Richard Bernstein Advisors

The Leaders In Pactive® Management

Richard Bernstein Advisors

Global ETF Strategies

- RBA Global Risk-Balanced Moderate
- RBA Global Equity
- RBA Core Plus Total Return
- RBA Global Conservative, Global Moderate, Global Aggressive



Richard Bernstein Advisors (RBA)



Richard Bernstein Advisors (RBA) is a boutique investment manager focusing on longer-term investment strategies that combine top-down, macroeconomic analysis and quantitative portfolio construction. RBA's competitive edge is our research-driven macro style of investing.

That research starts with Richard Bernstein, our CEO & CIO, who is widely recognized as an expert in style investing and asset allocation. With over 40 years' experience on Wall Street, Mr. Bernstein was voted to Institutional Investor magazine's annual "All-America Research Team" eighteen times and has been inducted into the Institutional Investor "Hall of Fame."

We provide our clients with tailored asset allocation solutions that are embedded with our intellectual capital. Our products are available at most major financial wirehouses, select RIA platforms & TAMPS, and for institutional investors.

RBA's Unique Investing Approach

RBA's disciplined top-down investment approach seeks to identify investment opportunities that are often unrecognized or ignored as uncertain investors focus on yesterday's winners.

The RBA investment process focuses on fundamentals – mainly examining corporate profit cycles, not economic cycles. The investment process centers around hundreds of indicators which point to three main pillars: **corporate profits, liquidity and investor sentiment or valuation.** Our expertise lies in identifying inflection points in global profits cycles and then allocating appropriately across asset class, size, style, industry, geography and themes.

RBA's investment strategies embrace **Pactive® Investing,** which is the active management of passive investments like exchange-traded funds (ETFs). A critical aspect of the approach is through **"X-raying ETFs,"** which is a more sophisticated method for recommending ETFs, allowing for a total portfolio view of risk and exposures. This process allows the Investment Committee to see beneath the surface of the holdings, ensuring that there are no unforeseen exposures.

Top–Down Macro Research



"Top-down" research conducted utilizing an extensive array of proprietary macro indicators to assess corporate profits, liquidity, and investor sentiment or valuation that has been time-tested over 30 years.

Pactive® Investing



Active management of passive investments, like ETFs, drive alpha based on size, style, region, sector, and other market segments. RBA "X-rays" ETFs by analyzing the underlying holdings of each ETF, as though the portfolio holds thousands of individual securities.

Global, "Go-Anywhere" Portfolios



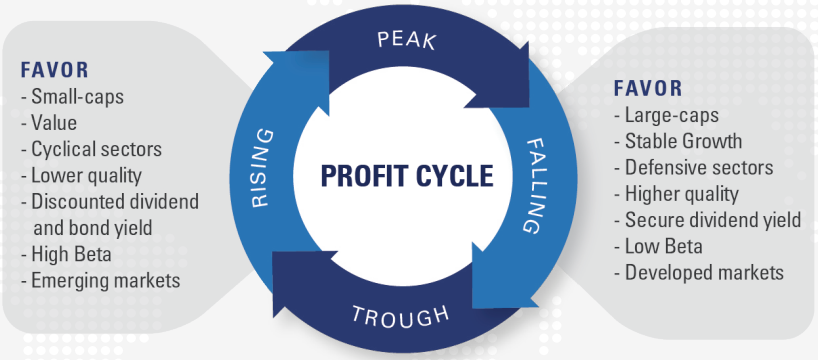
Our portfolios have the ability to invest in any global asset class - any sector, market cap, duration, credit, style or country/region. This macro strategy emphasizes and de-emphasizes global market segments at different times, and will actively avoid assets that are unfavorable.

RBA Richard Bernstein Advisors

website: RBAdvisors.com phone: 212-692-4088 email: sales@rbadvisors.com

Portfolio Construction

RBA's portfolios are constructed by uniquely combining a top-down global macro research process with a bottom-up, quantitatively driven security selection methodology. Analysis of global profit cycles is a core component of our strategies - examples of market segments we may favor at various points in the cycle are illustrated below.



