

# SWS Balanced Income

As of March 31, 2024

## Strategy Objective

SWS Balanced Income seeks to generate income from a diversified selection of passively managed asset classes that in total have lower performance variability than the broader US domestic equity market. Capital appreciation is a secondary consideration with partial participation in upside/downside capture via a lower market beta.

## Inception

March 1, 2019

## Portfolio Managers

Michael Parker, CFA & Kurt Grove, CFA

## Performance (%)

	QTD	YTD	1-Year	2-Year	3-Year	5-Year	Since Inception
SWS Balanced Income (net)	2.88%	2.88%	8.65%	1.22%	4.49%	4.48%	4.78%
SWS Balanced Income (gross)	3.12%	3.12%	9.71%	2.19%	5.48%	5.49%	5.78%
Custom Index	3.34%	3.34%	10.45%	2.39%	6.12%	5.29%	5.47%

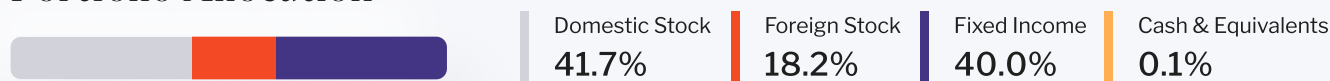
● = Annualized All performance as of 3/31/2024. Please see performance disclosures on Page 2.

## Additional Indices

	QTD	YTD	1-Year	2-Year	3-Year	5-Year	Since Inception
Russell 1000 Value	8.99%	8.99%	20.27%	6.37%	8.11%	10.32%	10.16%
Bloomberg Barclays US Aggregate	-0.78%	-0.78%	1.70%	-1.60%	-2.46%	0.36%	0.77%
ICE BofA US Treasury (3-5 Yr)	-0.49%	-0.49%	1.55%	0.09%	-1.69%	0.60%	0.86%
NYSE Arca Oil Index	15.41%	15.41%	24.12%	16.83%	28.74%	10.55%	10.30%

All performance as of 3/31/2024. Balanced Income net/gross returns are calculated by asset weighting total returns of the strategy's composite accounts. Strategy inception date is 3/1/2019. Custom index is weighted by respective underlying ETF's stated tracked index; see Important Disclosures on pg 2 for more information.

## Portfolio Allocation



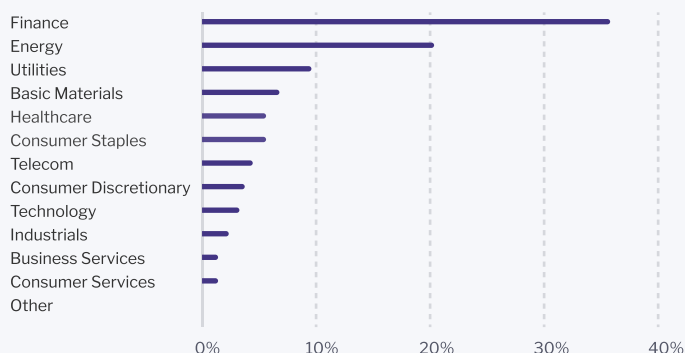
## Portfolio Statistics

Strategy holdings	8
Total underlying holdings	5,278
Dividend yield	4.62%
Dividend frequency	Monthly
Beta (last 3 yrs. vs. S&P 500 Index)	0.55
Equity holdings P/E (wtd. avg. last 12 mos.)	18.8x
Equity holdings P/B (wtd. avg.)	1.9x
Equity holdings market cap (wtd. avg.)	\$76.8B

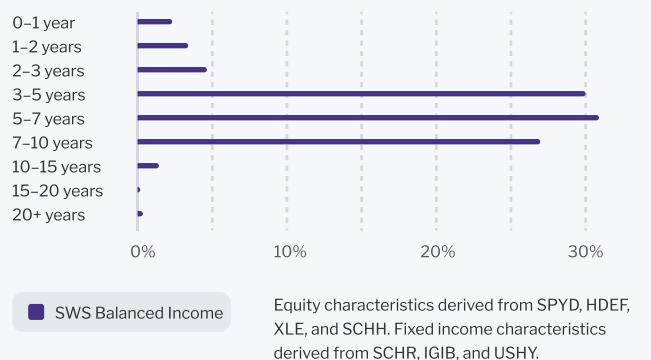
## Strategy Holdings

Ticker	Issuer
SCHR	Schwab Interm.-Term US Treasury ETF
IGIB	iShares Interm.-Term Corporate Bond ETF
USHY	iShares Broad USD High Yield Corp. Bond ETF
PFFD	Global X U.S. Preferred ETF
SPYD	SPDR Portfolio S&P 500 High Dividend ETF
HDEF	Xtrackers MSCI EAFE High Div. Yield ETF
XLE	Energy Select Sector SPDR Fund
SCHH	Schwab U.S. REIT ETF
n/a	Cash

## Equity Sector Exposure



## Fixed Income Wtd. Avg. Life





## Michael Parker, CFA Partner, Chief Investment Officer

Michael Parker, CFA, is the CIO of SWS and lead portfolio manager for the SWS Balanced Income strategy. Before joining SWS in 2017, Mike was a portfolio manager of \$4 billion of long-only equity portfolios at the Ohio Public Employees Retirement System (OPERS). He leverages over 21 years of experience on both the buy-side and sell-side to bring an institutional research and portfolio management framework to SWS Partners. Prior to OPERS, Mike was responsible for investment bank equity research at FBR Capital Markets. He received his Bachelor of Science in economics, finance concentration, from the Wharton School at the University of Pennsylvania and is a CFA® charterholder.



