



Asbury Research

A Look Into 2023 With Asbury Research

Prepared for Fidelity Investments

January 26th, 2023



About Asbury Research

Who We Are

John Kosar, CMT, Chief Market Strategist

John has more than 40 years of experience and insight in analyzing and forecasting global financial markets. John spent the first 17 years of his career on the trading floor of the Chicago futures exchanges during the 1980s and 1990, where he had the opportunity to learn how the US financial markets work from the inside out. This practical experience, early in his career, became the foundation for his unique analytical approach, understanding of intermarket relationships, and global perspective. John incorporates a comprehensive blend of technical and quantitative metrics, plus Asbury Research's proprietary models, which collectively tend to be more intuitive and forward-looking than the typical Wall Street approach.

John is a contributor to **Forbes** and is frequently quoted in the financial press including **The Wall Street Journal**, **MarketWatch.com**, **Barron's**, **Yahoo! Finance**, **CNBC.com**, and **Reuters**. He can also regularly be seen on US financial television including **CNBC**, **Fox Business**, and **Bloomberg**, and is a frequent speaker at financial seminars and events across the country presented by national organizations, including the **Chartered Financial Analyst (CFA) Society**, the **National Association of Active Investment Managers (NAAIM)**, the **CMT (Chartered Market Technician) Association**, and the **American Association of Individual Investors (AAII)**.

John was awarded the **Chartered Market Technician (CMT)** designation in 1999. He served as Vice President of the CMT Association from 2004 to 2006 and was a member of its Board of Directors from 2002-2006. During his career, he has been a trader, analyst, and strategist for **Shearson American Express**, **NatWest Markets**, **Greenwich Capital Markets**, and **Deutsche Bank**.

About Asbury Research

What We Do

We utilize decades of investment experience and our own **quantitative models** to provide clients and subscribers with **forward-looking, actionable market intelligence and investment ideas**.

Our approach is purely data driven and focused on finding patterns and signals contained in our broad and deep database of market information. These signals, hidden behind the daily talking points we hear about in the financial media, typically lead important changes in the direction of financial asset prices.

Our metrics and methodology help our subscribers become more successful investors by identifying:

- **when it's time to be aggressive and fully invested (Risk On),**
- **when it's time to be defensive and protecting capital (Risk Off),**
- **what parts of the US financial landscape are performing best,**
- **which sectors, industry groups, and individual stocks to buy,**
- **where the opportunities in global stock markets exist, and**
- **where the best opportunities exist in a broad array of ETFs.**

About Asbury Research

How We Do It

Our Data-Driven Models

- **The Correction Protection Model (CPM)** for Wealth Preservation
- **The Asbury 6 Model (A6)** for Risk Management
- **The SEAF** (Sector ETF Asset Flows) **Model** for Sector Selection
- **The CARP** (Cross Asset Relative Performance) **Model** for Domestic Asset Allocation
- **The US vs. The World Model** for Global Asset Allocation

** In addition to more traditional inputs that focus on price, trend and chart patterns, investor sentiment, relative performance, investor asset flows, volatility, seasonality, size (small, medium, large cap) and style (growth or value), and industry group selection.*

A Review Of Our July 15th 2022 Webinar for Fidelity Investments

- **We remain Defensive on the US stock market** and expect more overall Strategic weakness. However, several major US indexes are testing formidable support levels amid too-bearish investor sentiment **which could help trigger a corrective rally** from current levels.

The benchmark S&P 500 subsequently began a 12% corrective rally into the mid August highs before collapsing by 20% into the mid October yearly lows.

- **Size: Mid Cap** stocks are in the midst of a mid-April trend of Strategic relative outperformance versus the S&P 1500, but that trend is being tested.

The SPDR Portfolio S&P 400 Mid Cap ETF (SPMD) subsequently outperformed the S&P 1500 (SPTM) by an additional 6% into early November.

- **Sector & Industry Group Performance:** The **SEAF Model** indicates a continued trend of inflows into **Energy**.

The Energy Select Sector SPDR Fund (XLE) subsequently rose by an additional 25% into the August highs.

A Look Into 2023 With Asbury Research

1) Executive Summary: January 26th, 2023

-
- **U.S. Stock Market:** The benchmark S&P 500 (SPX) is currently testing major overhead resistance that has defined its 2022 major downtrend. However, the currently Positive/Risk On status of our Tactical models (**Asbury 6, Correction Protection Model**), low volatility according to CBOE Volatility Index (VIX), and aggressively expanding assets in key ETFs suggest a bullish resolution to this major inflection point – which would confirm a major bullish trend change. Moreover, recent relative outperformance by Semiconductors and Technology, plus recent extremes in options data, market breadth, and investor sentiment suggest that a major bottom is already in place at last years lows and portends more Strategic strength potentially through the 1st Half of 2023.
 - **Size: Mid Cap** stocks (SPMD) have outperformed the S&P 1500 by 6% since Jly 2022. SPMD has also been above its 200-day MA since Jan 6th to indicate an emerging outright major bullish trend change.
 - **Style: Value** stocks remain in the midst of a Sep 13th trend of Strategic relative outperformance versus the S&P 500 and has outperformed by 6% since then.

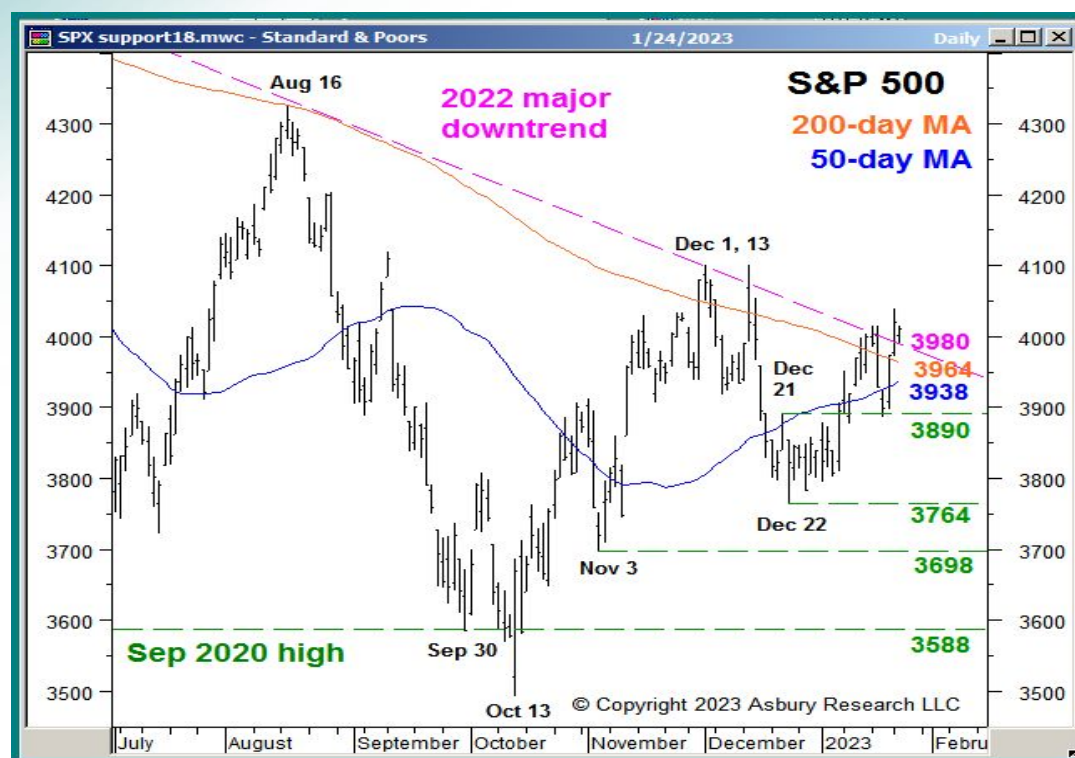
A Look Into 2023 With Asbury Research

2) Executive Summary: January 26th, 2023

- **Cross Asset:** Six of the eight equity-related relationships in the **CARP Model** have a positive Tactical (monthly) and Strategic (quarterly) bias and three of these have turned positive over the past week. It indicates **a significant increase in risk appetite** and suggests investors are starting to position for a major bullish trend change.
- **Global Relative Performance:** According to our **US vs. The World Model**, 21 of the 25 foreign countries represented are outperforming the S&P 500 (SPY) on both a Tactical and Strategic basis. It indicates **global investors continue to avoid the US market** and suggests they expect the 2022 major downtrend in the US to continue.
- **Sector & Industry Group Performance:** The **SEAF Model** currently favors the **Energy** and **Financial** Sectors.