1 Top-down macro research

Investment committee performs ongoing analysis of factors:

- **Corporate Profits**
  - Proprietary indicators & forecasts
  - Pricing power & inflation
  - Earnings expectations
- **Liquidity**
  - Central Bank analysis
  - Yield curves
  - Lending standards
- **Investor Sentiment/Valuation**
  - Structural long-term sentiment
  - Valuation of market segments
  - Consensus positioning

2 Risk assessment

Manage diversification based on correlation of assets within the portfolios, rather than the number of assets. Determine risk using capital market assumptions.

3 Strategic allocation guidelines

Guidelines provide an additional layer of risk management. Each portfolio has a neutral equity and fixed income allocation with guardrails to control the minimum and maximum allocation for each asset class.

4 Asset allocation

Construct global, multi-asset portfolios utilizing 5-30 ETFs that align with market views based on asset class, size, style, industry, geography and themes.

Portfolio Implementation:

- Maximize contribution from top-down macro-economic views
- Minimize portfolio risk through asset class portfolio risk measurement
- Minimize stock-specific risk through use of ETFs
- Allocate to 5-30 ETFs to realize targeted allocation exposures
- Manage overall portfolio risk by "x-raying" the underlying holdings of the ETFs

RBA utilizes our proprietary **Asset Allocation 2.0®** framework, which groups investments based on their returns and risk characteristics rather than traditional asset class categories. Asset Allocation 2.0® looks at assets' sensitivity to factors such as profitability, liquidity, quality, and others regardless of how an asset might be categorized in a traditional sense.

website: RBAdvisors.com **phone:** 212-692-4088 **email:** sales@rbadvisors.com

RBA Richard Bernstein Advisors

RBA Portfolio Suite

Global Risk-Balanced Moderate ETF Strategy

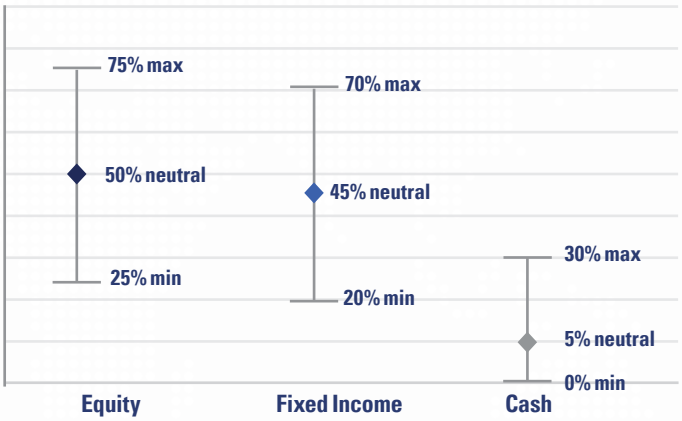
Flagship portfolio with greatest flexibility

Our flagship strategy has the greatest flexbility to implement the Investment Committee's asset allocation decisions by having the widest guardrails.

The portfolio's neutral long-term neutral policy of 50% equity, 45% fixed income, and 5% cash.

Exposure guardrails have the flexibility to go +/-25%:

- Equity: 25% to 75%
- Fixed Income: 20% to 70%
- Cash: 0% to 30%



Single-Asset ETF Strategies

Portfolios that can be used as a core asset allocation in overall strategy

Global Equity

The portfolio's long-term neutral policy of 100% equity but has the flexibility to add up to 30% cash.

Exposure guardrails are +/- 30% of benchmark weights:

- Equity: 70% to 100%
- Cash: 0% to 30%

Core Plus Total Return

The portfolio's long-term neutral policy of 100% fixed income but has the flexibility to add up to 50% non-US fixed income and up to 30% cash.

Exposure guardrails are +/- 30% of benchmark weights for US fixed income sectors:

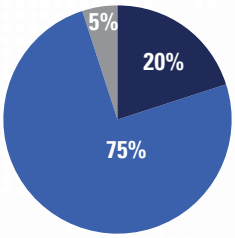
- Corporates
- Treasuries
- Mortgages
- Municipals

Multi-Asset ETF Strategies

Tactical portfolios for every risk tolerance

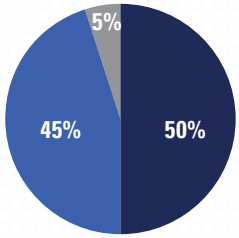
Global Conservative

The portfolio's neutral equity allocation is 20% but can go to a maximum of 30% or a minimum of 10%.



