

# BCM Decathlon Conservative Tactics



Inception Date: 01/01/2012 | Data as of 10/31/2020

## Strategy Objective, Expectations, and Process:

BCM Decathlon Conservative Tactics is a global, tactical, multi-asset strategy that seeks to limit maximum volatility and drawdown to a target of 7%, with a 50% maximum equity allocation. This quantitatively driven strategy is engineered to provide enhanced returns while limiting large losses, and is designed to be a global complement to, or a replacement for a portion of, a buy and hold asset allocation portfolio.

The strategy uses pattern recognition technology (PRT), driven by machine learning, to analyze the historical data of each ETF in the managed investment universe seeking to identify desirable, repeating patterns. The investment universe consists of ~130 ETFs representing virtually every investable asset class, sub-asset class, industry and geography.

Once the patterns have been identified, the algorithms then rank each ETF in the pool from most desirable returns to the least over the next 25 trading days. The system is designed to create portfolios that have overall drawdown and volatility within the specified risk targets. When the portfolio is rebalanced, 10 highly ranked, risk-appropriate ETFs are included in the portfolio in 10% equal weights. The rankings are reviewed daily, and the portfolio can trade as frequently as weekly. The portfolio manager maintains full discretion over the portfolio.

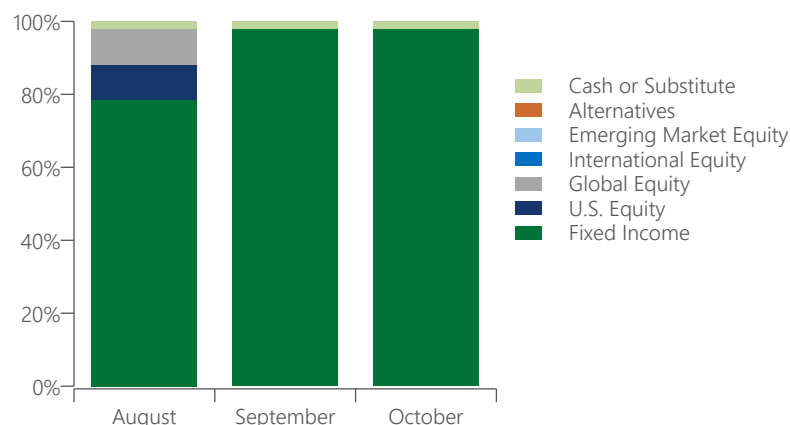
Investors should expect normal stock and bond market volatility and drawdown up to the 7% target, but the strategy will also seek to limit volatility and drawdown beyond the targets when the markets enter longer or more severe periods of duress. All BCM strategies use long-only ETFs avoiding leverage, shorting, margin and other complicating factors.

## Investment Universe

Geographical and asset class breakdown (as of 9/30/20):

<b>40</b>	U.S. Equity ETFs	Broad Index / Sector Sub-sector
<b>34</b>	Int'l Equity ETFs	Devel. Index / Sector Devel. Country / EM
<b>13</b>	Global Equity ETFs	Broad Index / Sector
<b>29</b>	Fixed Income ETFs	Domestic / International
<b>13</b>	Alternative ETFs	Currency REIT / Commodity Preferred Stock

## Month-End Portfolio Allocations



**Performance and Risk Summary** - Please see page 2 for additional monthly and annual return information.

Performance (net)**	Strategy		Risk Measures^	5 Year Trailing		Since Inception	
	Strategy	Index*		Strategy	Index*	Strategy	Index*
3 Months	-0.08%	-0.94%	Standard Deviation	5.45%	3.82%	4.64%	3.56%
1 - Yr Annualized	6.04%	6.44%	Alpha	2.11%	0.00%	0.71%	0.00%
3 - Yrs Annualized	5.77%	5.52%	Beta	0.95	1.00	0.88	1.00
5 - Yrs Annualized	6.64%	5.17%	Sharpe Ratio	1.10	1.05	0.93	1.15
Annualized Since Inception	4.49%	4.78%	Max Drawdown	-5.46%	-3.32%	-5.46%	-3.32%

\*20% MSCI ACWI / 80% Bloomberg Barclays U.S. Aggregate Bond Index

\*\*Strategy performance is through 10/31/2020 and is net of maximum applicable management fee of 0.50%. Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate, so you may have a gain or loss when shares are sold. Current performance may be higher or lower than that quoted. Total returns include changes in share price and reinvestment of dividends and capital gains, if any.

