

# Momentum Opportunities Risk-Managed

As of June 30, 2020

## OVERVIEW & OBJECTIVE

Momentum Opportunities Risk-Managed (MORM) is a growth equity strategy that attempts to concentrate capital on momentum leadership at the factor, sector & sub-industry levels, while managing drawdowns through tactical shifts in stressful market conditions.

The strategy's objective is to outperform the S&P 500 over a full market cycle while mitigating downside risk.

## PORTFOLIO CONSTRUCTION IDEAS

- Structural "hedge" within growth equity allocation
- Completion portfolio for core US large cap equity – where risk tolerance is moderate to high

## TACTICAL RANGES

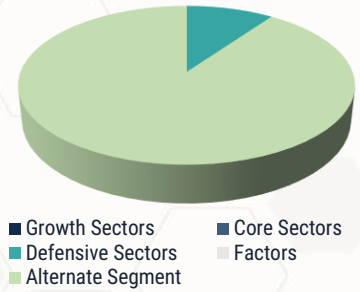
### Sector Segment, 0%-100%

Allocates up to 100% of assets in ETFs comprising up to five US equity sectors and sub-sectors, equal-weighted at 20%.

### Alternate Segment, 0%-100%

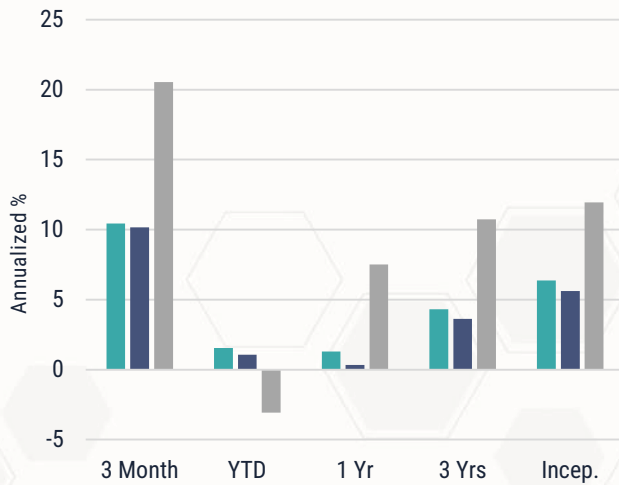
Allocates up to 100% of assets in a combination of cash and investment grade fixed income ETFs.

POSITIONING, JUNE 30, 2020



- Paired with concentrated large-cap core or quality growth stock portfolio
- Alternative to pure growth allocation

## Performance Summary



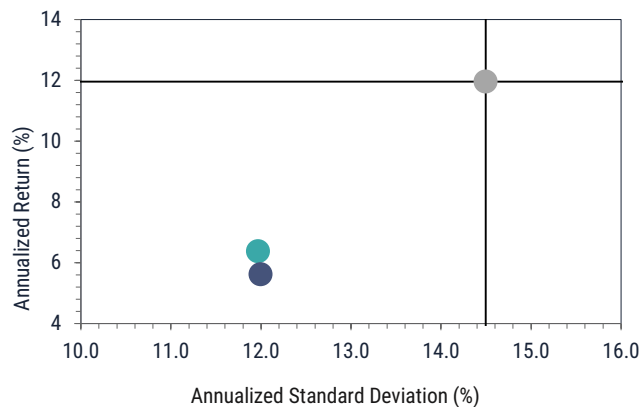
### Annualized Performance

	3 Month	YTD	1 Yr	3 Yrs	Incep.
MORM Composite (Gross)	10.43	1.54	1.30	4.32	6.38
MORM Composite (Net)	10.17	1.06	0.34	3.62	5.62
S&P 500 Index	20.54	-3.08	7.51	10.73	11.95