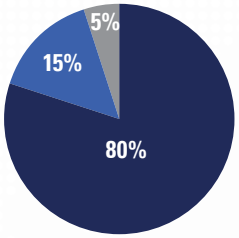
Global Moderate

The portfolio's neutral equity allocation is 50% but can go to a maximum of 60% or a minimum of 40%.



Global Aggressive

The portfolio's neutral equity allocation is 80% but can to a maximum of 90% or a minimum of 70%.



Equity Fixed Income Cash

Richard Bernstein Advisors

website: RBAdvisors.com **phone:** 212-692-4088 **email:** sales@rbadvisors.com

Features & Benefits

- **Institutional quality** asset allocation expertise
- **Non-consensus themes,** affording investors **greater overall portfolio diversification**
- **Downside risk management with multiple layers** through RBA's Asset Allocation 2.0® framework
- RBA can make the **difficult asset allocation decisions** affording you more time to manage client relationships and attract new business
- The portfolios can be an integral part of a **broader, well-diversified portfolio for investors seeking strong risk-adjusted returns**
- Turnkey portfolios that **allow financial advisors to streamline and scale their practice**
- Adding value & transparency through **frequent whitepapers and portfolio activity updates** to keep you and your clients informed

Valuable Insights & Media



SIGN UP FOR INSIGHTS at rbadvisors.com

RBA INSIGHTS:

Monthly Insights by RBA's Research Team
Quick Insights by Dan Suzuki, CFA
Fixed Income Insights by Michael Contopoulos
Research Insights by Matthew Poterba, CFA
Quarterly Market Update Webinars

FREQUENTLY FEATURED IN MEDIA:

Barron's
Bloomberg Television
CNBC
Financial Times
Fox Business Network
Institutional Investor
The New York Times
The Wall Street Journal

website: RBAdvisors.com **phone:** 212-692-4088 **email:** sales@rbadvisors.com

Richard Bernstein Advisors

Richard Bernstein Advisors

The Leaders In Pactive® Management

Richard Bernstein Advisors

1251 Avenue of the Americas

Suite 4102

New York, NY 10020

212-692-4088

www.rbadvisors.com

Twitter: @rbadvisors

LinkedIn: richard-bernstein-advisors



Nothing contained herein constitutes tax, legal, insurance or investment advice, or the recommendation of or an offer to sell, or the solicitation of an offer to buy or invest in any investment product, vehicle, service or instrument. Such an offer or solicitation may only be made by delivery to a prospective investor of formal offering materials, including subscription or account documents or forms, which include detailed discussions of the terms of the respective product, vehicle, service or instrument, including the principal risk factors that might impact such a purchase or investment, and which should be reviewed carefully by any such investor before making the decision to invest. RBA information may include statements concerning financial market trends and/or individual stocks, and are based on current market conditions, which will fluctuate and may be superseded by subsequent market events or for other reasons. Historic market trends are not reliable indicators of actual future market behavior or future performance of any particular investment which may differ materially, and should not be relied upon as such. The investment strategy and broad themes discussed herein may be inappropriate for investors depending on their specific investment objectives and financial situation. Information contained in the material has been obtained from sources believed to be reliable, but not guaranteed. You should note that the materials are provided "as is" without any express or implied warranties. **Past performance is not a guarantee of future results**. All investments involve a degree of risk, including the risk of loss. No part of RBA's materials may be reproduced in any form, or referred to in any other publication, without express written permission from RBA. Links to appearances and articles by Richard Bernstein, whether in the press, on television or otherwise, are provided for informational purposes only and in no way should be considered a recommendation of any particular investment product, vehicle, service or instrument or the rendering of investment advice, which must always be evaluated by a prospective investor in consultation with his or her own financial adviser and in light of his or her own circumstances, including the investor's investment horizon, appetite for risk, and ability to withstand a potential loss of some or all of an investment's value. Investing is subject to market risks. Investors acknowledge and accept the potential loss of some or all of an investment's value. Views represented are subject to change at the sole discretion of Richard Bernstein Advisors LLC. Richard Bernstein Advisors LLC does not undertake to advise you of any changes in the views expressed herein.

© Copyright 2022 Richard Bernstein Advisors LLC. All rights reserved.