^Risk statistics are calculated since inception (unless stated otherwise) based on monthly gross performance through 10/31/2020. Please see additional disclosures for more information.

Contact a BCM Consultant: (844) 401-7699 [salesupport@investbcm.com](mailto:salesupport@investbcm.com) [investBCM.com](http://investBCM.com)

# BCM Decathlon Conservative Tactics



Inception Date: 01/01/2012 | Data as of 10/31/2020

## Monthly Returns (net)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-to-Date Strategy	Index*
2020	-0.32%	0.05%	-3.83%	2.18%	2.08%	1.64%	3.02%	0.55%	0.17%	-0.79%			4.66%	5.27%
2019	0.66%	-0.46%	1.95%	-0.00%	2.31%	1.53%	0.13%	2.56%	-0.25%	1.16%	0.56%	0.76%	11.39%	12.39%
2018	3.80%	-1.85%	0.75%	-1.03%	1.48%	-0.31%	0.16%	1.79%	-0.17%	-5.38%	0.62%	0.29%	-0.15%	-1.68%
2017	0.81%	1.04%	-0.21%	1.51%	1.35%	1.48%	2.07%	1.31%	0.60%	2.67%	1.43%	0.21%	15.18%	7.49%
2016	-2.08%	0.19%	1.40%	-0.21%	0.88%	0.22%	3.66%	-1.12%	0.63%	-1.61%	1.69%	0.34%	3.93%	3.91%
<b>Annual (net)</b>		2015	2014	2013	2012									
<b>Strategy</b>		-0.22%	0.02%	2.11%	3.84%									
<b>Index*</b>		0.23%	5.78%	2.70%	6.80%									

\*20% MSCI ACWI / 80% Bloomberg Barclays U.S. Aggregate Bond Index

Contact a BCM Consultant: (844) 401-7699 [salesupport@investbcm.com](mailto:salesupport@investbcm.com) [investBCM.com](http://investBCM.com)

**About BCM** - Beaumont Capital Management (BCM) is an asset manager that provides solutions focused on improving investors' experiences and outcomes. Using technology, quantitative research and rules-based processes we seek to remove emotion from investing and provide growth with an emphasis on downside risk management. We are all human. We all have emotions. Emotions do not belong in the investment decision making process. So we created rules-based processes to make the buy and sell decisions for investors so they don't have to, seeking to *Deliver What Investors Expect*<sup>®</sup>.

## Disclosures:

Copyright © 2020 Beaumont Capital Management LLC (BCM). All rights reserved.

Performance data shown represents past performance and is no guarantee of future results. One cannot invest directly in an index. Investment return and principal value will fluctuate, you may have a gain or loss when the strategy and/or its positions are sold. Current performance may be higher or lower than shown. Total returns include changes in share price and reinvestment of dividends and capital gains, if any. Data shown through 10/31/2020. Strategy performance is net of maximum applicable management fees of 0.50% but does not include platform fees, advisor fees, or other applicable fees; index returns are gross. Custodial and trading costs will vary by account size and are estimated to be an additional 0.15% depending on which strategy and custodian is used. Estimated trading costs may be higher for smaller accounts due to the minimum transaction fee varying by custodian. Those percentages do not include the expenses of the ETFs held in client accounts, however, an ETF's expenses are reflected in the ETF's share price.

Performance for periods greater than a year is annualized; if less than a full year, the return is cumulative. The performance shown is for the stated time period only. Differences in account size, timing, management fees, custodian and platform fee structure, price of transactions and market conditions prevailing at the time of investment may lead to different results. Differences in the methodology used to calculate performance may also lead to different performance results than those shown. All returns are expressed in U.S. dollars.