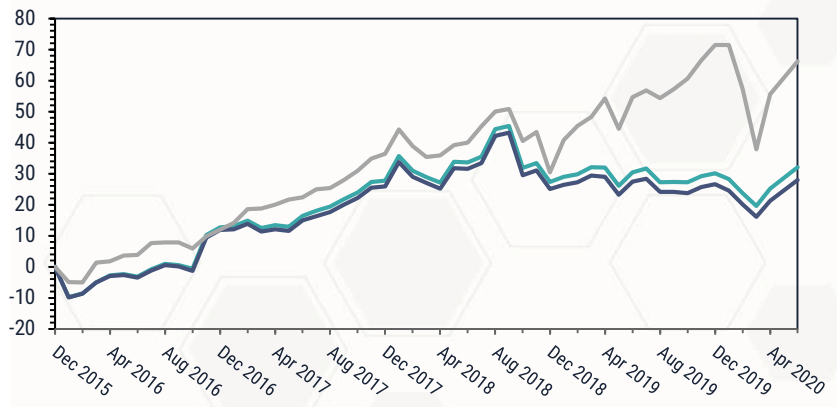
### Key Statistics (annualized since inception)

	MORM Composite (Gross)	MORM Composite (Net)	S&P 500 Index
Since Inception Return	6.38	5.62	11.95
Standard Deviation	11.97	12.00	14.50
Beta	0.60	0.60	1.00
Sharpe Ratio	0.42	0.36	0.73
Max drawdown	-17.74	-18.92	-19.60
Max run-up	61.27	58.83	80.69

## Return vs. Risk Since Inception



## Cumulative Return Since Inception



- Momentum Opportunities Risk-Managed Composite (Gross)
- Momentum Opportunities Risk-Managed Composite (Net)
- S&P 500 Index

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Source: WST Capital Management, Orion. Exposures shown represent the historical exposures of a representative account managed according to the Momentum Opportunities Risk-Managed Model, based off of which are run the strategy and all accounts constituting the Momentum Opportunities Risk-Managed Composite. "Alternate Segment" is a summarized allocation of assets invested in US Aggregate and US Treasury fixed income ETFs coupled with cash equivalents, while "Sector Segment" is a summarized allocation of exposure to growth, core and defensive sector ETFs as well as momentum-based funds. Source for performance information: FactSet. Annualized statistics since composite inception date, 12/31/2015; relative statistics vs. primary benchmark. Gross performance results for wrap accounts in the composite are gross of the entire wrap fee and are provided as supplemental information as transaction expenses have not been deducted.

Calendar Year	2016	2017	2018	2019
Momentum Opportunities Risk-Managed Composite (Gross)	12.73	13.28	-0.30	2.19
Momentum Opportunities Risk-Managed Composite (Net)	11.91	12.44	-0.62	1.21
S&P 500 Index	11.96	21.83	-4.38	31.49

## ABOUT OUR FIRM:

WST Capital Management is a division of Wilbanks Smith & Thomas Asset Management, LLC – a firm that has, since 1990, prioritized solutions-seeking research as a way to better serve clients.

Endeavoring to offer the Bridge Between Protection and Growth through Risk-managed ETF strategies, WSTCM has cut an innovative path in the pursuit of next-generation investment approaches for today's investors. We embrace the science of investing in the effort to provide investors with a balance of protection and growth, encouraging confident participation over the long-term.

## ABOUT OUR TEAM:

The team's iterative design process brings together a depth of experience in portfolio management, product design, quantitative academic research and computational methods to create robust strategies designed to solve critical problems in portfolio construction.

### Portfolio Design & Product Management

- Roger Scheffel
- Neal Ritter

### Quantitative Research

- David Abrams
- Tom McNally, CFA, CMT

### Relationship Management

- Wade Monroe, CIMA®, CFP®

### Product Support & Marketing

- Ryan Stallard
- Maria Salova

## KEY FACTS AND INFORMATION:

Strategy inception date: December 31, 2015  
 Vehicle: Separately managed account

## Important disclosures

Wilbanks, Smith & Thomas Asset Management, LLC ("WST" or the "Firm") is defined as an SEC registered investment adviser headquartered in Norfolk, Virginia. WST claims compliance with the Global Investment Performance Standards (GIPS®) Prospective clients can obtain a GIPS-compliant presentation and/ or the firm's list of composite descriptions by contacting WST with the contact information referenced above.

