



**\$100,000 MINIMUM INVESTMENT**

## INVESTMENT APPROACH

The SmartCap Edge portfolio utilizes a similar academic basis to that of our SmartCap Portfolio. The model is rooted in research performed by Fama, French, and Carhart. The portfolio utilizes certain factors and/or aspects of the market which have historically been more predictive of future returns than others. These factors include size, value, profitability, volatility, and momentum. The SmartCap Edge portfolio applies this factor-based research by selecting exchange-traded funds (ETFs) which pursue exposure to one or more of factors.

The SmartCap Edge portfolio has fewer constraints than some of our other portfolios. The SmartCap Edge also seeks to employ modern investment vehicles in an attempt to increase factor exposure for potentially higher performance.

## PORTFOLIO FACTS

9/30/2020 AUM: \$714.1 Million

Underlying Expense Ratio Range: 0.21%-0.25%

Reinvested Dividends

## KEY PORTFOLIO ATTRIBUTES



**Rewighted Index Investing**

Implements a methodology that adjusts conventionally weighted indices using factors that have historically rewarded investors.



**Product Research**

In-depth research of investable products is regularly conducted.



**Globally Diversified**

The portfolio is diversified with global and alternative asset classes to attempt to optimize the portfolio's risk-return dynamics.



**Rebalancing**

Rebalancing occurs at least annually with IC discretion on opportunistic rebalances



**Adaptive/modern Products**

Portfolio seeks to employ modern investment vehicles in an attempt to increase factor exposure for potentially higher performance

## KEY PORTFOLIO FACTORS



**Value**

Research shows that companies with lower valuations tend to outperform over full market cycles.



**Quality**

Companies that exhibit quality earnings generally have competitive advantages and more consistent returns.



**Size**

Measured by market capitalization, small companies are shown to outperform large companies over the long term.



**Momentum**

Historically, stocks trending positively have continued to outperform for a period of time.



**Volatility**

Companies that pay dividends and/or are in non-cyclical sectors have historically outperformed over time.

*\*See disclosures for information on referred to research.*

## RETURN DATA - Net of Highest Fee (1.65%)

|                 | 2020 Q3 | YTD      | 1 YR  | 3 YR | 5 YR | Since Inception | Inc. Date |
|-----------------|---------|----------|-------|------|------|-----------------|-----------|
| SmartCap Edge 6 | 6.71%   | -(2.66%) | 3.44% |      |      | 9.66%           | 1/2019    |
| SmartCap Edge 5 | 6.16%   | -(1.15%) | 4.50% |      |      | 10.30%          | 1/2019    |
| SmartCap Edge 4 | 5.39%   | 0.06%    | 5.09% |      |      | 10.42%          | 1/2019    |
| SmartCap Edge 3 | 4.48%   | 1.10%    | 5.24% |      |      | 10.06%          | 1/2019    |
| SmartCap Edge 2 | 3.49%   | 2.04%    | 5.33% |      |      | 9.80%           | 1/2019    |
| SmartCap Edge 1 | 2.63%   | 3.48%    | 5.95% |      |      | 9.72%           | 1/2019    |

## Target Asset Breakdown by Profile



|                     | 1     | 2     | 3     | 4     | 5     | 6     |
|---------------------|-------|-------|-------|-------|-------|-------|
| <b>US Equity</b>    | 17.2% | 27.4% | 36.9% | 45.9% | 55.4% | 62.5% |
| <b>Int'l Equity</b> | 9.0%  | 14.0% | 19.0% | 23.0% | 27.0% | 31.5% |
| <b>Alternatives</b> | 15.0% | 14.0% | 12.0% | 12.0% | 10.0% | 5.0%  |
| <b>Fixed Income</b> | 58.8% | 44.6% | 32.1% | 19.1% | 7.6%  | 1.0%  |

\*Target asset allocation is as of most recent quarter and may vary from above weightings intra-quarter due to IC discretion, market movement, or individual client circumstances.

\*\*Alternatives = Amplify BlackSwan Growth & Treasury Core ETF (SWAN)

Performance results are presented in U.S. dollars and could include reinvestment of dividends. Portfolio performance is calculated and derived from our internal proprietary systems. No current or prospective client should assume future performance of any specific investment strategy will be profitable or equal to past performance levels.

All investment strategies have the potential for profit or loss. Changes in investment strategies, contributions or withdrawals may cause the performance results of your portfolio to differ materially from the reported composite performance. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client's investment portfolio.

Diversification and asset allocation help you spread risk throughout your portfolio, so investments that do poorly may be balanced by others that do relatively better. Neither diversification nor asset allocation can ensure a profit or protect against a loss.

AIS portfolio risk categories range from a 1 to a 6 with a Profile 6 being most aggressive and risky and a Profile 1 being the most conservative and risk averse. It is AIS' intention to manage portfolios to risk just as much as return while taking clients' risk objectives and goals into consideration.

Economic factors, market conditions, and investment strategies will affect the performance of any portfolio and there are no assurances that it will match or outperform any particular benchmark. ARGI Investment Services (AIS) is registered as an investment advisor with the United States

Securities Exchange Commission. SEC registration does not constitute an endorsement of the firm by the Commission nor does it indicate that the advisor has attained a particular level of skill or ability. The Core ETF Portfolio is managed by AIS are currently executed through separately managed accounts (SMAs). These SMA accounts allow for client specific customization as needed. This document is neither a solicitation nor an offer to sell any securities.

An investor should consider their Model Portfolio's investment objectives, risks, charges and expenses carefully before investing or sending money. This and other important information about the AIS Managed Portfolios can be found in the firms' ADV. If you would like additional information on any of AIS' Managed Investment Strategies contact Jan Peebles, Chief Compliance Officer or Dan Cupkovic, Director of Investments at 502-753-0609. Some clients of AIS experience different performance results than the model portfolio due to unique situations including cash distribution requirements, unique non-model holdings, and additional situations particular to an individual client.

The "Model Portfolios" listed above represent a fictional account which AIS attempts to manage in a manner similar to that of a tax-exempt client fund with no particular need for special portfolio considerations. AIS' management fees are described in Part 2A of AIS's Form ADV. An investment in any AIS model portfolio is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The weightings shown above depict current target allocations. Individual allocations may vary.

Research mentioned includes: "Common risk factors in the returns on stocks and bonds" (Journal of Financial Economics); "On Persistence in Mutual Fund Performance". (The Journal of Finance); and "Foundations of Factor Investing" (MSCI White Paper).

Advisory services offered through ARGI Investment Services, LLC, a Registered Investment Adviser.

## ARGI's Investment Process



## REGISTERED INVESTMENT ADVISOR

Headquarters in Louisville, KY

Locations in: Bowling Green, KY; Elizabethtown, KY;; Paducah, KY; Cincinnati, OH; Indianapolis, IN; Grand Rapids, MI; Bardstown, KY; Atlanta, GA

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