US Stock Market

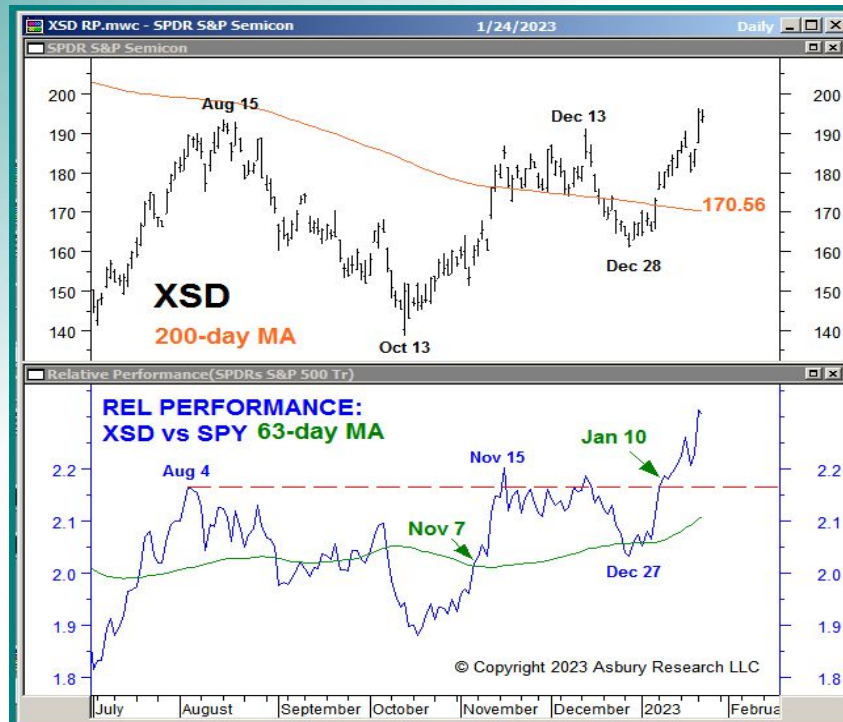
Price & Trend (3): SPX Testing (Breaking?) 2022 Major Downtrend



The benchmark SPX is edging above major resistance at its 2022 major downtrend and 200-day MA which suggests *an emerging major bullish trend change*. If this is indeed the case, the 3980 to 3938 area should now hold as underlying support.

US Stock Market

Relative Performance : Semis Outperforming , Tech Also?



The SPDR S&P Semiconductor ETF has been outperforming the S&P 500 (SPY) on a Strategic basis since Nov 7th and made fresh outperformance highs on Jan 10.



The large cap Tech NASDAQ 100 is testing its August 2022 trend of Strategic relative underperformance vs. SPY and *may be in the midst of a bullish trend change*.

Asbury's Correction Protection Model (CPM)

Wealth Preservation: When To Be Invested

CPM was designed to:

- **protect investor assets** during market declines,
- **eliminate large drawdowns**, and
- **reduce volatility** in portfolios by moving assets out of the market during adverse conditions

However, CPM can also be used as an offensive model by using leverage to trade the signals.

- **CPM via SPY:** For older or more risk-focused investors that want to or need to participate in the stock market but are uncomfortable with the amount of risk.
- **CPM via SSO:** For those willing to accept a little more risk for the potential of producing better-than-average returns, while still keeping beta low.

Asbury's Correction Protection Model (CPM)

Defensive & Offensive Ways To Utilize CPM Based On Risk Appetite

Non-Leveraged CPM v S&P 500: Performance Comparison By Year			
Year	CPM via SPY	S&P 500	Rel Performance
2011	5.1%	0.0%	5.1%
2012	12.1%	13.4%	-1.4%
2013	28.3%	29.6%	-1.3%
2014	5.4%	11.4%	-6.0%
2015	-4.6%	-0.7%	-3.9%
2016	5.2%	9.5%	-4.4%
2017	19.4%	19.4%	0.0%
2018	-8.5%	-6.2%	-2.2%
2019	21.8%	28.9%	-7.1%
2020	24.4%	16.3%	8.1%
2021	2.6%	26.9%	-24.3%
2022	-5.9%	-19.4%	13.6%
Total	105.4%	129.0%	-23.6%
Average	8.8%	10.8%	-2.0%

Non-Leveraged CPM v S&P 500: Performance Measures 2011-2022			
Category	CPM via SPY	S&P 500	Difference
Total return	156.0%	205.3%	-49.3%
Annualized total return	8.1%	9.7%	-1.6%
Max drawdown	-15.0%	-33.9%	18.9%
Risk (standard deviation)	9.0%	14.4%	-5.4%
Sharpe ratio	0.89	0.72	0.17
Sortino ratio	1.66	1.22	0.44
Alpha	2.6%	-2.0%	4.6%
Beta	0.44	1.00	-0.56
Up capture ratio	0.56	0.95	-0.39
Down capture ratio	0.46	1.04	-0.58

2x Leveraged CPM v S&P 500: Performance Comparison By Year			
Year	CPM via SSO	S&P 500	Rel Performance
2011	7.9%	0.0%	7.9%
2012	22.7%	13.4%	9.3%
2013	62.1%	29.6%	32.5%
2014	9.6%	11.4%	-1.8%
2015	-9.8%	-0.7%	-9.1%
2016	9.2%	9.5%	-0.3%
2017	39.6%	19.4%	20.2%
2018	-18.8%	-6.2%	-12.6%
2019	42.5%	28.9%	13.6%
2020	48.6%	16.3%	32.3%
2021	3.7%	26.9%	-23.2%
2022	-19.6%	-19.4%	-0.1%
Total	197.8%	129.0%	68.8%
Average	16.5%	10.7%	5.7%

2x Leveraged CPM v S&P 500: Performance Measures 2011-2022			
Category	CPM via SSO	S&P 500	Difference
Total return	364.0%	205.3%	158.7%
Annualized total return	13.6%	9.7%	3.9%
Max drawdown	-29.5%	-33.9%	4.4%
Risk (standard deviation)	17.9%	14.4%	3.5%
Sharpe ratio	0.84	0.72	0.12
Sortino ratio	1.57	1.22	0.35
Alpha *	4.3%	-2.0%	6.32%
Beta *	0.87	1.00	-0.13
Up capture ratio *	1.06	0.95	0.11
Down capture ratio *	0.96	1.04	-0.08

Asbury's Correction Protection Model (CPM)

Wealth Preservation: "Risk On" As Of January 12th

About CPM

- The Correction Protection Model (CPM) is our own **proprietary defensive model** for the S&P 500. It is **quantitative, objective, and data driven**.
- **CPM is binary: it is either Risk On or Risk Off.**
- **CPM was not designed to be a returns-driven model, but rather a wealth preservation tool.** It was designed to protect investor assets during potentially dangerous market conditions while also taking advantage of the market's historical upward bias.
- We use CPM as a key indication of **when to increase market exposure (Risk On) and when to be risk-averse (Risk Off).**

