

# TACTICAL BOND STRATEGY

AS OF DECEMBER 31, 2023

Available on TAMP Platforms

## INVESTMENT OBJECTIVES & STRATEGY

The Ocean Park Tactical Bond Strategy seeks to produce satisfying long-term returns while limiting downside risk. It uses a tactical approach to move between three uncorrelated asset classes: High Yield Corporate Bonds (HYCB), U.S. Treasuries, or Cash. Tactical Bond Model accounts are diversified among a number of HYCB mutual funds. When each underlying HYCB mutual fund hits its proprietary Sell level, we will move the relevant assets temporarily into a long-term Treasury bond fund (provided the Treasury fund is in an uptrend) until the next set of our Buy signals in the HYCB funds. If the Treasury fund is not in an uptrend, we will instead move temporarily into a money-market fund until either the HYCB funds or Treasury fund gives a new Buy signal.

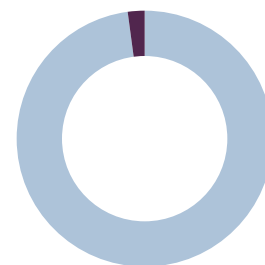
## TOP HOLDINGS

FUND	WEIGHT
Sierra Tactical Bond Instl	62.7%
BlackRock High Yield Bond Instl	10.1%
PIMCO High Yield Instl	7.8%
Rydex High Yield Strategy H	5.8%
Principal High Yield Inst	5.7%
Osterweis Strategic Income	5.7%
PGIM Short Duration High Yield Income Z	1.3%
Td Ameritrade Money Market Fund	0.8%
<b>Total</b>	<b>99.9%</b>

Holdings and Asset Allocation are subject to change.

## ASSET ALLOCATION

■ High Yield Corp. Bonds	97.9%
■ Cash and Equivalents	2.1%



Percentages have been rounded and may not total to 100%.

## PERFORMANCE METRICS

Since Inception (11/1/2017 - 12/31/2023)	CUMULATIVE RETURN	RETURN	STANDARD DEVIATION	SHARPE RATIO	DOWNSIDE DEVIATION	SORTINO RATIO	MAXIMUM DRAWDOWN
Investment - Gross	37.81%	5.34%	5.52%	0.61	2.75%	1.23	-6.69%
Investment - Net	24.86%	3.67%	5.51%	0.32	3.01%	0.59	-8.29%
Primary Benchmark†	6.00%	0.95%	5.67%	-0.16	4.12%	-0.21	-17.18%
Secondary Benchmark^	26.02%	3.82%	8.84%	0.25	6.58%	0.33	-14.62%

† **Primary Benchmark: Bloomberg US Aggregate Bond Index** is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency).

^ **Secondary Benchmark: ICE BofA US High Yield Index** tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody's, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one-year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of \$100 million. In addition, qualifying securities must have risk exposure to countries that are members of the FX-G10, Western Europe or territories of the US and Western Europe. Index constituents are capitalization-weighted based on their current amount outstanding times the market price plus accrued interest.

## QUARTERLY AND ANNUAL RETURNS

	Q1		Q2		Q3		Q4		FULL YEAR				MAXIMUM DRAWDOWN			
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Primary Benchmark†	Secondary Benchmark^	Gross	Net	Primary Benchmark†	Secondary Benchmark^
2023	1.40%	1.00%	1.13%	0.72%	0.13%	-0.27%	4.58%	4.17%	7.38%	5.68%	5.53%	13.46%	-2.45%	-2.75%	-6.13%	-2.39%
2022	-2.02%	-2.41%	-2.57%	-2.96%	0.51%	0.11%	-0.11%	-0.51%	-4.15%	-5.67%	-13.01%	-11.22%	-4.53%	-5.67%	-15.72%	-14.62%
2021	0.42%	0.02%	2.35%	1.94%	0.52%	0.12%	-2.08%	-2.47%	1.18%	-0.43%	-1.54%	5.36%	-2.25%	-2.77%	-3.37%	-1.20%
2020	6.20%	5.77%	1.53%	1.12%	2.93%	2.52%	3.78%	3.37%	15.18%	13.35%	7.51%	6.17%	-2.59%	-2.85%	-1.30%	-13.13%
2019	5.22%	4.80%	2.53%	2.12%	1.47%	1.06%	2.72%	2.31%	12.45%	10.66%	8.72%	14.41%	-0.87%	-1.00%	-0.53%	-1.27%
2018	-0.36%	-0.76%	-0.22%	-0.61%	2.16%	1.75%	1.05%	0.65%	2.63%	1.00%	0.01%	-2.26%	-1.38%	-1.83%	-2.38%	-4.67%
2017*	—	—	—	—	—	—	-0.44%	-0.71%	-0.44%	-0.71%	0.33%	0.02%	-1.35%	-1.48%	-0.13%	-0.27%