Momentum Opportunities Risk-Managed Composite has an inception date of December 31, 2015 and consists of all fee-paying, fully discretionary accounts under active management at WST that adhere to the Momentum Opportunities Risk-Managed strategy. The strategy utilizes a tactical approach built on a proprietary quantitative framework that is designed to achieve attractive risk-adjusted returns through capital appreciation and income. The strategy seeks to deliver the returns of a "Sector Segment" made up of a combination of any five of the First Trust sector and Industry ETF's. During less favorable environments or when attractive investment opportunities are limited, the strategy has the flexibility to invest 100% in investment grade bonds. This strategy is generally implemented through the trading of mutual funds or exchange-traded funds. The composite was created October 2016. Eligible accounts are included in the strategy group of accounts in the month following the month of account inception. Closed accounts are included through the completion of the last full month. Results portrayed reflect the reinvestment of dividends, capital gains and other earnings when appropriate. During the period(s) shown, there were no material market or economic conditions which affected the results portrayed. With the exception of several market corrections during the period(s), the overall market as measured by the S&P 500 was generally rising. If such trends are broken, the clients may experience real capital losses in their managed accounts. The performance results portrayed during the period: 12/31/2015 (strategy inception)-present relate only to a limited group of the adviser's clients selected based on suitability and risk tolerance. This factor has not had a material effect on performance but could lead to the termination of the composite in the event of significant outflows.

Comparison with market indices- The market indices displayed for comparison to the Momentum Opportunities Risk-Managed Composite is the S&P 500 Index. The S&P 500 index is comprised of large capitalized companies across many sectors and is generally regarded as representative of US stock market and is provided in this presentation in that regard only.

Market indices are unmanaged and do not reflect the deduction of fees or expenses. You cannot invest directly in an index such as these and the performance of an index does not represent the performance of any specific investment strategy. We consider an index to be a portfolio of securities whose composition and proportions are derived from a rules based model.

Valuations are computed and performance is reported in U.S. dollars. Returns are presented gross and net of management fees and include the reinvestment of all income and dividends. Net of fee performance was calculated using actual management fees. Some accounts in the composite pay a "wrap fee" which is an all-inclusive or bundled fee based on a percentage of assets under management and may include investment management services, transaction costs/brokerage commissions, portfolio monitoring, consulting services, and custodial services. Gross performance results for wrap accounts in the composite are gross of the entire wrap fee and are provided as supplemental information as transaction expenses have not been deducted. Past performance is not a guarantee of future results.

Investment advisory fees are described in Wilbanks Smith & Thomas Asset Management, LLC's Form ADV 2A. To illustrate the possible effect of fees on the total return of an account, what follows is an illustration: A client investing in the comparative index S&P 500 over the last 10 years (as of December 31, 2015) would have earned 7.31% return on an annualized basis. With the effect of fees at 2.00% per year, this client can then expect their net return to be 5.16% per year compounded over the same time period.

Standard Deviation of return measures the average deviations of a return series from its mean, and is often used as a measure of risk. A large standard deviation implies that there have been large swings in the return series of the manager. Correlation is a measure of how two securities move in relation to each other. The Sharpe Ratio measures excess return per unit of risk which relates the difference between the portfolio's return and the return of the risk free rate to the standard deviation of the portfolio returns for the same period. Alpha is the mean of the excess return of the manager over beta times the benchmark. Beta is a measure of systematic risk, or the sensitivity of a manager to movements in the benchmark. A beta of 1 implies that you can expect the movement of a manager's return series to match that of the benchmark used to measure beta. Maximum Drawdown is the maximum loss (compounded, not annualized) that the manager ever incurred during any sub period of the entire time period. Conceptually, the calculation looks at all sub periods of the time period in question and calculates the compound return of the manager over that period. The maximum drawdown is the minimum of zero and all these compound returns. Maximum Run-up is the opposite of Maximum Drawdown and shows the maximum gain the manager incurred during any sub period of time. Up and Down Capture is a measure of how well a manager replicates or improves on phases of positive benchmark returns and how the manager is affected by phases of negative benchmark returns. Commodities and futures generally are volatile and are not suitable for all investors. The value of commodity funds relate directly to the value of the futures contracts and other assets held within the fund and any fluctuation in the value of these assets could adversely affect an investment in commodities.

Exchange Traded Funds (ETF's) trade like stocks, are subject to investment risk and will fluctuate in market value.

Securities and Insurance Products and Services –Are not FDIC or any other Government Agency Insured –Are not Bank Guaranteed –May lose Value.