## Kurt Grove, CFA Partner, Portfolio Manager

Kurt Grove, CFA, is a portfolio manager for the SWS Balanced Income strategy. Before joining SWS in 2020, Kurt was an analyst on the internal active long-only US equity portfolios at Ohio Public Employees Retirement System (OPERS). He leverages over nine years of experience on the buy-side and in risk management to bring an institutional research and portfolio management framework to SWS Partners. Prior to OPERS, Kurt was responsible for Quantitative Risk Management at Key Bank. He received his Bachelor of Science in business administration, finance concentration, from the Fisher College of Business at The Ohio State University and is a CFA® charterholder.

## Methodology

### Income Generation

Targets income generation from a diversified selection of passively managed ETFs that as a whole deliver a lower beta to the S&P 500 Index.

### Quarterly Rebalances

Remains nearly fully invested with de minimis cash retained in portfolio. Rebalancing performed quarterly with client optionality for dividend reinvestment, allowing for regular cash utilization or for automatic redeployment back into strategy positions.

### Efficient Diversification

Selects income generating ETFs comprised of diversified sources of underlying securities. Perform ongoing monitoring of ETF liquidity, tightness of underlying index fit, and underlying fund fee efficiency.

## Important Disclosures

Data are shown as of 3/31/2024; source: FactSet and Charles Schwab & Co. Performance results and comparisons are made on a total-return basis, which includes all income from dividends and interest, and realized and unrealized gains or losses. The investment results are that of the Balanced Income Composite. GIPS® Reports and additional disclosures for the related composites may be found in the [SWS Partners GIPS® Reports](#). SWS Balanced Income returns are shown both gross and net of fees and are calculated by asset weighting total returns of the strategy's composite accounts. These results are geometrically linked monthly for all periods shown. Gross return excludes advisory fees paid to the firm. Net returns include the time-weighted deduction of the strategy accounts' weighted average wrap fee (which includes both SWS's management fee and trading costs) and assume all cash flows occur at the end of the month. Custom index return is comprised of the Bloomberg Barclays US Treasury 3-10 Yr. Index, the ICE BofA US Corporate 5-10 Yr. Index, the ICE BofA US High Yield Constrained Index, the ICE BofA Core Plus Fixed Rate Preferred Securities Index, the S&P 500 High Dividend Index, the MSCI EAFE High Dividend Yield Index, the S&P Global 1200 Energy Index, and the Dow Jones US Select REIT Index. The provided indices may not necessarily be substantially similar to your portfolio. It is not possible to invest directly in an index. Sectors and geographic data as defined by FactSet. Price-to-earnings ("P/E") and price-to-book ("P/B") ratios are presented on a GAAP basis. Strategy holdings, allocation percentages, sector exposure, and weightings utilized within portfolio stats calculations all assume model target allocation at the time of measurement. This investment strategy is subject to management risk such that no assurance may be given that the portfolio's value will be more than the original investment. The investment return and principal value of SWS Partners, LLC portfolios will fluctuate as the stock and bond markets fluctuate such that an investor's shares and/or portfolio value, when redeemed, may be worth more or less than their original cost. This portfolio of individual equity and pass-through securities is subject to risks including but not limited to portfolio concentration risk, company-specific risk, regulatory risk, financial market risk, global economic risk, credit risk, interest rate risk, foreign market risk that may involve currency, political, and social risk. Diversified portfolio strategies do not assure or guarantee better performance and do not eliminate the risk of investment losses. The portfolio holdings list shown should not be considered a recommendation to purchase or sell any particular security and it should not be assumed that any security holding shown was or will be profitable. The portfolio's holdings and allocation are subject to change based on the discretion of SWS Partners, LLC. Balanced Income inception date is 3/1/2019. Prior to Jan 2020, the strategy name was Multi Asset Income ("MAI"). Different types of investments involve varying degrees of risk and there can be no assurance that any specific investment will be suitable for a client's portfolio. Investors should consider the risks, charges, and expenses carefully before investing in this or any other strategy. Investors should ensure the strategy presented fits within their investment objectives. Investment advisory services are offered through SWS Partners, LLC ("SWS"). SWS is an investment advisor registered with the Securities & Exchange Commission. Registration as an investment advisor does not imply any particular level of skill or training. If you would like a copy of SWS's disclosure brochure(s), you may request a copy by emailing us at [info@swspartners.com](mailto:info@swspartners.com) or download a copy by going to [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).