CPM Since 2022



The Asbury 6 Key Market Internals

Risk Management: When To Be Invested

The Asbury 6:

- the monthly rate of change in the S&P 500
- the relative performance of equity prices versus high yield bond prices,
 - investor asset flows
- corporate bond spreads
 - trading volume
 - market breadth

“A6” Signals Since 2022



The Asbury 6 Key Market Internals

Risk Management: Positive Since January 11th

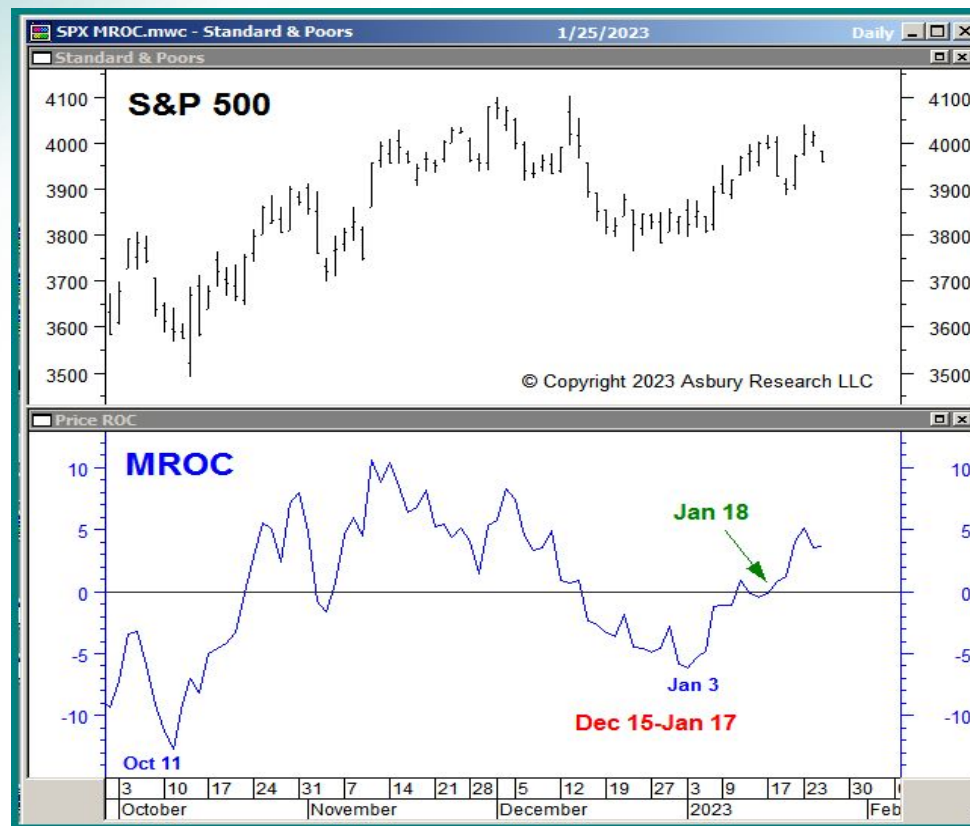
"ASBURY 6" INTERNAL MARKET METRICS through 1/24/2023		
METRIC	POSITIVE AS OF:	NEGATIVE AS OF:
Rate Of Change: SPX	1/18/2023	
Rel Performance: Stocks v HiYld Bonds	1/20/2023	
Investor Asset Flows: SPY	1/10/2023	
Corporate Bond Spreads	1/5/2023	
Trading Volume: SPX	1/20/2023	
Market Breadth: NYSE	1/5/2023	
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Four or more metrics in one direction, either Positive (green) or Negative (red), indicate a tactical bias.

When all Asbury 6 are positive, market internals are the most conducive to adding risk to portfolios. Each negative reading adds an additional element of risk to participating in existing or new investment ideas.

The Asbury 6 Key Market Internals

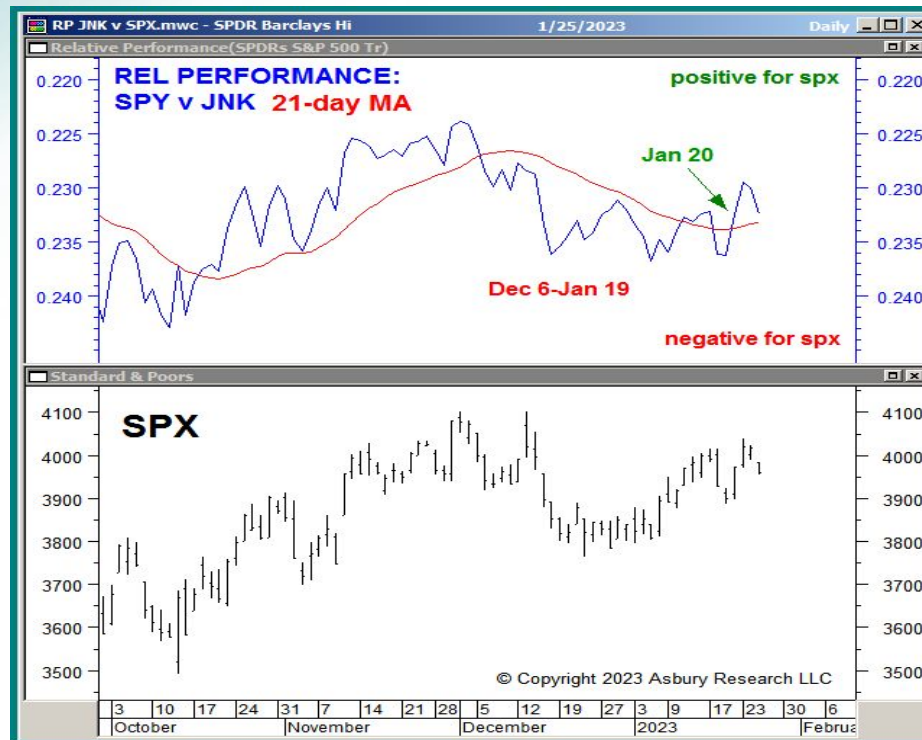
Momentum: Near Term Positive



SPX's 1-month rate of change (MROC) turned Positive on Jan 18th, from Negative between Dec 15th and Jan 17th.

The Asbury 6 Key Market Internals

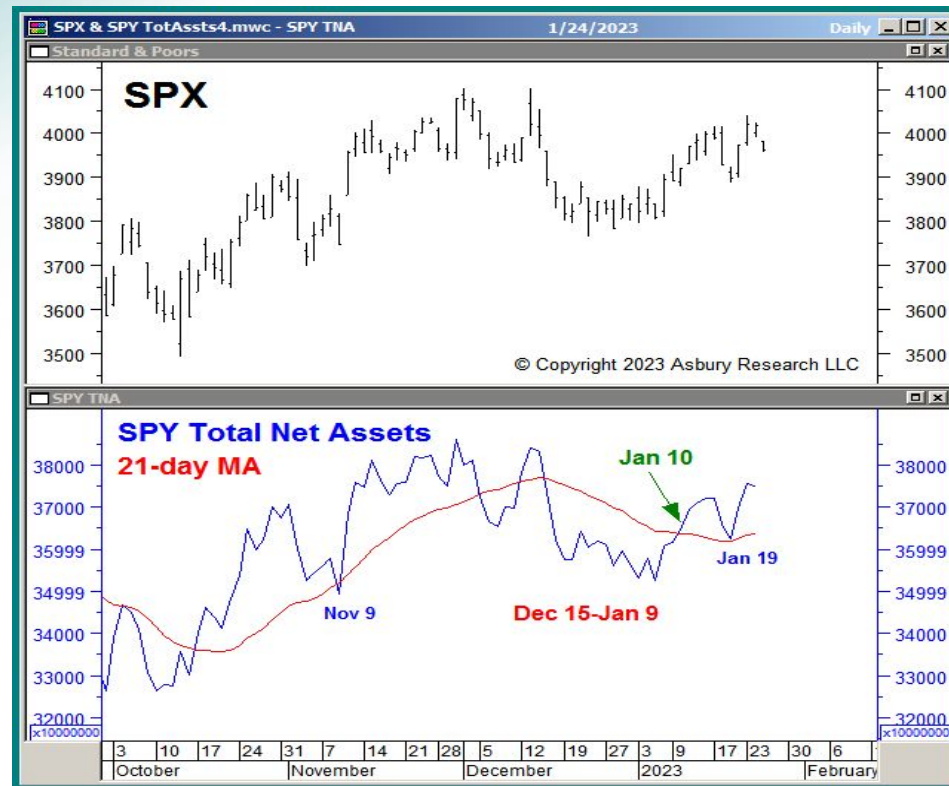
Relative Performance: Near Term Positive



