

Athena Market Rotation

Investor Guide



Tactical strategy designed to rotate among markets based on investor behavior.

Athena Market Rotation Target Exposures ¹

Cash Equivalents
1x US Large Cap
1x US Small Cap
1x Developed International

1. The portfolio typically seeks exposure in one of the above choices at any given time. Exchange Traded Funds (ETFs) are used to provide the desired exposure. See last page for portfolio risks.

Global Opportunity

At AthenaInvest, we believe that diversifying assets globally while actively managing the asset mix in response to changing market conditions can enhance portfolio returns.

Market Selection

Over long periods of time markets within an asset class tend to perform similarly. However, during shorter time periods different parts of the world and different size companies can perform better than others. Broad market Exchange Traded Funds (“ETFs”) offer an efficient way to access these opportunities.

Defensive Positioning

In addition to rotating investments among equity markets, the portfolio can also be defensive by moving to a 100% cash position when our behavioral signals indicate weak equity market conditions.

Annual Broad Market Index Returns ^Δ									
2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Intl Dev 17.9%	US Small 37.9%	US Large 12.9%	US Large 0.7%	US Small 20.3%	Intl Dev 25.5%	Cash Equiv 0.1%	US Large 31.2%	US Large 20.9%	US Large 25.8%
US Small 16.5%	US Large 33.1%	US Small 6.9%	Intl Dev 0.3%	US Large 12.4%	US Large 21.5%	US Large -5.1%	US Small 26.0%	US Small 16.4%	US Small 16.3%
US Large 16.3%	Intl Dev 23.2%	Cash Equiv 0.0%	Cash Equiv 0.0%	Intl Dev 1.0%	US Small 15.0%	US Small -12.1%	Intl Dev 22.3%	Intl Dev 8.6%	Intl Dev 11.0%
Cash Equiv 0.0%	Cash Equiv 0.0%	Intl Dev -5.0%	US Small -4.9%	Cash Equiv 0.1%	Cash Equiv -0.1%	Intl Dev -14.2%	Cash Equiv 0.2%	Cash Equiv 0.1%	Cash Equiv -0.1%

Abbreviations: Cash Equiv = US Short Term Treasury Index (Cash Equivalents); US Large = Morningstar US Market TR Index (1x US Large Cap); US Small = Morningstar US Small Cap TR Index (1x US Small Cap); Intl Dev = Morningstar Developed Markets Ex-North America NR Index (1x Developed International)

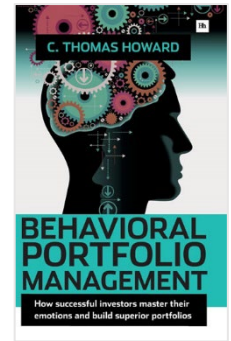
^Δ Source: Morningstar as of 12/31/2022. See last page for index definitions.

Separating Signals from Noise

A key element in managing market exposure is to avoid short-term trading and over-reaction to temporary events and market movements. Athena's analysis evaluates deep market forces in order to distinguish real directional signals from noise. This approach is designed to identify structural opportunities and threats and involves investing in markets for longer periods of time (months or years) when compared to traditional short term tactical trading and volatility oriented strategies.

Behavioral Finance Research and the Nobel Prize

Conventional wisdom in the marketplace holds that investors are rational and markets are efficient. Behavioral Finance Research shows that in reality, there is an overwhelming presence of emotions involved in investment decisions. Daniel Kahneman, renowned psychologist and winner of the Nobel Prize in Economics, shares decades of this research in his book *"Thinking Fast and Slow"* which uncovers the natural biases in our thinking and how emotions inevitably play into investment decisions. These collective emotional decisions by investors, in Athena's view, result in persistent and predictable market inefficiencies.



"Once you make the transition to a behavioral perspective, unique investment opportunities become available."

- C. Thomas Howard, PhD
CEO, AthenaInvest



Patented Behavioral Portfolio Management

The Athena Market Rotation portfolio is managed with Athena's Behavioral Portfolio Management approach. Using an innovative patented research process, based on Behavioral Finance principles, Athena systematically measures predictive and persistent behavioral patterns for each market to determine portfolio rotation and exposure, which is implemented with ETFs.

Tactical Complement to a Core Portfolio

A tactical component of a portfolio can help increase exposure to markets which are expected to perform well and reduce exposure to markets during undesirable conditions. Athena Market Rotation systematically over or under weights selected markets to complement a long-term strategic asset allocation.

About Athenainvest Advisors LLC

Athenainvest is the industry leader in Behavioral Portfolio Management and provides investment services and research to financial professionals. Athena uses its patented research in applying behavioral finance principles to asset allocation, investment selection, and tactical management.

For more information about the Athena Market Rotation portfolio, consult your financial professional.



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This document is informational in nature only. Nothing herein is intended to imply that an investment in this portfolio may be considered "safe" or "risk free." This investment portfolio may not be suitable for all types of investors. This information is not intended to constitute legal, tax, accounting or investment advice. Prospective clients should consult their own advisors about such matters. No regulatory authority has passed upon or endorsed this summary or the merits of an investment using our strategy.

PAST PERFORMANCE DOES NOT GUARANTEE OR INDICATE FUTURE RESULTS. An investment utilizing our investment methodology involves risks, including the risk of loss of a substantial portion (or all) of the amount invested. There is no assurance that the investment process outlined in this document will consistently lead to successful results. Risks of investing in the Athena Market Rotation portfolio include, but are not limited to:

EQUITY RISK There are risks associated with equity investing, including the risk of loss of principal. **ETF, MF AND CEF RISK** The cost of investing in the portfolio will be higher than the cost of investing directly in Electronically Traded Funds (ETFs), Mutual Funds (MFs) and Closed-End Funds (CEFs) and may be higher than other portfolios that invest directly in stocks and bonds. Each ETF, CEF and MF is subject to specific risks, depending on the nature of the fund. **CONCENTRATED PORTFOLIO RISK** An investment concentrated in sectors and industries may involve greater risk and volatility than a more diversified investment. **SMALL COMPANY RISK** There are risks associated with small and mid-cap investing such as increased volatility, less liquidity, limited product lines, and small market share. **FOREIGN INVESTMENT RISK** Foreign investing involves risks not typically associated with U.S. investments, including adverse fluctuations in foreign currency values, adverse political, social and economic developments, less liquidity, greater volatility, less developed or less efficient trading markets, political instability and differing auditing and legal standards. Investing in emerging markets imposes risks different from, or greater than, risks of investing in foreign developed countries.

INDEX DEFINITIONS The **Morningstar US Market Index** measures the performance of US securities and targets 97% market capitalization coverage of the investable universe. It is a diversified broad market index. The **Morningstar US Small Cap Index** measures the performance of US small-cap stocks. These stocks fall between the 90th and 97th percentile in market capitalization of the investable universe. In aggregate, the Small Cap Index represents 7 percent of the investable universe. The **Morningstar Developed Markets ex-North America Index** measures the performance of companies in developed markets ex-North America. It covers approximately 97% of the full market capitalization in the Developed Markets ex-North America. The **2X Return Indices** were calculated by geometrically linking the doubled daily returns of the underlying indices.

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