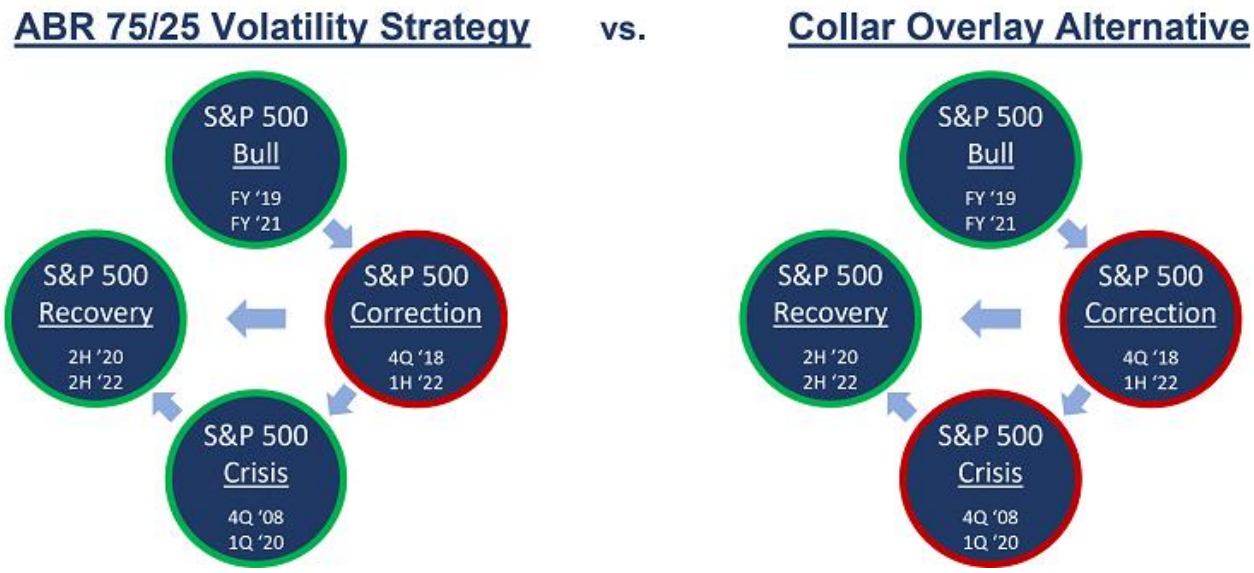
ABR 75/25 Volatility Strategy vs. Buffered/Hedged Equity/Collar Strategies

Hedged equity, buffer, and collar strategies have merely provided partial equity participation, both generally over time and across a wide variety of both rising and falling markets. Unfortunately, partial equity participation is also the result of a static partial equity investment. Investors, who already have a partial equity investment in the core of their portfolios, may be left wondering how these strategies help.

Perhaps investors should consider switching to a dynamic volatility strategy, one with the demonstrated potential to win in bull markets and also in high volatility crises. Since 2006, **the ABR 75/25 Volatility Strategy has historically returned an average of +8.7% when the S&P 500 was up (+10.0% average), and yet still delivered an average of +10.2% when the S&P 500 was down (-12.4% average) with higher volatility**, over rolling 6-month periods. Of course, nothing wins all the time, and the Strategy was down on average when the S&P 500 was down with lower volatility.



Rolling 6-Month Returns (2006 to Present)

S&P 500 6-Month Performance	Average 6-Month Return			Observations	
	ABR 75/25	S&P 500	Collar Index	Count	%
Market Up	8.7%	10.0%	6.3%	150	76%
Market Down & VIX High < 40	-8.2%	-7.1%	-4.7%	23	12%
Market Down & VIX High > 40	10.2%	-12.4%	-8.3%	25	13%

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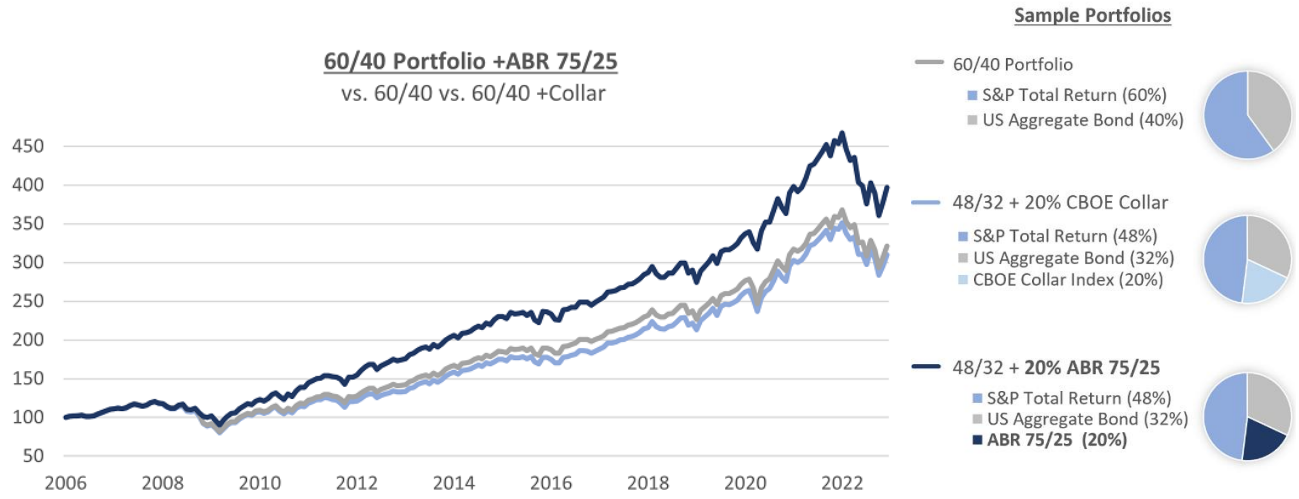