The S&P 500 (SPY) shifted to a trend of Tactical (monthly) outperformance versus the SPDR Bloomberg Barclays High Yield Bond ETF (JNK) on Jan 20th, from a previous trend of underperformance between Dec 6th and Jan 19th. *Relative outperformance by equities versus junk bonds is characteristic of Tactical US market advances.*

The Asbury 6 Key Market Internals

ETF Asset Flows: Near Term Positive



The total net assets invested in the SPDR S&P 500 ETF shifted to a trend of *monthly expansion* on Jan 10th. This indicates *near term conviction in higher prices* and is characteristic of Tactical broad market advances.

The Asbury 6 Key Market Internals

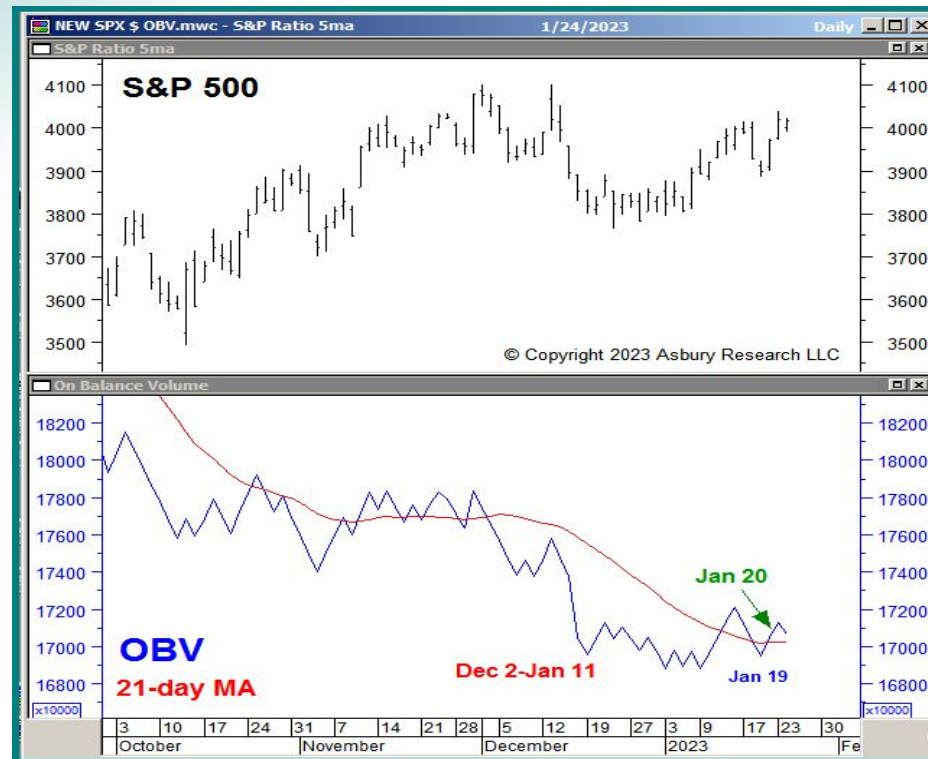
Corporate Bond Spreads: Near Term Positive



High yield corporate bond spreads have been in a trend of *monthly narrowing* as of Dec 16th, indicating near term bond market complacency that is characteristic of Tactical stock market strength.

The Asbury 6 Key Market Internals

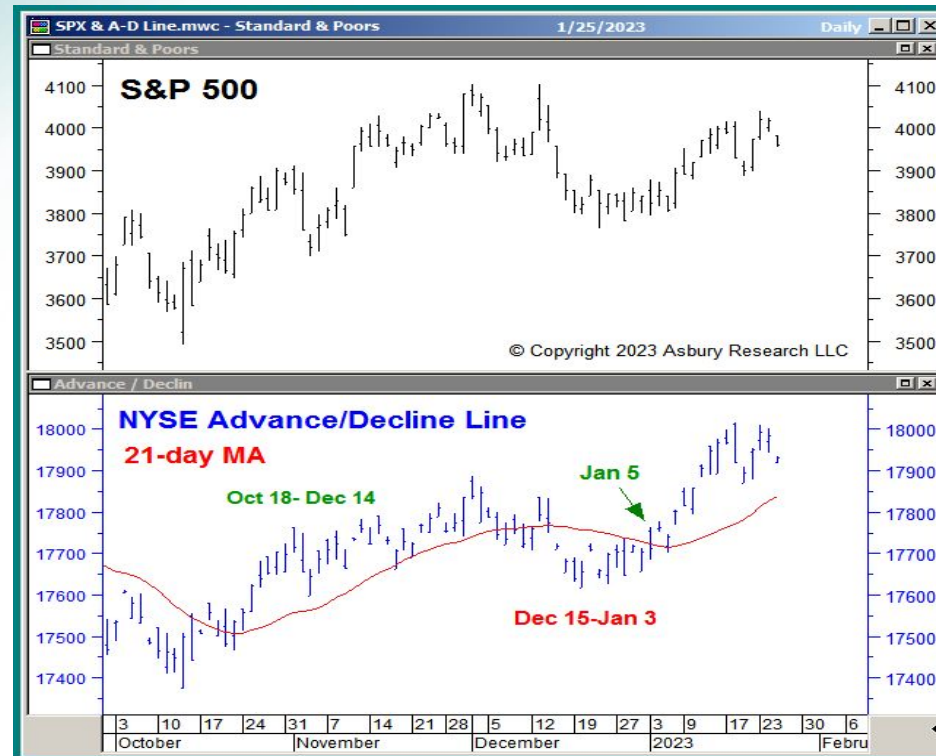
Volume: Near Term Positive



On Balance Volume (OBV) edged above its 21-day moving average as of Jan 20th to indicate an emerging rising monthly trend. Expanding volume indicates *urgency to buy* and is characteristic of Tactical broad market advances.

The Asbury 6 Key Market Internals

Market Breadth: Near Term Positive



The NYSE Composite's A/D line has been in a rising monthly trend since Jan 5th. Strengthening market breadth is characteristic of Tactical broad market advances.

