

QAS Model Portfolio Program Update

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Performance, News and Market Outlook

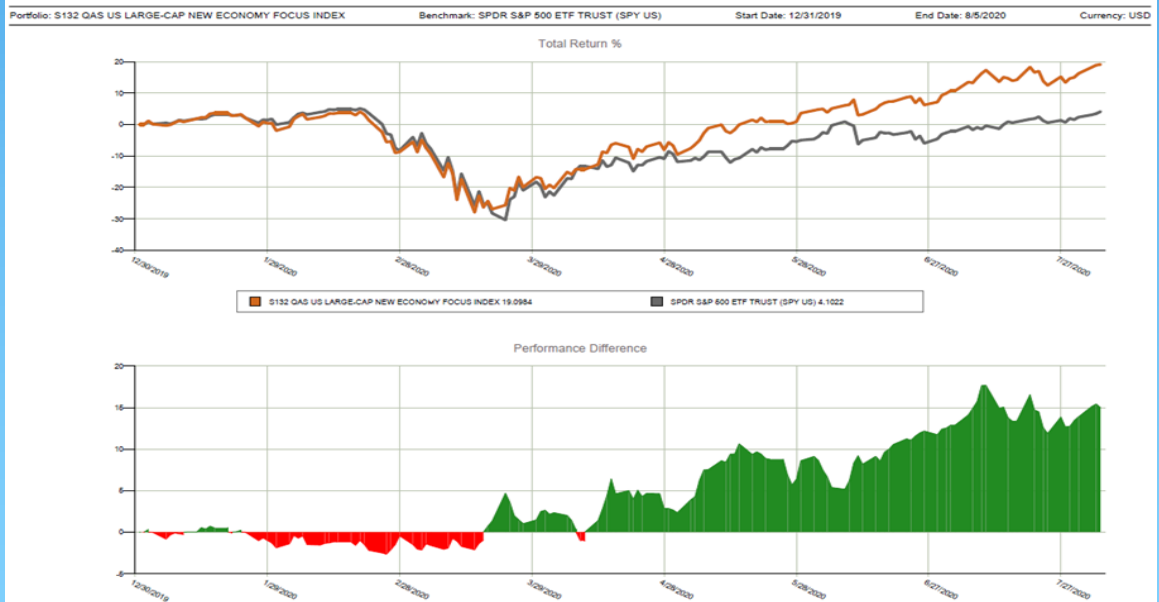
Best Performing Strategy Overview

The QAS S-132 US Large-Cap New Economy Equity Strategy is an "Excess Return" leader as of August 06, 2020 (YTD). It has outperformed the benchmark (SPY) by +15.0%, returning +19.1% (v. +4.1% Benchmark), and continues to make all-time new highs since its full recovery on May 29, 2020 from the Feb-Mar 2020 drawdown. The strategy effectively utilizes its innovative stock selection and rebalancing features, focusing on maximizing alpha for this long-only/fully-invested concentrated portfolio structure.



Bloomberg

PORT Performance Total Return



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"Consistent Alpha While Managing Risk"



Models' Performance Sorted by Excess Return YTD

The QAS S-131 China All-Cap Equity Strategy continues to deliver a high Excess Return (+12.4% YTD) by effectively executing its "5-regime" algorithmically driven investment process. This strategy returned +12.6% YTD vs. +0.2% (FXI Benchmark), and is currently in Regime 1 – Strong Positive with Leverage.

The QAS G-600T Asia-Pacific ex. Japan Strategy is also among the winners YTD with a strong Excess Return of a +10.2%, returning +16.1% vs. +5.9% (AAXJ Benchmark) YTD.

#	QAS Index ID	Benchmark	Investment Theme	Instruments/ Portfolio Structure	QAS Index Name	QAS Index Ret% 2020 YTD	Benchmark Ret% 2020 YTD	Excess Return 2020 YTD	QAS Index Ret% 3-Yr Avg	Benchmark Ret% 3-Yr Avg
1	S-132	SPY	US Large-Cap New Economy Equity	Stock Selection, Long-Only	QAS US Large-Cap New Economy Focus	19.09%	4.10%	15.0%	48.9%	22.1%
2	S-131	FXI	China All-Cap Equity	ETFs Rotation	QAS China All-Cap with Protection	12.55%	0.19%	12.4%	15.6%	9.1%
3	G-600T	AAXJ	Asia-Pacific ex. Japan Equity	Stock Selection, Long-Only	QAS Asia-Pacific ex Japan 20 Stock Selection	16.07%	5.91%	10.2%	31.1%	10.4%
4	S-121	ESG 50/50 STOCKS, BONDS	Global ESG, Balanced Stocks-Bonds	ETFs Rotation	QAS Global ESG Equity-Bonds	16.90%	8.19%	8.7%	34.8%	14.6%
5	S-128	SHY	Global High-Yield Bond with Max Protection (Conservative Cash Plus/ Low Vol)	ETFs Rotation	QAS Global High-Yield Bond with Protection	7.42%	-0.21%	7.6%	5.9%	6.4%
6	S-122	GLD	Gold Long-Short	ETFs Rotation	QAS Gold Long-Short	35.80%	33.90%	1.9%	23.8%	25.9%
7	S-126	AGG	US High-Yield/ Treasury Rotation. Synthetic Core Bond Exposure.	ETFs Rotation	QAS US High-Yield and Treasury Rotation	9.41%	7.67%	1.7%	9.1%	8.1%
8	G-427	FTSE 350	UK Equity	Stock Selection, Long-Only	QAS UK 20 Stock Selection	-22.79%	-18.46%	-4.3%	3.9%	-0.2%
9	S-127	SPY	US Equity Opportunity All Terrain	ETFs Rotation	QAS US Equity Opportunity All Terrain	-4.36%	4.10%	-8.5%	19.1%	22.1%
10	S-130	IWM	Global Small-Cap Equity	ETFs Rotation	QAS Global Small-Cap Equity with Protection	-15.48%	-6.56%	-8.9%	13.1%	12.0%

Current Market Outlook

As we forecasted in our previous Newsletter as of May 21st, the Global Equity Markets did continue recovering from a drawdown in the Spring. However, as we expected, this recovery was largely fragmented and driven mostly by what we call the "New Economy" market segment (technology, e-commerce, biotech etc), while many other sectors such as financial, industrial, energy, utilities are still significantly below their respective price peaks. There has been some promising improvement in the US Small-Cap segment, which was previously lagging vs. other market segments. Additionally, we continue with a strong positive outlook for Gold, and our Long-Short Gold strategy is up +36% YTD (currently in Regime 1 – Strong Positive with Leverage).

