

PURPOSE TACTICAL HEDGED EQUITY FUND



THE IDEA

Use a long/short strategy to gain exposure to US equities with protection against major market declines.

	FX HEDGED	NON-FX HEDGED	USD
ETF SERIES	PHE	PHE.B	---
MGMT FEE	0.80%	0.80%	
SERIES F	PFC301	PFC372	PFC382
MGMT FEE	0.80%	0.80%	0.80%
SERIES A	PFC300	PFC371	PFC381
MGMT FEE	1.80%	1.80%	1.80%

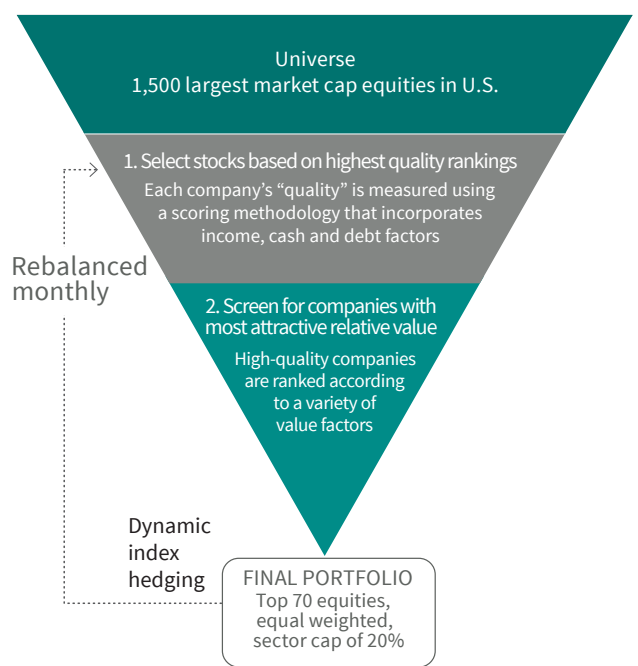
MY PURPOSE

1. Complement my core long-equity portfolio with a high-quality basket of US value stocks
2. Manage downside risk and reduce portfolio beta with a tactical hedging strategy

KEY HIGHLIGHTS

- Invests in US equities using a systematic security selection process based on screens of value and quality factors
- Dynamically adjusts net market exposure from 25% to 75% by shorting index futures against a core long-equity portfolio
- Hedge ratio is driven principally by momentum factors

PORTFOLIO SELECTION PROCESS



RULES-BASED APPROACH

- Research-driven approach to exploit systematic biases and inefficiencies across global asset markets
- Rules-based securities valuation based on fundamental value, quality, risk, liquidity and momentum factors
- Over-weighting the equity value factor has historically generated outperformance relative to traditional benchmarks
- Key screening metrics to capture value are cash flow yield, earnings yield, sales yield and dividend yield among others
- Momentum-based hedging protects the portfolio from extended market selloffs

PORTFOLIO STATISTICS

AS OF DEC 31, 2018

Number of Holdings	99
P/E Ratio	12.22 x
P/B Ratio	2.92 x
P/CF Ratio	10.66 x
Dividend Yield (Gross)	2.12%
Avg. Market Cap (\$BIL)	107.03

PORTFOLIO BREAKDOWN TOP 25 HOLDINGS

AS OF DEC 31, 2018

Louisiana-Pacific Corp	2.48%
Hanover Insurance Group Inc	2.45%
Target Corp	2.45%
Walmart Inc	2.44%
Valero Energy Corp	2.43%
Tjx Cos Inc/The	2.41%
Cigna Corp	2.41%
Emerson Electric Co	2.41%
Aflac Inc	2.40%
ULTA BEAUTY INC	2.40%
Home Depot Inc	2.40%
LyondellBasell Industries NV	2.39%
Bristol-Myers Squibb Co	2.39%
Texas Instruments Inc	2.38%
KLA-Tencor Corp	2.38%
Pfizer Inc	2.38%
Phillips 66	2.38%
Merck & Co Inc	2.38%
Anthem Inc	2.38%
Amphenol Corp	2.38%
Chevron Corp	2.37%
Regions Financial Corp	2.37%
Fidelity National Information Services Inc	2.37%
Allstate Corp	2.37%
Reinsurance Group of America Inc	2.36%