US Stock Market

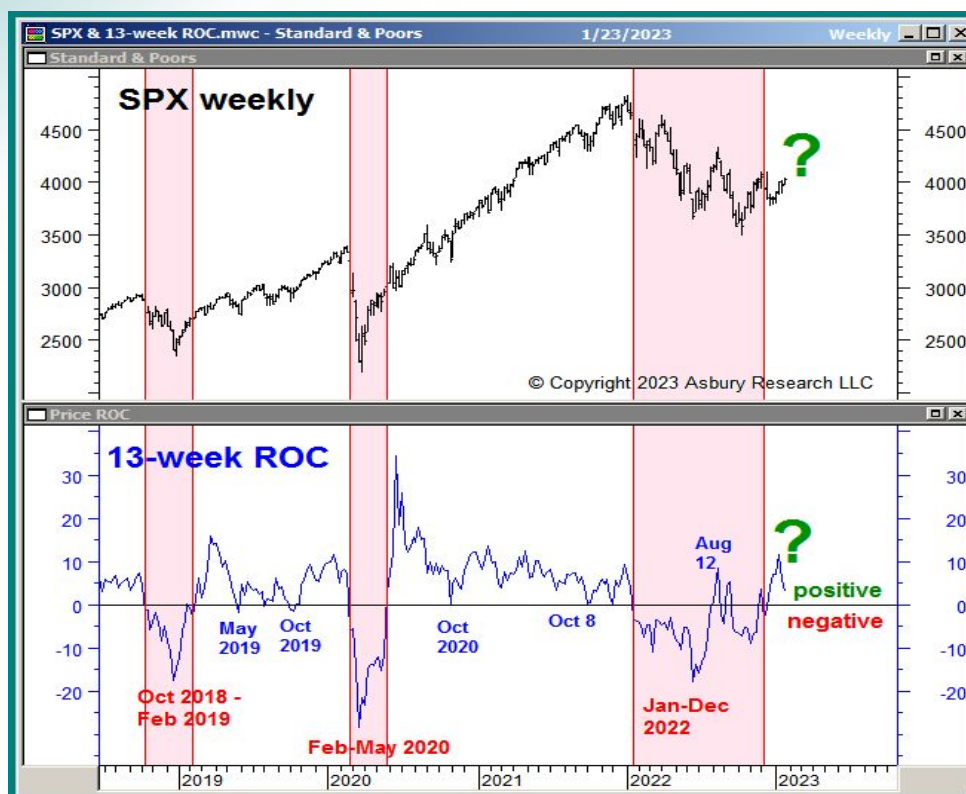
Asset Flows: Near Term Positive



The total net assets invested in the ProShares Ultra S&P500, a 2x leveraged S&P 500 ETF, shifted to a trend of *monthly expansion* on Jan 11th. The previous similar trend between Oct 20th and Dec 6th coincided with a 9% advance in the S&P 500.

US Stock Market

Strategic Price Momentum: Intermediate Term Positive



The S&P 500's (SPX) 13-week rate-of-change has recently moved back above its zero line to indicate its previous January-December 2022 negative trend is over and a new positive trend is beginning.

US Stock Market

Investor Sentiment: Near Term, Intermediate Term Positive



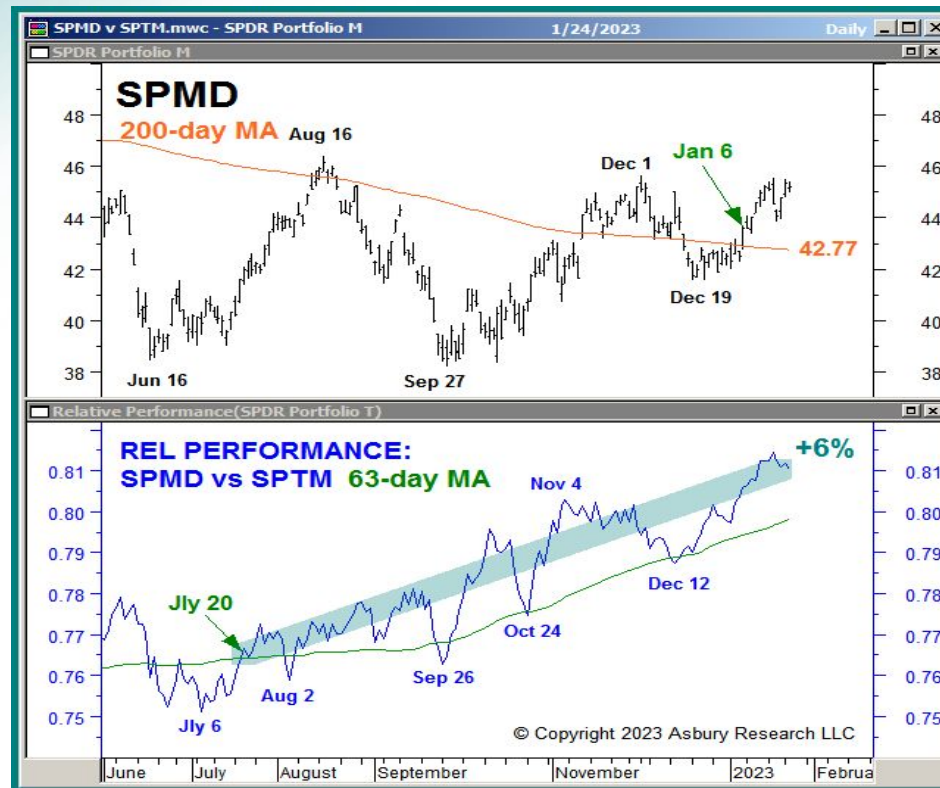
A survey of *near to intermediate term* oriented retail futures traders is stabilizing/rising from *least bullish* extremes characteristic of *Tactical* market bottoms.



A survey of *intermediate to long term* oriented newsletter writers is rising from October bearish extremes that coincided with every *Strategic* market bottom since 2010.

US Stock Market

Size: Mid Cap Continues To Outperform, Emerging Major Trend Change



Mid Cap (SPMD) has outperformed the S&P 1500 by 6% since Jly 20th. In addition, SPMD has also been above its 200-day MA since Jan 6th to indicate an emerging major bullish trend change.

US Stock Market

Style: Value Remains In Strategic Outperformance Trend



Value remains in the midst of a Sep 13th trend of Strategic relative outperformance versus the S&P 500 and has outperformed by 6.0% since then, despite some minor relative weakness last week. *Value is typically a defensive position by investors.*