As with all investments, there are associated inherent risks including loss of principal. Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Sector investments concentrate in a particular industry and the investments' performance could depend heavily on the performance of that industry and be more volatile than the performance of less concentrated investment options. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks, all of which are magnified in emerging markets. The risks are particularly significant for ETFs that focus on a single country or region. Fixed Income investments are subject to inflationary, credit, market and interest rate risks.

Exchange Traded Funds (ETFs), trade like stocks and are subject to investment volatility and the potential for loss. ETFs are securities that track an index, a commodity or a basket of assets like an index fund, but trade like a stock on an exchange. ETFs experience price changes throughout the day as they are bought and sold. The BCM investment strategies may not be appropriate for everyone. Due to the periodic rebalancing nature of our strategies, they are not appropriate for those investors who desire regular withdrawals or frequent deposits. The portfolio manager maintains full discretion for the strategy. The month end portfolio allocations shown are the weight of the allocations at time of purchase. Actual allocations will differ due to market fluctuations. Cash levels are estimated to be ~2% even when a model is "fully" invested and can be allocated to a money market or short duration (up to a 1-3 year) bond ETF.

The inception date of BCM Decathlon Series was January 1, 2012. Prior to October 2012, the strategies were run with a 10-trading day rebalance period. From October 2012 until July 2020, the strategies were typically rebalanced every 25 trading days. In July 2020, the methodology for BCM Decathlon Tactics was refined to trade dynamically rather than every 25 trading days. Decathlon's process is subject to ongoing research and enhancement, with the goal of continuous improvement. The algorithms used by the system are usually optimized on a quarterly basis. Performance shown is based on the then current algorithms/system used. In October 2019, the strategy's maximum equity limit changed from 80% to 50% and its benchmark changed from the Dow Jones Conservative Allocation Index to 20% MSCI ACWI / 80% Bloomberg Barclays U.S. Aggregate Bond Index to better reflect the strategy's composition and risk profile.

The MSCI ACWI<sup>®</sup> tracks developed and emerging equity markets. The Bloomberg Barclays U.S. Aggregate Bond Index is a broad base index and is often used to represent investment grade bonds being traded in the United States. Indices are not managed and do not incur fees or expenses. MSCI is a registered trademark of MSCI Inc.

Standard deviation: a measure of variability used in statistics. A low standard deviation indicates that the data points tend to be very close to the mean, whereas high standard deviation indicates that the data points are spread out over a large range of values. Alpha: a risk-adjusted return in excess of that received to a benchmark. Beta: is a number describing the relation of its returns with those of the financial market as a whole. A positive beta means that the asset's returns generally follow the market's returns. A negative beta means that the asset's returns generally move opposite the market's returns. R-Squared: represents the percentage of a fund or security's movements that can be explained by movements in a benchmark index. Sharpe Ratio: a measure of the excess return per unit of standard deviation in an investment asset or a trading strategy. Max Drawdown: the maximum peak to trough decline in monthly returns of the strategy over the given time period.

All statistical and return information contained herein was provided by Bloomberg. The material provided is for informational purposes only. It is not intended as an offer or solicitation for the purchase or sale of any security or financial instrument nor should it be construed as financial or investment advice. It has been obtained from sources we deem to be reliable, but its accuracy and completeness are not guaranteed.

Beaumont Capital Management, LLC (BCM) is an SEC registered investment advisor. Prior to 1/1/20, BCM was a division of Beaumont Financial Partners, LLC. BCM offers tactical, defensively oriented strategies using long only ETFs across multiple asset classes with domestic, international and global exposure.

Beaumont Capital Management (BCM) claims compliance with the Global Investment Performance Standards (GIPS<sup>®</sup>).

To obtain a GIPS<sup>®</sup> compliant presentation, or the composite descriptions for our strategies, contact us through any of the following channels and the information will be sent to you: (P) (844) 401-7699, [salesupport@investbcm.com](mailto:salesupport@investbcm.com) or by mail to 75 2nd Avenue, Suite 700 Needham, MA 02494.