PERFORMANCE

FX HEDGED, AS OF DEC 31, 2018

INCEPTION DATE: SEP 03, 2013

SERIES	1 MONTH	3 MONTH	6 MONTH	YTD	1 YEAR	3 YEAR	5 YEAR	SINCE INCEPTION
ETF	-3.34%	-6.39%	-4.11%	-8.03%	-8.03%	4.42%	1.78%	3.55%
F	-3.35%	-6.39%	-4.12%	-8.05%	-8.05%	4.42%	1.78%	3.60%
A	-3.44%	-6.66%	-4.65%	-9.05%	-9.05%	3.27%	0.63%	2.40%

NON-FX HEDGED, AS OF DEC 31, 2018

INCEPTION DATE: APR 29, 2014

SERIES	1 MONTH	3 MONTH	6 MONTH	YTD	1 YEAR	3 YEAR	SINCE INCEPTION
ETF	-0.88%	-1.59%	-0.54%	-0.30%	-0.30%	4.59%	5.69%
F	-0.88%	-1.58%	-0.53%	-0.26%	-0.26%	4.61%	5.73%
A	-0.97%	-1.85%	-1.06%	-1.32%	-1.32%	3.49%	4.60%

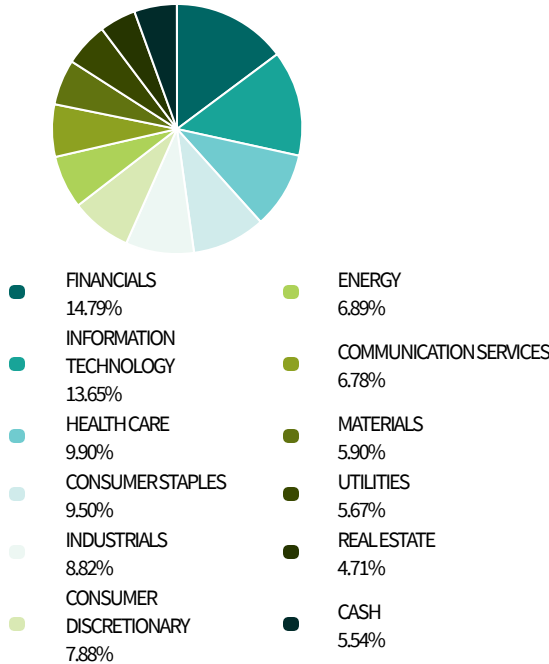
GROWTH OF \$1,000

AS OF DEC 31, 2018



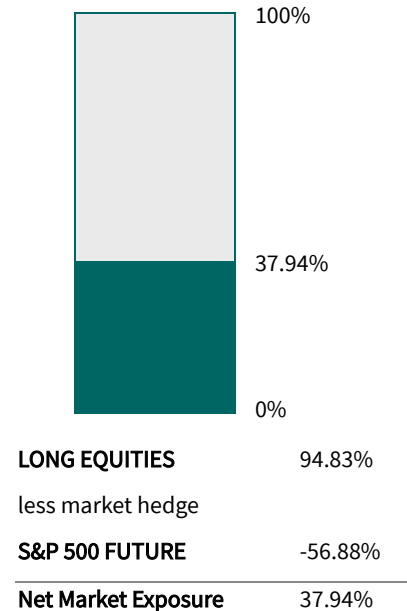
SECTOR BREAKDOWN

AS OF DEC 31, 2018



NET MARKET EXPOSURE

AS OF DEC 31, 2018



Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rate of return is the historical annual compounded total return including changes in share/unit value and reinvestment of all distributions and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.