Cross Asset Investing

The CARP (Cross Asset Relative Performance) Model

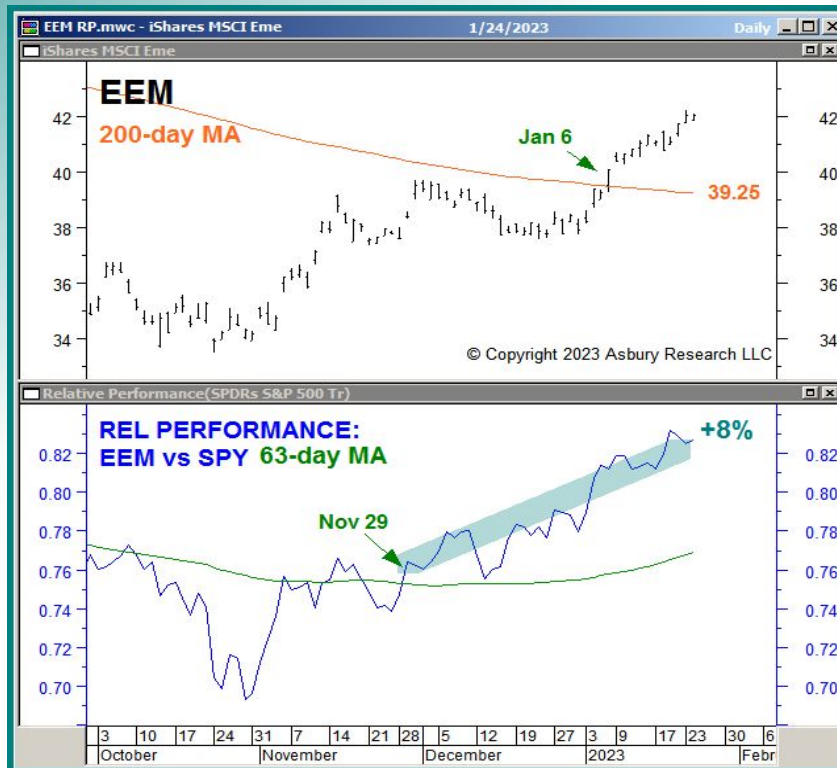
CROSS ASSET RELATIVE PERFORMANCE (CARP): WHAT IS OUTPERFORMING?							thru January 20th, 2023
Asset Comparison	Tickers	Trading (weekly)	Since	Tactical (monthly)	Since	Strategic (quarterly)	Since
Equities							
US Stocks or Bonds	SPY vs AGG	STOCKS	1/20	STOCKS	1/20	BONDS	12/15
High Beta or Low Volatility Stocks	SPHB vs SPLV	HIGH BETA	12/29	HIGH BETA	1/6	HIGH BETA	1/9
Large Cap or Small Cap	SPY vs IWM	LARGE CAP	1/19	SMALL CAP	12/29	SMALL CAP	1/12
Broad Market (S&P 500) or Blue Chips (Dow 30)	SPY vs DIA	BROAD MARKET	1/6	BROAD MARKET	1/11	BROAD MARKET	1/17
Broad Market (S&P 500) or Tech (NASDAQ 100)	SPY vs QQQ	TECHNOLOGY	1/9	TECHNOLOGY	1/12	TECHNOLOGY	1/20
Growth or Value Stocks (Russell 1000)	IWF vs IWD	GROWTH	1/9	GROWTH	1/17	VALUE	9/29
US or Developed Markets	SPY vs VEA	DEVELOPED	1/12	DEVELOPED	11/1	DEVELOPED	11/2
US or Emerging Markets	SPY vs VWO	EMERGING	1/18	EMERGING	11/28	EMERGING	11/29
Fixed Income							
Govt or Corporate Bond Prices	GOVT v LQD	CORPORATE	1/3	CORPORATE	1/6	CORPORATE	11/10
High Yield or Corporate Bond Prices	HYG vs LQD	CORPORATE	1/6	CORPORATE	1/18	CORPORATE	11/16
Short Term or Long Term Bond Prices	SCHO vs TLT	SHORT TERM	1/20	LONG TERM	1/6	LONG TERM	1/3
© Copyright 2023 Asbury Research LLC							

The table above highlights which segments of the US financial market are outperforming in both equities and fixed income. The green highlights identify changes in trend, and the date they occurred, in 3 different time frames:

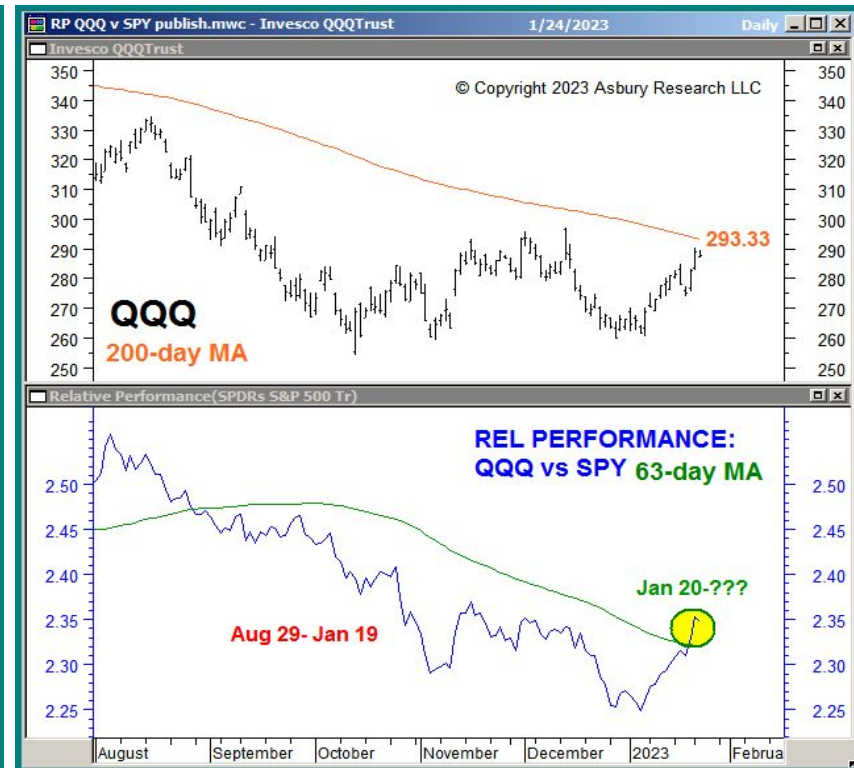
- **TRADING (weekly, yellow column)**, the most sensitive to changes in relative market direction
- **TACTICAL (monthly, blue column)**, which we use to enter or exit an investment strategy
- **STRATEGIC (quarterly, red column)**, which we use to identify intermediate term opportunity.

Cross Asset Investing

Emerging Markets Outperforming , Recent Outperformance By Technology



The iShares MSCI Emerging Markets ETF is in a Nov 29th trend of Strategic relative outperformance versus SPY and has outperformed by 8% since then.



The Invesco QQQ ETF is in a Jan 20th *emerging* trend of Strategic relative outperformance versus SPY. *Relative outperformance by Technology is characteristic of bull markets.*

Global Equity Investing

The US vs. The World Model

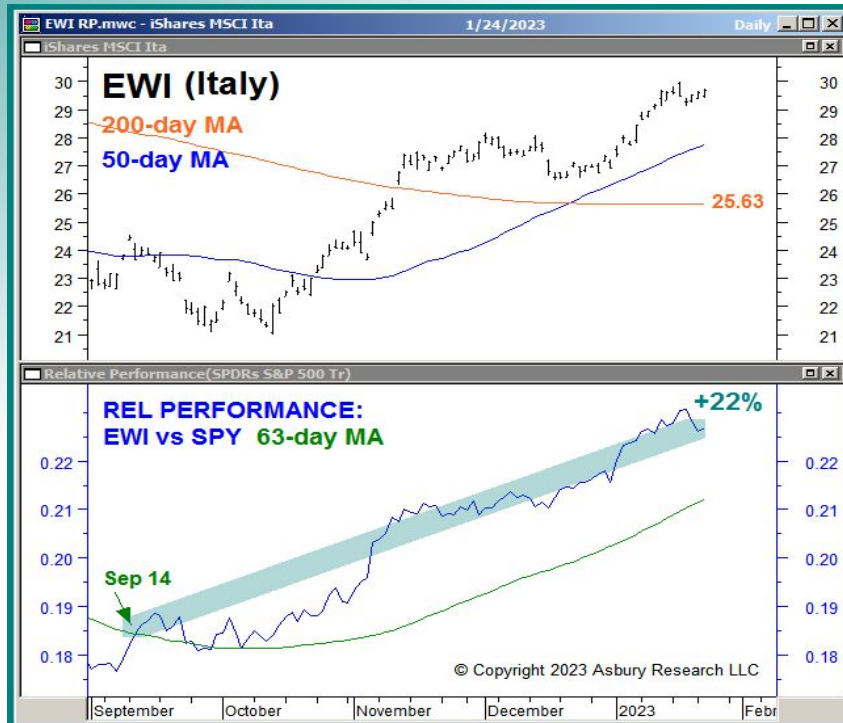
S&P 500 vs THE WORLD: WHICH COUNTRY IS OUTPERFORMING? thru January 20th, 2023							
S&P 500 (SPY) vs:	Ticker	Trading (weekly)	Since	Tactical (monthly)	Since	Strategic (quarterly)	Since
Chile	ECH	CHILE	1/18	CHILE	12/19	CHILE	12/19
New Zealand	ENZL	NEW ZEALAND	1/13	NEW ZEALAND	1/13	NEW ZEALAND	11/15
Peru	EPU	US	1/20	PERU	12/20	PERU	9/13
Australia	EWA	AUSTRALIA	1/4	AUSTRALIA	1/4	AUSTRALIA	11/2
Canada	EWK	CANADA	1/12	CANADA	12/27	CANADA	1/4
Hong Kong	EWK	HONG KONG	1/18	HONG KONG	1/19	HONG KONG	11/29
Italy	EWI	US	1/20	ITALY	12/16	ITALY	10/14
Japan	EWJ	JAPAN	1/12	JAPAN	1/12	JAPAN	11/2
Switzerland	EWL	US	1/20	SWITZERLAND	12/1	SWITZERLAND	11/2
Malaysia	EWM	MALAYSIA	1/17	MALAYSIA	1/13	MALAYSIA	11/25
Spain	EWP	SPAIN	1/12	SPAIN	10/17	SPAIN	10/17
France	EWQ	FRANCE	1/3	FRANCE	9/30	FRANCE	10/10
Singapore	EWS	SINGAPORE	1/13	SINGAPORE	11/11	SINGAPORE	11/14
Taiwan	EWK	TAIWAN	1/17	TAIWAN	1/9	US	12/13
United Kingdom	EWU	UNITED KINGDOM	1/13	UNITED KINGDOM	11/1	UNITED KINGDOM	11/1
Mexico	EWK	MEXICO	1/4	MEXICO	1/3	MEXICO	1/3
South Korea	EWY	SOUTH KOREA	1/4	SOUTH KOREA	12/16	SOUTH KOREA	11/3
Brazil	EWZ	US	1/20	BRAZIL	1/6	US	11/10
MSCI EMU (Eurozone) Index	EZU	US	1/20	EUROZONE	10/13	EUROZONE	10/13
India	INDA	INDA	1/18	US	1/20	US	12/29
China	MCHI	CHINA	1/13	CHINA	11/4	CHINA	11/29
Russia	RSX	US	1/20	US	1/6	US	1/6
Thailand	THD	THAILAND	1/18	THAILAND	11/29	THAILAND	11/28
Vanguard FTSE Pacific ETF	VPL	PACIFIC	1/12	PACIFIC	1/12	PACIFIC	11/4
Vanguard Emerging Mkts ETF	VWO	EMERGING	1/18	EMERGING	11/28	EMERGING	11/29

