

# BCM Paradigm U.S. Factor Selection



Inception Date: 06/01/2015 | Data as of 09/30/2021

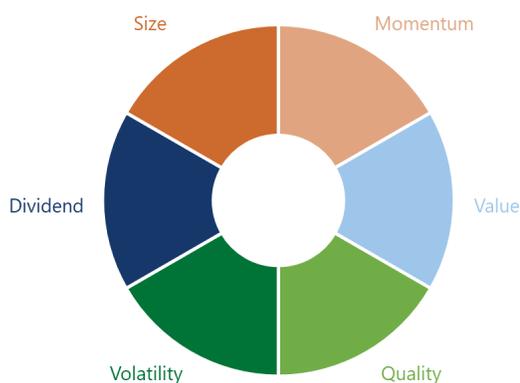
## Strategy Objective, Expectations, and Process:

The BCM Paradigm U.S. Factor Selection strategy is a long-only, quantitatively driven, tactical growth strategy that seeks to outperform the S&P 500® Total Return Index by investing primarily in U.S. factor focused ETFs. This includes ETFs currently focused on the factors of size, value, low volatility, quality, dividend, and momentum.

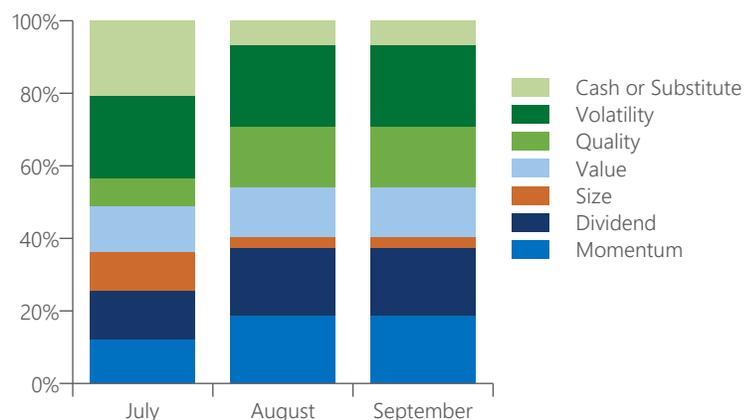
The BCM Paradigm system is built around the premise that volatility is driven by investor behavior, this behavior tends to repeat over time and ultimately becomes a useful investment indicator when seeking to manage risk.

The Paradigm system examines each factor ETF to determine if the current volatility is normal or is too high relative to its historical short- and long-term volatility. Each Factor ETF is then categorized into one of two paradigms: normal or volatile. The ETFs determined to be in a "normal" paradigm are included in the portfolio, while those in a "volatile" paradigm are excluded. The ETFs included in the portfolio are risk weighted based on their ability to provide risk-adjusted returns while minimizing volatility and drawdown. In volatile markets, the system can get defensive by allocating to high-quality, short-duration bonds and can go 100% to these cash equivalents if conditions warrant. The system is run daily and is typically reviewed for reallocation on a weekly basis.

## Investment Universe



## 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 Strategy		Since Inception Strategy	
	Index*	Index*		Index*	Index*		
3 Months	-0.77%	0.58%	Standard Deviation	10.17%	15.20%	10.17%	14.74%
1 - Yr Annualized	15.76%	30.01%	Alpha	-1.41%	0.00%	-0.98%	0.00%
3 - Yrs Annualized	3.35%	15.99%	Beta	0.58	1.00	0.61	1.00
5 - Yrs Annualized	8.18%	16.90%	Sharpe Ratio	0.74	1.03	0.69	0.89
Annualized Since Inception	7.43%	14.15%	Max Drawdown	-13.59%	-19.60%	-13.59%	-19.60%

\*S&P 500 Index

\*\*Strategy performance is through 09/30/2021 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 09/30/2021. Please see additional disclosures for more information. For Investment Professional use. Not for further distribution.

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## Monthly Returns (net)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-to-Date Strategy	Index*
2021	-0.01%	2.02%	3.12%	2.34%	0.79%	0.44%	1.10%	2.08%	-3.86%				8.14%	15.92%
2020	0.68%	-8.55%	-5.59%	0.06%	0.44%	0.39%	1.58%	2.81%	-1.78%	-0.87%	5.87%	2.01%	-3.71%	18.40%
2019	3.86%	3.48%	1.46%	2.62%	-4.79%	5.73%	1.33%	-1.05%	1.71%	0.64%	2.33%	2.15%	20.82%	31.49%
2018	4.51%	-4.22%	-1.12%	0.47%	2.27%	0.37%	2.47%	2.82%	-0.23%	-6.56%	1.53%	-7.50%	-5.86%	-4.38%
2017	1.40%	3.08%	0.27%	1.24%	1.35%	1.07%	1.76%	-0.12%	3.15%	2.22%	3.12%	0.47%	20.65%	21.83%
<b>Annual (net)</b>		2016	2015 <sup>^</sup>											
<b>Strategy</b>		11.93%	-1.59%											
<b>Index*</b>		11.96%	-1.79%											

\*S&P 500 Index <sup>^</sup>Partial year return

Contact a BCM Consultant: (844) 401-7699 [salessupport@investbcm.com](mailto:salessupport@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:

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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 09/30/2021. 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. 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 the BCM Paradigm U.S. Factor Selection strategy was June 1, 2015. Prior to October 2017 it was known as BCM Paradigm Tactical Factor Selection and prior to June 2016 it was known as Broadmeadow Tactical US Factor Selector. The portfolio manager changed in April of 2017. All strategy objectives and goals remain the same.

The Standard & Poor's (S&P) 500<sup>®</sup> Index is an unmanaged index that tracks the performance of 500 widely held, large-capitalization U.S. stocks. Indices are not managed and do not incur fees or expenses. "S&P 500" is a registered trademark of Standard & Poor's, Inc., a division of S&P Global, Inc.

Standard deviation: a measure of variability used in statistics. 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.

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