

Investment Strategy and Objectives

Outcome Wealth Management manages portfolios comprised of large, liquid ETFs. Our strategies are designed to provide efficient global diversification, offer better protection in bear markets, and deliver higher long-term returns.

Global Tactical Asset Allocation (GTAA) Strategies¹

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
GTAA Growth 100	2017	-	-	-	-	1.63%	-0.09%	1.98%	0.05%	0.43%	-	-	-	4.05%
GTAA Income 100	2017	-	-	-	-	0.75%	-0.17%	1.25%	-0.18%	-0.48%	-	-	-	1.17%
GTAA Moderate 50	2017	-	-	-	-	0.63%	-0.12%	0.95%	-0.10%	-0.57%	-	-	-	0.78%

GTAA Growth 100

The GTAA Growth 100 strategy was 90% invested in growth assets in September. Leading the way were Eurozone stocks (IEV), which rose 3.1%, and are now up 22.9% on the year in USD terms. The second largest contribution came from U.S. large-cap stocks (SPY), which were up 2% for the month and are now positive 13.9% YTD. On the negative side, long-term treasuries (TLT) and international REITs (RWX) were a drag on performance, declining 2.3% and 1.3% for the month, respectively.

For September, the strategy reduced its exposure to growth assets by 10% to 80%, with the remaining 20% of the portfolio invested in U.S. short-term investment grade corporate bonds. Specifically, the strategy liquidated its U.S. REITs (VNQ) and international REITs (RWX) positions, while adding exposure to Canadian stocks.

GTAA Income 100

The GTAA Income 100 strategy was 89% invested in growth assets during September. U.S. high yield bonds and short-term junk bonds were positive contributors to performance, with both markets rising 0.6% for the month. Results were dragged down by our positions in long-term treasuries (TLT) and international REITs (RWX), which declined 2.3% and 1.3% during the month, respectively.

For September, the strategy reduced its exposure to growth assets by 11% to 78%, with the remaining 22% of the portfolio invested in U.S. short-term investment grade corporate bonds. In terms of individual positions, the strategy liquidated its positions in U.S. REITs (VNQ) and international REITs (RWX), while adding exposure to Canadian stocks.

GTAA Moderate 50

The GTAA Moderate 50 strategy was 50% invested in growth assets during the month, with performance drivers that were similar to the GTAA Income 100 strategy, albeit on a muted scale due to the former strategy's lower aggregate weighting in growth assets.

For September, the strategy is maintaining its 50% allocation to growth assets, with the remaining 50% of the portfolio invested in U.S. short-term investment grade corporate bonds.

1. Returns are gross of OWM management fees and recoverable withholding taxes on foreign dividends.

ETF Dashboard

Symbol	Geography	Asset Class	Sep	YTD	1 Year	3 Year	5 Year
XIU	Canada	Stocks	3.6	4.3	10.0	4.7	8.1
SPY	U.S.	Stocks	2.0	13.9	18.4	10.3	13.5
VNQ	U.S.	REITs	-0.1	3.4	0.3	9.2	8.8
PFF	U.S.	Preferred Shares	-0.2	8.3	3.8	4.9	4.8
HYG	U.S.	High Yield Corporate Bonds	0.6	6.0	6.8	3.7	4.3
SJNK	U.S.	Short Term High Yield Corporate Bonds	0.6	4.9	6.8	2.9	3.4
LQD	U.S.	Inv. Grade Corporate Bonds	0.0	5.6	1.5	4.0	3.1
SDY	U.S.	High Dividend Stocks	3.1	8.5	11.6	11.1	13.1
TLT	U.S.	Long Term Treasuries	-2.3	6.5	-7.0	4.9	2.5
VCSH	U.S.	Short Term Inv. Grade Corporate Bonds	-0.1	2.4	1.6	2.2	1.9
IEV	Europe	Stocks	3.1	22.9	21.9	3.7	7.7
RWX	International	REITs	-1.3	8.9	-0.3	2.0	4.3
EWJ	Japan	Stocks	1.8	14.7	12.9	7.1	10.0
EEM	Emerging Markets	Stocks	0.0	28.5	21.2	4.2	3.2
EMB	Emerging Markets	Sovereign Bonds	-0.2	8.9	3.8	5.4	3.2

ETF Spotlight | EMB

Launched in 2007 by BlackRock, the USD Emerging Market Bond (EMB) seeks to track the investment results of an index composed of U.S. dollar-denominated, emerging market bonds. EMB allows purchasers access to sovereign debt of over 30 emerging market countries in a single fund.

The top 5 countries by exposure breakdown include, Mexico, Indonesia, Turkey, The Russian Federation, and China.

Net Assets	\$11.7 billion
Average Daily \$ Volume	\$167.2 million
Year-to-Date Return	8.78%
Expense Ratio	0.39%
Yield to Maturity	5.07%

In the News

Big News for Stock Pickers: You Only Lost \$100 Billion This Year – To read the article click [here](#).

Emerging Markets May Be Due for Their Comeback - To read the article click [here](#).

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