



# MC ELHENNY SHEFFIELD

## CAPITAL MANAGEMENT

STRATEGY: TREND PLUS

IQ 2024 UPDATE

APPROACH: TACTICAL TREND FOLLOWING

### Morningstar Sec ID:

F00001EEGQ

### CUSTODIANS/PLATFORMS

Charles Schwab  
Fidelity IWS (as subadvisor)  
Orion Communities  
SMArtX Advisory Solutions

### CUMULATIVE RETURNS (Incep.)\*

<b>Trend Plus</b>	<b>129.9%</b>
Benchmark 60/40	91.4%
S&P 500® TR	166.9%

### RISK (Annualized Volatility)

<b>Trend Plus</b>	<b>11.36%</b>
Benchmark 60/40	10.98%
S&P 500® TR	16.57%

### WORST CALENDAR YEAR

<b>Trend Plus</b>	<b>(9.9%)</b>	2022
Benchmark 60/40	(15.9%)	2022
S&P 500® TR	(18.1%)	2022

### MAX DRAWDOWN

<b>Trend Plus</b>	<b>(15.2%)</b>	Apr '18
Benchmark 60/40	(20.1%)	Sep '22
S&P 500® TR	(23.9%)	Sep '22

### CONTACT INFORMATION

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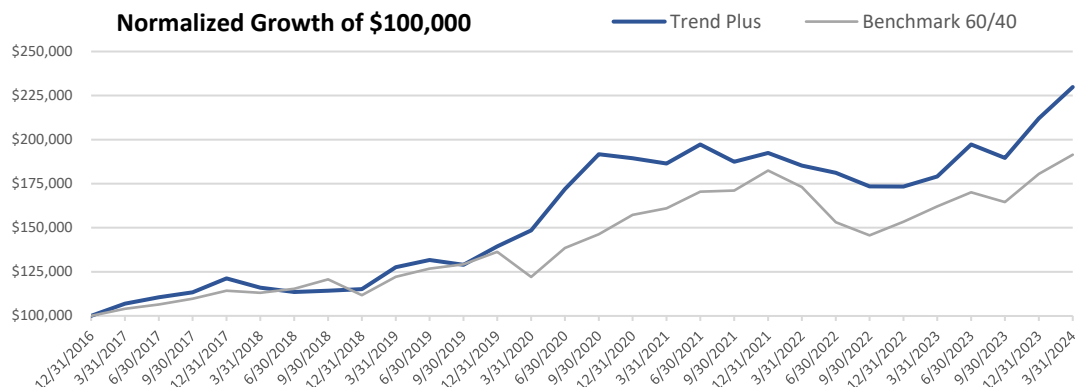
### SUMMARY OF STRATEGY

TREND PLUS is a rules-based trend following strategy that our clients utilize across their whole portfolio or in combination with other strategy allocations. The strategy is designed to measure the strength of the overall trend in U.S. equity markets and deploy capital during uptrends to equity Exchange Traded Funds (ETFs) accordingly. When up trending markets are not detected, this tactical strategy is designed to turn defensive, moving into ETFs that have historically performed well during equity market downturns.

### ANNUALIZED RETURNS (net of fees)

	YTD	1 Year	3 Year	5 Year	Inception*
<b>Trend Plus</b>	<b>8.4%</b>	<b>28.4%</b>	<b>7.2%</b>	<b>12.5%</b>	<b>12.2%</b>
Benchmark 60/40	6.0%	18.1%	5.9%	9.4%	9.4%
S&P 500® TR	10.6%	29.9%	11.5%	15.0%	14.5%

### Normalized Growth of \$100,000



### STRATEGY GOALS

- Provide investors with access to a disciplined trend following strategy having defined Buy, Hold, and Sell rules.
- Seek to identify broad market trends and capitalize on the strongest up trends while trying to avoid the down trends.
- Seek to capture a high degree of upside return while limiting exposure to the downside.
- Position to preserve capital or add incremental gains during bear markets.
- Seek to outperform the major U.S. equity indices, especially on a risk-adjusted basis, while limiting portfolio drawdown.

### PORTFOLIO CHARACTERISTICS

- Has historically exhibited significant drawdown reduction and better risk-adjusted returns over time than both the 60/40 benchmark and S&P 500 Index®.
- Has experienced low correlation with traditional portfolios; provides diversification benefits when used as an allocation.
- Strategy can underperform "buy and hold" equity allocations over various timeframes, including during cyclical bull markets.
- This is an actively managed strategy and could therefore result in a higher number of short-term gains and losses compared to buy & hold.

### RISK MANAGEMENT

- Uses proprietary quantitative model including price, breadth, and relative strength indicators to evaluate U.S. equity markets and establish an offensive or defensive stance.
- Daily monitoring of positions and overall market environment to determine whether positions should be added, held, or sold.
- If TREND PLUS signals a defensive allocation (via indicators or stop loss techniques) while a client's portfolio is invested, the strategy is designed to sell equity holdings and invest in asset classes that have historically performed better during downturns (e.g., U.S. Treasuries, gold, etc.).

