancing, and assume reinvestment of dividends.

**The performance estimates for all of the IBs are net of a 0.25% annual advisory fee.** Each ETF PM advisory account is solely responsible for all advisory fees, commissions and other transaction charges, as well as any charge relating to the custody of securities in such account.

Backtesting involves simulation of a quantitative investment model by applying all rules, thresholds and strategies to a hypothetical portfolio during a specific time period. The investable benchmark performance estimates do not reflect the returns of actual client accounts. Backtested performance does not represent actual trading and does not reflect the impact that material market factors might have had on ETF PM's decision-making.

*Historical performance estimates are not indicative of future performance.* The investment return and principal value of an ETF PM account will fluctuate and may be worth more or less than the original cost when liquidated. The investment environment and market conditions may be markedly different in the future and investment returns will fluctuate in value.

The IBs were implemented, and will continue to be implemented, with a view towards low-cost diversification across multiple asset classes. The performance estimates presented are for comparison purposes only. All of the information in this report was taken from sources which we believe to be reliable, but we cannot guarantee perfect accuracy.

## Leveraged ETFs

Leveraged ETFs do not deliver their exact multiple of the underlying index. On a regular basis, leveraged ETF returns may deviate materially from the underlying index multiple they target. Investors should not use leveraged ETFs without careful consideration, an appropriate asset allocation, and a disciplined risk control framework.

## S&P 500

SPY is an ETF for the S&P 500 Index. The S&P 500 Index is an unmanaged index of common stocks that represents the U.S. stock market. The index is mainly comprised of large cap companies and reflects roughly two-thirds of the total domestic stock market value. SSO is an ETF that targets the S&P 500 2x, and UPRO has a 3x target

## Treasury Bonds

TLT is an ETF for 20+ Year Treasury Bonds. UBT targets this asset class 2x, and TMF has a 3x target.