Sample Portfolio	Annualized Return	Standard Deviation	Sharpe Ratio	Sortino Ratio	Maximum Drawdown
60/40 Portfolio	7.1%	9.7%	0.60	0.76	33%
60/40 + Collar Index	6.9%	9.6%	0.58	0.79	33%
60/40 + **ABR 75/25**	**8.5%**	**9.6%**	**0.75**	**1.08**	**25%**

ABR 75/25 Volatility Strategy

vs.

Buffered/Hedged Equity/Collar Strategies

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ABR 75/25 Volatility Strategy

November Fact Sheet

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Disclosures:

The ABR 75/25 Volatility Strategy returns, for the periods ending September 30, 2022, have been -27.82% for one year, +4.21% for five years, and +7.02% for ten years.

Past performance does not guarantee future results.

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The S&P 500 Total Return Index, as adjusted to reflect reinvestment of dividends is an index of 500 stocks arrayed by market capitalization. “60/40” is 60% equities plus 40% bonds. “60/40” functions as the benchmark for calculations. Equities are represented in the above material by the S&P 500 Total Return Index. Bonds are represented by the Bloomberg Barclays US Aggregate Bond Index. The Collar Index is represented by the CBOE S&P 500 95-110 Collar Index. The “ABR 75/25” Volatility Strategy is represented by 75% of the returns of the ABR Dynamic Blend Equity & Volatility Index Powered by Wilshire (ABRVXX) and 25% of the returns of the ABR Enhanced Short Volatility Index Powered by Wilshire (ABRXIV), respectively (collectively, the ABR Indexes). The “ABR Long” Volatility Strategy is represented by 100% of the returns of the ABR Dynamic Blend Equity & Volatility Index Powered by Wilshire (ABRVXX). Wilshire® is a service mark of Wilshire Associates Incorporated (Wilshire), and has been licensed for use by ABR Dynamic Funds, LLC. The ABR Indexes are not sponsored, endorsed, sold or promoted by Wilshire, and Wilshire makes no representations or warranties with respect to the ABR Indexes. ABR Dynamic Funds, LLC receives compensation in connection with licensing its indices to third parties. Investors cannot invest directly in an index.

The hypothetical performance history was systematically calculated utilizing a static blend of the firm’s long and short volatility models. The ABR strategy returns are shown net of hypothetical expenses of 2.00% fixed and 20.00% incentive fees. Actual expenses may vary. There exists an ABR-advised Pooled Vehicle in the US, which follows the ABR 75/25 Volatility Strategy, and for which various terms, including expenses, differ from what is shown in this material. The inception date of the US Pooled vehicle was 8/3/2020. For more information on the live-trading performance of various ABR-advised strategies or the hypothetical performance presented, please contact us.

ABRVXX was launched 4/30/15, and ABRXIV was launched 1/31/17, such that performance information before those dates constitutes pre-inception index performance. HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT,THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFITOF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERETO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. Hypothetical performance does not reflect actual trading experience and does not necessarily reflect the deduction of all expenses.

The strategy may acquire or enter into derivatives instruments and transactions. Derivatives are financial instruments that have a value which depends upon, or is derived from, a reference asset, such as one or more underlying securities, pools of securities, options, futures, indexes or currencies. Derivatives may result in investment exposures that are greater than their cost would suggest; in other words, a small investment in a derivative may have a large impact on the strategy’s performance.

The successful use of derivatives generally depends on the ability to predict market movements. There may be an imperfect correlation between a derivative and its reference asset. Certain transactions, such as those involving investing in certain derivatives, may give rise to leverage, causing the strategy to be more volatile than if it had not been leveraged.

Certain derivatives transactions may involve one or more counterparties. A counterparty may become bankrupt or otherwise fail to perform its obligations due to financial difficulties, jeopardizing the value of the strategies’ investment. The strategy may experience significant delays in recovering an investment in a bankruptcy or other reorganization proceeding and recover only a limited amount or none of its investment in such circumstances.

Incorporating a dynamic volatility strategy into a portfolio is designed to help an investor potentially mitigate, and potentially benefit from, volatility in the U.S. stock market. However, all investing involves risk including the possible loss of principal. There can be no assurance such a strategy will achieve a gain or prevent a loss. Volatility assets and strategies may not be suitable for some investors due to their financial circumstances and risk tolerance. A volatility strategy should not be viewed as a complete investment program.

Volatility assets entail their own unique risks that investors should consider when evaluating a volatility strategy. Volatility based futures can become volatile and difficult to value and can be imperfectly correlated to the underlying asset or index. Due to leverage, the loss on a long futures contract could greatly exceed the initial investment. The loss on a short contract theoretically is unlimited since the appreciation of the shorted asset also theoretically is unlimited. Thus, a small investment in derivatives could have a large potential impact on the performance of a portfolio. Further, a volatility strategy may at times call for high portfolio turnover rates, which increases brokerage costs. High turnover also may generate net short term capital gains.