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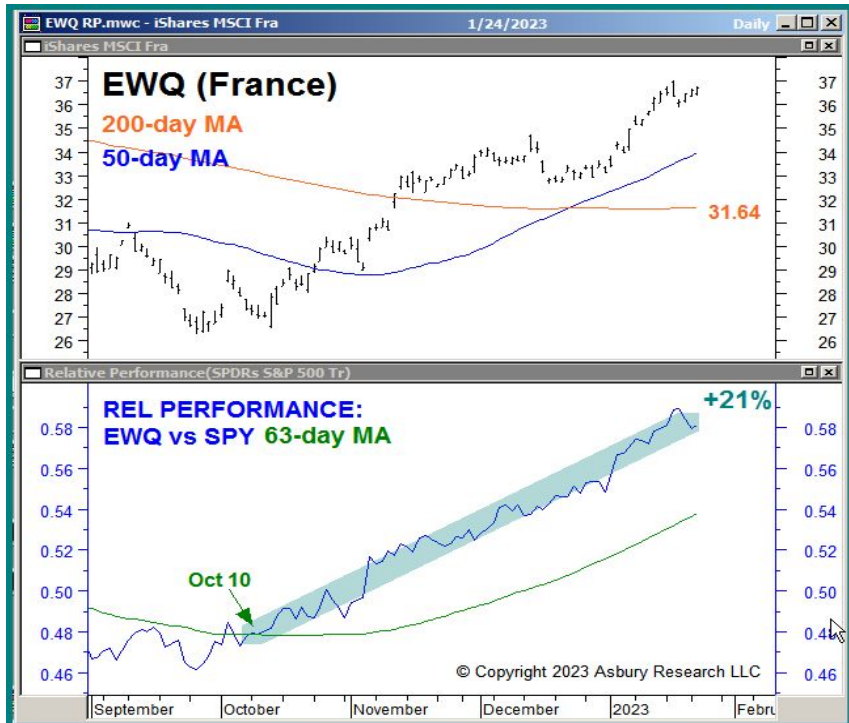
Through Jan 20th, 21 of the 25 foreign countries represented by our model are outperforming the S&P 500 on both a Tactical (monthly) and Strategic (quarterly) basis. It indicates global investors continue to avoid the US market and suggests they expect the 2022 major downtrend in the US to continue.

Global Equity Investing

Italy, France Outperforming The US Since September/October



The iShares MSCI Italy ETF has outperformed the S&P 500 (SPY) by 22% since Sep 14th.



The iShares MSCI France ETF has outperformed the S&P 500 (SPY) by 21% since Oct 14th.

US Market Sectors: SEAF Model

Following The Money In US Market Sectors

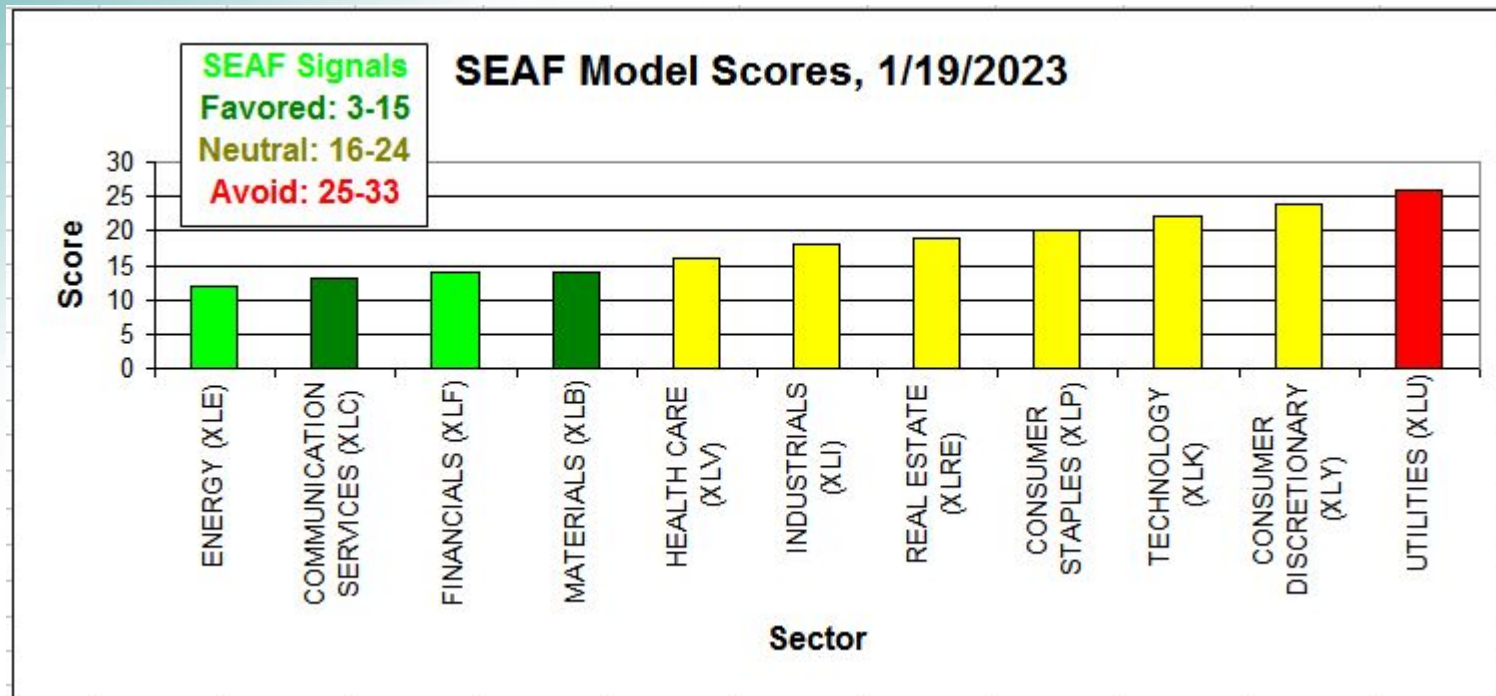
ASBURY RESEARCH: SECTOR ETF ASSET FLOWS (SEAF) MODEL for the week of January 23rd, 2023					
Sector (Symbol)	% thru 1-19-2023	Trading (week)	Tactical (month)	Strategic (quarter)	Ranking
ENERGY (XLE)	17.9%	1	1	10	12
COMMUNICATION SERVICES (XLC)	3.7%	4	2	7	13
FINANCIALS (XLF)	13.7%	10	3	1	14
MATERIALS (XLB)	2.5%	5	4	5	14
HEALTH CARE (XLV)	17.6%	2	11	3	16
INDUSTRIALS (XLI)	6.0%	11	5	2	18
REAL ESTATE (XLRE)	2.2%	7	6	6	19
CONSUMER STAPLES (XLP)	7.2%	8	8	4	20
TECHNOLOGY (XLK)	16.5%	3	10	9	22
CONSUMER DISCRETIONARY (XLY)	5.8%	6	7	11	24
UTILITIES (XLU)	6.8%	9	9	8	26
Biggest % inflows during period shown Biggest % outflows during period shown © Copyright 2023 Asbury Research LLC					

