

# Structured Global Balanced Strategy

## THE POWER OF MARKETS WORKING FOR YOU

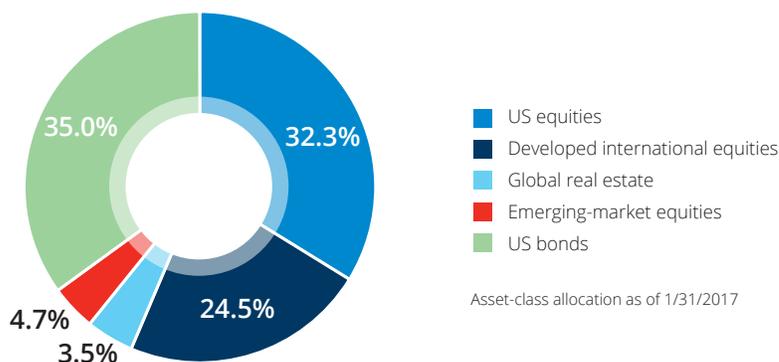
### An Academic Foundation

The theoretical *Global Market Portfolio* represents the portfolio you would own if you owned all of the investable financial assets in the world. Financial theory<sup>1</sup> suggests that this portfolio may be one of the most efficient portfolios an investor could own.

We have adopted the *Global Market Portfolio's* suggested allocations as the starting point in the allocation of our Structured Strategies. This approach is based on the belief that rigorous cost management, diversification, and constant exposure can leverage the power of markets to work for you.



### Asset-Class Allocation and Holding Performance Data



Asset Class	Holding's Name	Symbol	Quarter	YTD	1 Year	3 Year
US large and mid cap	Schwab U.S. Large-Cap ETF	SCHX	3.50%	2.78%	14.54%	11.76%
US small cap	Schwab U.S. Small-Cap ETF	SCHA	6.68%	6.05%	16.54%	10.13%
US REITs	Schwab U.S. REIT ETF	SCHH	10.04%	1.83%	4.24%	7.59%
Developed international equities	Schwab Int'l Developed Equity ETF	SCHF	-1.96%	-2.99%	6.46%	5.22%
International small-cap equities	Schwab Int'l Developed Small-Cap Equity ETF	SCHC	-1.20%	-1.53%	10.25%	7.36%
Emerging-market equities	Schwab Emerging Market Equity ETF	SCHE	-9.79%	-7.34%	6.66%	4.18%
International property equities	Vanguard Global ex-US Real Estate ETF	VNQI	-3.46%	-2.66%	8.34%	5.83%
Intermediate-term Treasuries	Schwab Intermediate-Term U.S. Treasury ETF	SCHR	-0.06%	-1.13%	-1.36%	0.76%
US broad bond market	Schwab U.S. Aggregate Bond ETF	SCHZ	-0.07%	-1.59%	-0.60%	1.62%

Total returns per Bloomberg. Returns of more than one year are annualized.

<sup>1</sup> Harry Markowitz (1952). "Portfolio selection," *Journal of Finance*, 7(1), 77-91.

James Tobin (1958). "Liquidity preference as behavior towards risk," *The Review of Economic Studies*, 25, 65-86.

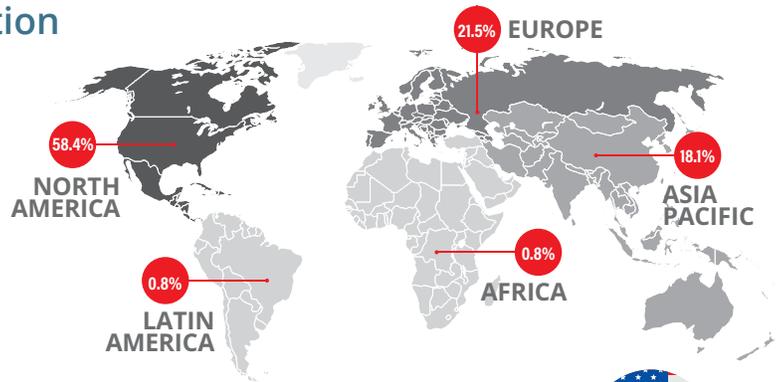
William F. Sharpe (1964). "Capital asset prices: A theory of market equilibrium under conditions of risk," *Journal of Finance*, 19 (3), 425-442.