\*Since inception date of January 1, 2017.

All returns are presented net of fees. Please see page two of this presentation for important notes and disclosures.



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### TREND PLUS – NET RETURNS

	Q1	Q2	Q3	Q4	Annual
2024	8.4%				8.4%
2023	3.3%	10.2%	(3.9%)	11.8%	22.3%
2022	(3.7%)	(2.2%)	(4.3%)	(0.0%)	(9.9%)
2021	(1.6%)	5.8%	(5.0%)	2.7%	1.6%
2020	6.5%	15.8%	11.5%	(1.2%)	35.8%
2019	10.8%	3.2%	(2.0%)	8.1%	21.0%
2018	(4.4%)	(2.1%)	0.7%	0.8%	(5.0%)
2017	6.9%	3.4%	2.6%	7.0%	21.3%

### BENCHMARK 60/40 – HISTORICAL RETURNS

	Q1	Q2	Q3	Q4	Annual
2024	6.0%				6.0%
2023	5.7%	4.9%	(3.3%)	9.7%	17.7%
2022	(5.1%)	(11.5%)	(4.8%)	5.3%	(15.9%)
2021	2.4%	5.9%	0.4%	6.6%	16.0%
2020	(10.5%)	13.5%	5.6%	7.6%	15.4%
2019	9.4%	3.8%	1.9%	5.5%	22.1%
2018	(1.0%)	2.0%	4.6%	(7.5%)	(2.3%)
2017	4.0%	2.4%	3.0%	4.1%	14.3%

### IMPORTANT NOTES AND DISCLOSURES

MSCM is an SEC Registered Investment Adviser. Registration does not imply a certain level of skill or training. Information pertaining to MSCM's advisory operation, services, and fees is set forth in MSCM's current Form ADV Part 2 brochure, a copy of which is available upon request or at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or [www.mscm.net](http://www.mscm.net).

The performance track record has been examined for accuracy by a CPA at Alpha Performance Verification Services, an independent third-party performance verification firm. Verification reports available upon request. The performance returns shown are calculated using a representative account in the strategy.

Past performance is not necessarily indicative of future performance. The TREND PLUS strategy was developed with the benefits of hindsight on the performance of financial instruments and markets, specifically the S&P 500 and Nasdaq Composite indices over historical periods. Future markets may behave differently than past markets and there can be no assurance that the TREND PLUS strategy will be profitable or that clients will not lose money.

Performance data for TREND PLUS is calculated and maintained by MSCM. The charts and graphs herein are presented for informational purposes only and should not be relied on to predict future movements of the market or for guidance on when to invest. Nothing in this presentation is intended to be relied on as investment, legal, or tax advice.

The performance results are net of a 1% annual management fee, applied 1/12<sup>th</sup> of 1% (0.083%) each month. Fees and expenses vary based on custodial relationships, trading costs, management fees, and other factors. Brokerage commissions and other expenses and taxes are not considered in the performance results. If all expenses had been considered, the performance results would have been lower.

There can be no assurance that an investment mix will lead to the expected results shown or perform in any predictable manner. It should not be assumed that investors will experience returns in the future, if any, comparable to those shown, or that any or all of MSCM's clients experienced such returns.

No representation is being made that any account will or is likely to achieve results similar to those shown. Individual client results could significantly differ from the performance results being presented. Differences in account size, risk tolerance, timing of transactions and market conditions prevailing at the time of investment could lead to different results, and clients could potentially lose money.

The Standard & Poor's 500 Index® ("S&P 500®") is a broad-based index used for illustrative purposes only. The S&P 500® is shown because it is well known and easily recognized by investors. The S&P 500® is considered to be generally representative of the U.S. stock market as a whole. The index is not actively managed and it is not possible to invest directly in the index. The performance of client accounts using TREND PLUS can be more volatile at times and may not be comparable to the performance of the S&P 500® or any other index. S&P 500® returns are inclusive of dividends and thus reflect the total return (TR) to investors. Index returns are not net of advisory fees. Index data provided from Y Charts is not separately verified and assumed to be accurate.

The Benchmark 60/40 Index is calculated by Y Charts and is used for illustrative purposes only. A 60/40 portfolio (60% stocks and 40% bonds) represents a traditional investment allocation for U.S. investors. The Benchmark 60/40 is a blended index comprised of a 60% allocation to the S&P 500® Index and a 40% allocation to the Bloomberg Aggregate U.S. Bond Index (a broad-based fixed income index considered to be representative of the U.S. fixed income market). Index returns are inclusive of dividends and thus reflect the total return (TR) to investors. Index returns are not net of advisory fees. Index data provided from Y Charts is not separately verified and assumed to be accurate.

Annualized volatility, a common measure of risk, is the standard deviation of monthly returns, annualized.

Maximum Drawdown reflects maximum peak-to-trough decline in an investment, security, or index over a specific time period, as measured by the difference in the highest value during the time period and the subsequent lowest value during the time period.