The latest data in multiple time frames indicate **a trend of inflows into Energy** (since 1/12). **This is where the money is currently going in the sector space.**

The latest data also indicate there is **no current trend of outflows from any sector**. This atypical scattering of the data across the 11 sectors indicates *investor indecision* and often occurs during *periods of transition* in the broad market.

US Market Sectors: SEAF Model

Following The Money In US Market Sectors



The **SEAF Model Scores chart** displays the rankings shown in the graphic in the previous slide according to **Favored** (score of 1-15, green), **Neutral** (score of 16-24, yellow), and **Not Favored** (score of 25-33, red) sectors. The specific SEAF Model signals are highlighted in a brighter shade of green.

US Market Sectors: SEAF Model

Following The Money In US Market Sectors

SEAF Model vs S&P 500: Performance Comparison By Quarter			
Quarter Ending:	SEAF Model	S&P 500	Rel Performance
Q3'20	9.8%	8.5%	1.3%
Q4'20	13.5%	11.7%	1.8%
Q1'21	22.6%	5.8%	16.9%
Q2'21	9.1%	8.2%	0.9%
Q3'21	5.7%	0.2%	5.4%
Q4'21	8.8%	10.7%	-1.9%
Q1'22	-0.2%	-5.0%	4.7%
Q2'22	-8.0%	-16.5%	8.5%
Q3'22	-11.3%	-5.3%	-6.0%
Q4'22	11.9%	7.1%	4.8%
2022	-7.6%	-19.6%	12.0%
Since Q3 2020	61.7%	8.5%	36.4%

The table displays the quarter-by-quarter relative performance of the SEAF Model vs. the S&P 500, showing that SEAF has outperformed the S&P 500 in eight of the past ten quarters (80%) tested.

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US Market Sectors: SEAF Model

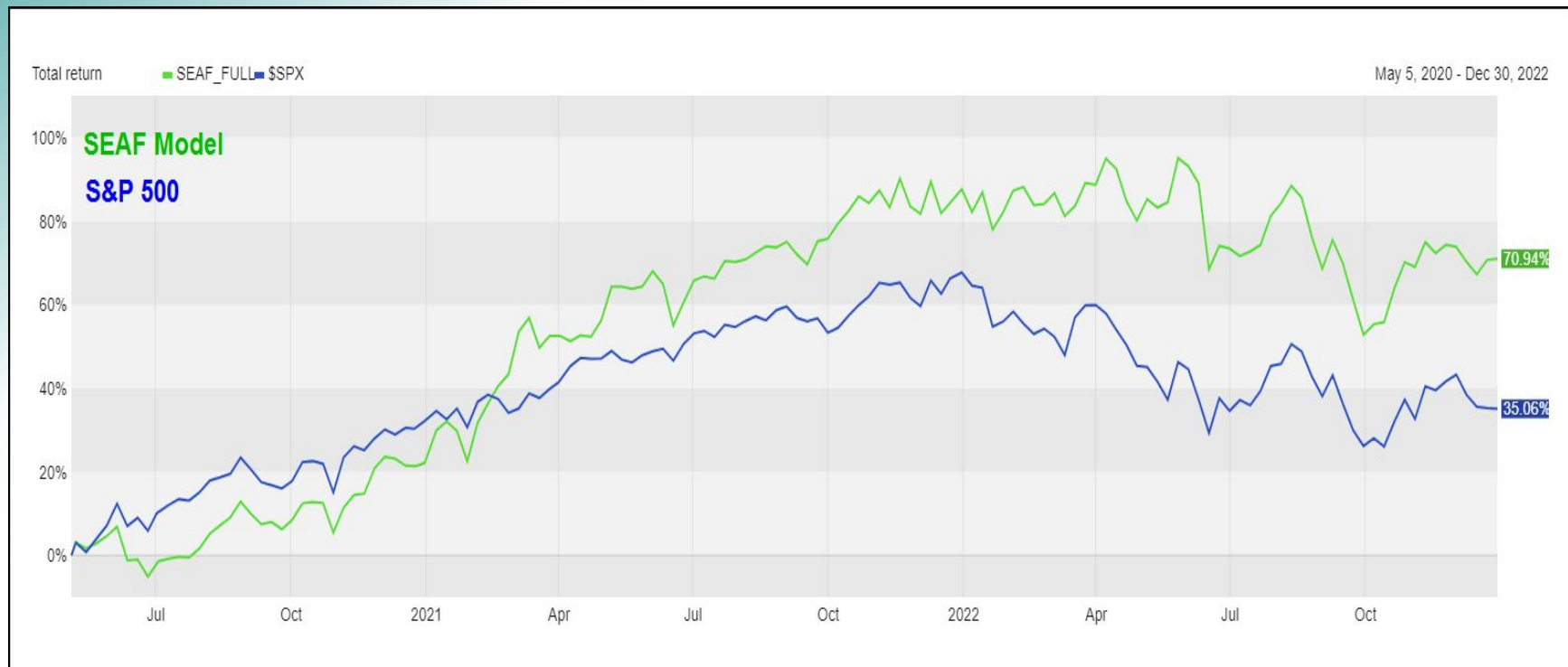
Following The Money In US Market Sectors

SEAF Model Performance Details		through 12/31/2022
Category	SEAF Model	S&P 500 (SPY)
Total return	70.9%	35.1%
Annualized total return	22.4%	12.0%
Max drawdown	-22.5%	-25.4%
Risk (standard deviation)	21.8%	18.6%
Sharpe ratio	1.01	0.69
Sortino ratio	2.12	1.25
Alpha	9.6%	-1.5%
Beta	0.91	1.00
Up capture ratio	1.08	0.97
Down capture ratio	0.80	1.03

- SEAF's total return (see chart below) *and* annualized total return are effectively double that of the S&P 500.
- SEAF has a *lower* maximum drawdown.
- SEAF has a significantly *higher* alpha (excess return) *and* a *lower* beta (systematic risk).
- SEAF has both a *higher* up capture ratio (gains in up markets) and *lower* down capture ratio (losses in down markets).

US Market Sectors: SEAF Model

Following The Money In US Market Sectors



This chart plots the daily performance of the SEAF Model vs. the S&P 500, in terms of percentage return, since May 2020.



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