

Model Series Update

UPDATE
November 4, 2024

Statera is pleased to announce a second series of model portfolios is now available on the Envestnet platform: the Statera Multimanager Strategy. Similarly a long-term, strategic-oriented approach, our “multimanager” strategy is distinct from our existing “multifactor” strategy in that the methodology combines two distinct styles of equity investing: we pair the quantitative, multifactor-oriented strategies we utilize in our existing strategies with more qualitative, moderately more concentrated strategies that implement generally more flexible approaches.

- No changes to our existing investment strategy. We will continue to build our existing Multifactor series exclusively with mutual funds and ETFs from Dimensional Fund Advisors
- The Multimanager strategy mates DFA equity strategies with equity strategies from Capital Group. Capital Group strategies historically have maintained a larger-cap, more Growth-oriented range of exposures
- All equity exposures in the models will be incorporated using ETFs from both managers
- Fixed income exposures in the Multimanager models will broadly match those in our Multifactor strategies

Expanding the Suite

Statera’s Multimanager Strategy combines our two favored investment approaches: we match 1) highly diversified multifactor strategies utilizing equity ETFs from Dimensional Fund Advisors (DFA) that tilt portfolio exposures to equity characteristics collectively shown to have been associated with relative outperformance over time, with 2) strategies implemented within ETFs managed by Capital Group that maintain more concentrated portfolios emphasizing forward-looking expectations for individual stock fundamentals across wider exposure mandates. We will incorporate fixed income exposures into these models in a manner identical to the methodology we utilize in our existing multifactor strategy. The fixed income side of the portfolios will include mutual funds and ETFs.

While we expect eventually to maintain a full suite of models (much as we do for the Statera Multifactor strategy, though likely with fewer stops on the risk spectrum), we have introduced two models at present, distinct by their target exposures to equity:

Statera Multimanager 60/40 Portfolio (weighted average expense ratio of 0.24%, subject to change)

Statera Multimanager 80/20 Portfolio (weighted average expense ratio of 0.28%, subject to change)

Manager fees related to these models will align with our existing tiered fee structure on the platform.

The Investment Team will provide additional detail as desired. Please reach out to mark@statera-am.com to discuss.

For investment adviser use only. Not for use with the public

Important Information

Statera Asset Management is a dba of Signature Resources Capital Management, LLC (SRCM), which is a Registered Investment Advisor. Registration of an investment adviser does not imply any specific level of skill or training. The information contained herein has been prepared solely for informational purposes and is not an offer to buy or sell any security or to participate in any trading strategy. Any decision to utilize the services described herein should be made after reviewing such definitive investment management agreement and SRCM's Form ADV Part 2A and 2Bs and conducting such due diligence as the client deems necessary and consulting the client's own legal, accounting and tax advisors in order to make an independent determination of the suitability and consequences of SRCM services. Any portfolio with SRCM involves significant risk, including a complete loss of capital. The applicable definitive investment management agreement and Form ADV Part 2 contains a more thorough discussion of risk and conflict, which should be carefully reviewed prior to making any investment decision. Please contact your investment adviser representative to obtain a copy of Form ADV Part 2. All data presented herein is unaudited, subject to revision by SRCM, and is provided solely as a guide to current expectations.

The opinions expressed herein are those of SRCM as of the date of writing and are subject to change. The material is based on SRCM proprietary research and analysis of global markets and investing. The information and/or analysis contained in this material have been compiled, or arrived at, from sources believed to be reliable; however, SRCM does not make any representation as to their accuracy or completeness and does not accept liability for any loss arising from the use hereof. Some internally generated information may be considered theoretical in nature and is subject to inherent limitations associated thereby. Any market exposures referenced may or may not be represented in portfolios of clients of SRCM or its affiliates, and do not represent all securities purchased, sold or recommended for client accounts. The reader should not assume that any investments in market exposures identified or described were or will be profitable. The information in this material may contain projections or other forward-looking statements regarding future events, targets or expectations, and are current as of the date indicated. There is no assurance that such events or targets will be achieved. Thus, potential outcomes may be significantly different. This material is not intended as and should not be used to provide investment advice and is not an offer to sell a security or a solicitation or an offer, or a recommendation, to buy a security. Investors should consult with an advisor to determine the appropriate investment vehicle.

Publication: 11.04.24

2024-SRCM-52