For a comprehensive description of the strategies and the underlying theory see *An Introduction to Structured Strategies*, CataMetrics Management, 2016.

## Broad and Global Diversification

### Top 5 Out of Over 12,000 Stocks

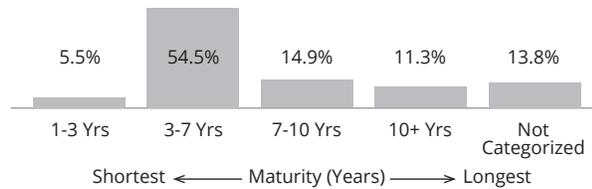
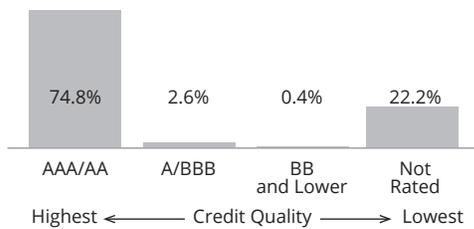
Structured Global Balanced Strategy has broad and global exposure via ETFs to over 12,000 different companies across 44 different countries.



## Fixed Income Credit and Maturity Allocation

Top 3 Out of 44 Countries

US 53.4%  
Japan 8.5%  
UK 5.5%



## Bond Categories Exposure

Bond Category	Weight
Treasuries & Agencies	74.7%
Corporates	2.6%
Mortgage-backed	7.7%
Other	15.0%
<b>TOTAL</b>	<b>100%</b>

Overall Estimated Portfolio Yield  
**2.10%**

About **1/5** of the cost of the industry average for similarly allocated portfolios.

## Low Cost

By driving costs lower, we are driving returns higher so that you keep more of the wealth your portfolio generates.

	Expense Ratio	Annual Dollars Cost per \$1,000,000	Estimated Annual Cost Savings per \$1,000,000
Global Balanced Strategy	0.06%	\$574	\$2,326
Industry Average	0.29%	\$2,900	

The illustration results are only an estimate and do not reflect manager fees or advisory fees charged by your investment adviser. Industry blended average based on similarly allocated portfolios. Average ETF cost based on asset-weighted average cost. Data provided by ETFdb.com and Morningstar.com.

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Before investing in an ETF, you should read both its summary prospectus and its full prospectus, which provide detailed information on the ETF's investment objective, principal investment strategies, risks, costs, and historical performance (if any). The SEC's EDGAR system, as well as Internet search engines, can help you locate a specific ETF prospectus. You can also find prospectuses on the websites of the financial firms that sponsor a particular ETF, as well as through your broker.

Past performance is no guarantee of future results of any ETF.

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The S&P 500® Index is a commonly recognized, free float-adjusted, market capitalization-weighted index of securities of 500 widely held companies, designed to measure the performance of US large-cap stocks. The Russell 3000® Index is a free float-adjusted, market-capitalization-weighted index which measures the performance of the largest 3,000 US companies representing approximately 98% of the investable US equity market. The MSCI ACWI™ is a designed to measure the performance of the global equity market and is a free float-adjusted, market-capitalization-weighted index composed of large- and mid-cap stocks of companies located in developed and emerging countries throughout the world. The MSCI ACWI ex USA Index is designed to measure the performance of the global equity market excluding the US component and is a free float-adjusted, market-capitalization-weighted index composed of large- and mid-cap stocks of companies located in developed and emerging countries throughout the world. The Bloomberg Barclays U.S. Aggregate Bond Index provides a broad-based measure of the fixed-rate US investment-grade debt market; we occasionally refer to this index as the Bloomberg Barclays Aggregate Bond Index or the BBG Barc Agg. The Bloomberg Barclays Global Aggregate Bond Index provides a measure of global investment grade, fixed-rate debt from both developed and emerging markets; we may refer to this index as BBG Barc Global Agg. The J.P. Morgan Global Aggregate Bond Index (JPM GABI) provides a broad-based measure of the global fixed-rate, investment-grade debt markets. The JPM GABI is a U.S. dollar denominated index with asset classes from developed and emerging markets. Cash refers to overnight Fed funds.

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