\*The composite for Q4 2017 is for a partial period from November 1, 2017 – December 31, 2017

## AVERAGE ANNUAL RETURNS AND VOLATILITY

ANNUALIZED RETURNS	QTD	YTD	1 YEAR	PERIODS OVER A YEAR ARE ANNUALIZED				SINCE INCEPTION
				3 YEARS	5 YEARS	10 YEARS	15 YEARS	
Investment – Gross	4.58%	7.38%	7.38%	1.36%	6.17%	—	—	5.34%
Investment – Net	4.17%	5.68%	5.68%	-0.25%	4.48%	—	—	3.67%
Primary Benchmark†	6.82%	5.53%	5.53%	-3.31%	1.10%	—	—	0.95%
Secondary Benchmark^	7.06%	13.46%	13.46%	2.00%	5.21%	—	—	3.82%

## STANDARD DEVIATION % (TRAILING PERIODS)

Investment – Gross	N/A	N/A	6.03	4.42	5.90	—	—	5.52
Investment – Net	N/A	N/A	6.02	4.41	5.89	—	—	5.51
Primary Benchmark†	N/A	N/A	8.49	7.24	6.16	—	—	5.67
Secondary Benchmark^	N/A	N/A	7.24	8.45	9.65	—	—	8.84

## SENIOR INVESTMENT TEAM



**Kenneth L. Sleeper MBA, PhD**  
Co-Founder, Portfolio Manager  
Started in Industry: 1984



**Ryan Harder, CFA**  
Chief Investment Strategist & Portfolio Manager  
Started in Industry: 1998



**Doug Loeffler, CFA, CAIA**  
Executive VP of Investment Management, Portfolio Manager  
Started in Industry: 1988



**Marshall Quan**  
Lead Portfolio Analyst, Portfolio Manager  
Started in Industry: 1999

## DEFINITIONS

**Trading Stop Discipline (“Discipline”).** This proprietary Discipline has the objective of limiting the magnitude for portfolio drawdowns. The Discipline is based on a manual process that defines sell levels/signals for security holdings in decline, as measured by its price falling below the recent high of its lower band. These are not market orders. Ocean Park utilizes this Discipline directly in the management of non-affiliated holdings. Ocean Park invests in its affiliated Sierra Mutual Funds (“Funds”) and the Discipline is applied at the Underlying Funds level, not on the Funds themselves.

**Standard Deviation** is a statistical concept used in investment management to measure risk for the variability of return of a fund’s performance. A high standard deviation represents greater risk.

**Sharpe Ratio** uses standard deviation to measure a fund’s risk-adjusted returns. The higher a fund’s Sharpe Ratio, the better a fund’s returns have been relative to the risk it has taken on.

**Downside Deviation** is a risk statistic measuring volatility. It is a variation of Standard Deviation that focuses only upon the “bad” volatility.

**Sortino Ratio** is a modification of the Sharpe Ratio that differentiates harmful volatility from general volatility by taking into account the Standard Deviation of negative asset returns, called Downside Deviation.

**Max Drawdown** is an indicator of the risk of a portfolio chosen based on a certain strategy. It measures the largest single drop from peak to bottom in the value of a portfolio (before a new peak is achieved) using month-end data.

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One cannot invest directly in an index or category and unmanaged index or category returns do not reflect any fees, expenses, or sales charges.

The currency used to express performance is USD.

Gross-of-fee returns are reduced by trading costs. Returns include the reinvestment of all income. Net-of-fee returns are calculated using a model fee of 1.6%. The annual model management fee is applied on a monthly basis, by deducting 1/12th of the model fee from the monthly gross returns. Because clients will have different fee arrangements and specific investments in the strategy may be made at different times, net performance for any individual client will vary from the net performance as stated herein.

The source of performance is based on a composite inceptioned in November 1, 2017. A portion of the Tactical Bond Strategy may be allocated to proprietary mutual funds managed by an affiliate of Ocean Park.

Past performance is not indicative of future results. All investments involve risk, including loss of principal.

Ocean Park Asset Management, Inc. (“Ocean Park”) is an SEC registered investment adviser. Registration does not imply a certain level of skill or training. For information pertaining to the registration status of Ocean Park, please call 1-844-727-1813 or refer to the Investment Adviser Public Disclosure website ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)).

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