

## ASTOR DYNAMIC ALLOCATION HOLDINGS REPORT 8/31/2018

### OBJECTIVE

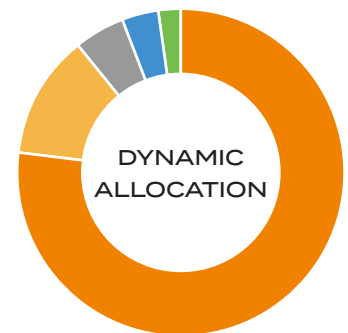
Astor Dynamic Allocation, our flagship strategy, takes a macroeconomics-based approach to asset allocation using the proprietary Astor Economic Index® (AEI). The strategy adjusts portfolio beta throughout economic cycles by utilizing a broad range of asset classes with low correlation to the broader market.

### THE STRATEGY

- Aims to offer downside protection, in an effort to strategically reduce the risk as the economy weakens in order to minimize portfolio exposure to potentially wealth-destroying events
- Seeks to produce more favorable risk-adjusted returns (higher average return and lower volatility) than broad equity and alternative benchmarks
- Aims to create smoother returns by increasing allocations to more stock (risk assets) when you want them during times of economic strength and adjust to more fixed income (low risk assets) when you need them during periods of economic weakness

### TARGET ALLOCATIONS

CATEGORY	AUGUST 2018	JULY 2018
Equity	75.5%	75.5%
International Equity	13.0%	13.0%
Fixed Income	5.0%	5.0%
Cash	4.5%	4.5%
Commodity	2.0%	2.0%



CATEGORY	HOLDING	SYMBOL	% TOTAL ASSETS
Equity	iShares Core S&P Total US Stock Market	ITOT	14.5%
Equity	iShares Edge MSCI Min Vol USA	USMV	13.0%
Equity	Invesco S&P 500 Equal Weight	RSP	11.0%
Equity	iShares Core S&P Small-Cap	IJR	9.5%
Equity	SPDR S&P MidCap 400 Trust	MDY	8.0%
Equity	SPDR Select Technology	XLK	8.0%
International	JPMorgan Diversified Return International	JPIN	6.0%
Fixed Income	First Trust Senior Loan	FTSL	5.0%
Equity	SPDR Portfolio Small Cap	SPSM	5.0%
International	iShares Core MSCI Emerging Market	IEMG	4.0%
Equity	Invesco QQQ Trust	QQQ	3.5%
Equity	O'Shares FTSE US Quality Dividend	OUSA	3.0%
International	WisdomTree Europe Hedged Eq Fd	HEDJ	3.0%
Commodity	Invesco DB Energy Fund	DBE	2.0%

Data as of 8/31/2018

The allocations presented are target allocations for the period indicated as determined by Astor's Investment Committee. Any individual investor's portfolio may be allocated differently than presented here due to many factors, including but not limited to, timing of entry into the investment program, discretionary decisions by the clients and referring advisors, and custodial limitations or the manner in which trades are executed. Allocations do not include cash or cash equivalents. Allocations are subject to change without notice.

**Cash:** An investment in highly liquid assets in the form of legal tender and money market investments or an investment in a mutual fund or exchange-traded fund that invests primarily in these types of investments.

**Currency:** An investment in an exchange-traded fund whose performance is primarily related to the performance of a financial currency or group of currencies.

**Equity:** A stock or similar security representing an ownership interest in a company or an exchange-traded fund that invests primarily in such securities.

**Fixed Income:** A debt investment in which a corporate or government entity borrows funds from an investor for a defined period of time at a fixed interest rate or an exchange-traded fund that invests primarily in such securities.

**International Equity:** A stock or similar security representing an ownership interest in a company domiciled outside of the United States or an exchange-traded fund that invests primarily in such securities.

**Commodity:** A commodity is food, metal, or another fixed physical substance that investors buy or sell.

The Dynamic Allocation Composite (prior to December 1, 2016 was known as Long/Short Balance Composite) is a multi-asset, tactical allocation strategy that exclusively uses exchange-traded funds (ETFs). The Composite will invest in a mix of asset classes, including equity, fixed income, commodities and currencies depending on the economic and market environment. During economic contractions, the Composite seeks to reduce risk by utilizing defensive positioning such as inverse equity and fixed income. The strategy may employ the use of unleveraged inverse exchange-traded funds, designed to track a single multiple of the daily inverse performance of a given index.

The Composite can purchase ETFs with exposure to equities, fixed income, commodities, currencies, developed/emerging international markets, real estate, and specific sectors. The underlying investments of these ETFs will have different risks. Equity prices can fluctuate for a variety of reasons including market sentiment and economic conditions. The prices of small and mid-cap companies tend to be more volatile than those of larger, more established companies. It is important to note that bond prices move inversely with interest rates and fixed income ETFs can experience negative performance in a period of rising interest rates. High yield bonds are subject to higher risk of principal loss due to an increased chance of default. Commodity ETFs generally gain exposure through the use of futures which can have a substantial risk of loss due to leverage. Currencies can fluctuate with changing monetary policies, economic conditions, and other factors. International markets have risks due to currency valuations and political or economic events. Emerging markets typically have more risk than developed markets. Real estate investments can experience losses due to lower property

prices, changes in interest rates, economic conditions, and other factors. Investments in specific sectors can experience greater levels of volatility than broad-based investments due to their more narrow focus.

The Composite can also purchase unleveraged, inverse fixed income and equity ETFs. Inverse ETFs attempt to profit from the decline of an asset or asset class by seeking to track the opposite performance of the underlying benchmark or index. Inverse products attempt to achieve their stated objectives on a daily basis and can face additional risks due to this fact. The effect of compounding over a long period can cause a large dispersion between the ETF and the underlying benchmark or index. Inverse ETFs may lose money even when the benchmark or index performs as desired. Inverse ETFs have potential for significant loss and may not be suitable for all investors.

All information contained herein is for informational purposes only. This material is not a solicitation to offer investment advice or services in any state where to do so would be unlawful. Astor and its affiliates are not liable for the accuracy, usefulness or availability of any such information or liable for any trading or investing based on such information. There is no assurance Astor's strategies will produce profitable returns or that any account with have similar results. You may lose money. Past results are no guarantee of future results and no representation is made that a client will or is likely to achieve results that are similar to those shown. Factors impacting client returns include individual client risk tolerance, restrictions a client may place on the account, investment objectives, choice of broker/dealers or custodians, as well as other factors. Please refer to Astor's Form ADV Part 2 for additional information regarding fees, risks, and services.

**Astor Economic Index®:** The Astor Economic Index® is a proprietary index created by Astor Investment Management LLC. It represents an aggregation of various economic data points: including output and employment indicators. The Astor Economic Index® is designed to track the varying levels of growth within the U.S. economy by analyzing current trends against historical data. The Astor Economic Index® is not an investable product. When investing, there are multiple factors to consider. The Astor Economic Index® should not be used as the sole determining factor for your investment decisions. The Index is based on retroactive data points and may be subject to hindsight bias. There is no guarantee the Index will produce the same results in the future. The Astor Economic Index® is a tool created and used by Astor. All conclusions are those of Astor and are subject to change. An investment cannot be made in an index.

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