

# Alpha Quant Managed Accounts: Alpha Quant SmartALPHA® Defensive Growth

As of 6/30/2018

## Investment Approach

**Alpha-seeking:** SmartALPHA® Indexes are eminently active strategies with concentrated exposures to fundamental and valuation characteristics known to seek future outperformance.

**Multi-dimensional:** An opportunity to add value by interacting bottom-up stock selection and sector allocation.

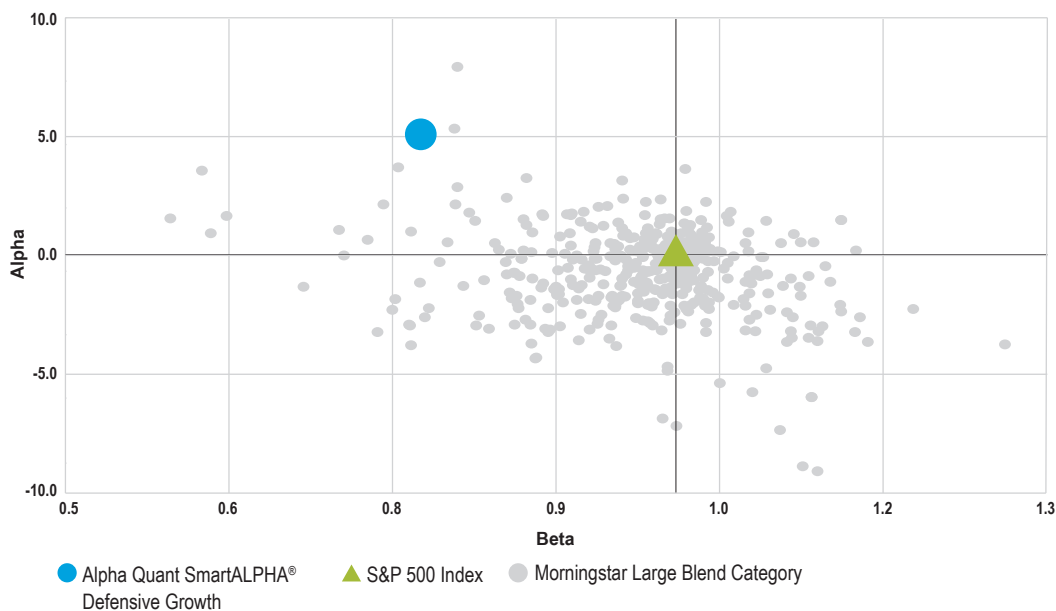
**Transparent:** Systematic, rules-based process selects stocks based on clearly defined fundamental factors.

## Annualized Total Returns (%)

	QTR	YTD	1 Year	3 Years	5 Years	Since Inception
Alpha Quant SmartALPHA® Defensive Growth (net)	4.86	5.17	15.50	9.27	—	14.35
Alpha Quant SmartALPHA® Defensive Growth (gross)	5.15	5.73	16.74	10.47	—	15.61
S&P 500® Index Inception date is August 1, 2013	3.43	2.65	14.37	11.93	—	12.52

Past performance does not guarantee future results. Results reflect the reinvestment of dividends and other earnings. Gross of fee returns are presented before management and custodial fees, but after all trading expenses and withholding taxes. Net of fees returns are calculated applying the maximum potential annual fee of 1.1% and are presented after all management, custody, trading and withholding taxes.

## Alpha/Beta Analysis (Since Inception – June 30, 2018)



## Since Inception Risk Summary vs. S&P 500 Index

	Alpha	Beta	Standard Deviation	Sharpe Ratio	Tracking Error	Down Capture Return	Up Capture Return
Alpha Quant SmartALPHA® Defensive Growth (net)	3.89	0.82	10.61	1.28	7.27	-1.60	2.16
Alpha Quant SmartALPHA® Defensive Growth (gross)	4.99	0.82	10.62	1.38	7.27	-1.51	2.25
S&P 500 Index	0.00	1.00	9.72	1.22	0.00	-2.46	2.30

The up-capture return and down-capture return are measures of an investment manager's overall performance in up- and down-markets relative to an index.

Data Sources: Benchmark characteristics from Morningstar. A definition of the statistics shown may be found in the Investment Glossary on the Morningstar website. Past performance is not indicative of future results.

## ENGINEERED FOR ALPHA

Alpha Quant Advisors, LLC ("Alpha Quant"), a registered investment advisory firm founded in September 2011, provides innovative investment solutions to institutional and individual clients. Alpha Quant employs a fundamentally driven quantitative investment process to design active strategies intended to deliver above-market performance. Alpha Quant has been an independent affiliate of Resolute Investment Managers, Inc., since October 2016.

## PORTFOLIO MANAGERS

**Massimo Santicchia**, Co-Founder and CIO; industry since 1999

**Katherine Gallagher**, Co-Founder and Portfolio Manager; industry since 2000

## FOCUSED ON ALPHA FACTORS

The SmartALPHA® Defensive Growth Equity Strategy aims to outperform the market over a full market cycle. It is designed to strongly outperform during periods of economic contraction through recession phases. The portfolio will typically display strong earnings and revenue momentum and good cash flow generation. The portfolio is managed to mirror the underlying SmartALPHA® Defensive Growth Index. The portfolio is comprised exclusively of non-cyclical stocks, constructed with a rules-based process with quarterly rebalancing to maintain the portfolio's focused fundamental profile.

**Investing involves risk.** The information expressed herein is as of the report date and is subject to change. The portfolio characteristics, sector allocations, and holdings shown reflect the strategy's target portfolio. The holdings shown do not represent all of the securities purchased, sold or recommended for any particular advisory client. Actual portfolios may differ as a result of account size, client-imposed investment restrictions, the timing of client investments and market, economic and individual company considerations, and other factors. You should not assume that an investment in any of the securities presented was or will be profitable. The information expressed herein does not constitute a recommendation or solicitation to buy or sell any particular security.



