

# Litman Gregory Alpha-Core Portfolios

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September 2021

*The competition to do more for clients demands high-quality solutions*

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**Litman Gregory, a subsidiary of iM Global Partner,** has been managing model portfolios since 1990. Experience Matters.

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**Alpha-Core leverages our extensive global research expertise** to create risk-matched portfolios that are both sophisticated and practical.

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**Provides a comprehensive approach to managing your client advisory allocations,** allowing you to focus time on client service and growth of practice. Let our expertise unlock yours.

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**Institutional managers** with a quality risk overlay.

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**Low all-in expenses** with no strategist fee

### 01

#### Establish a strategic asset allocation for each Risk/Return Target :

Taking into account global macro-economic conditions and valuations, we set strategic asset allocations (combinations and types of stocks, bonds and alternatives) for each model's target risk level.

### 02

#### Pursue highly compelling tactical opportunities :

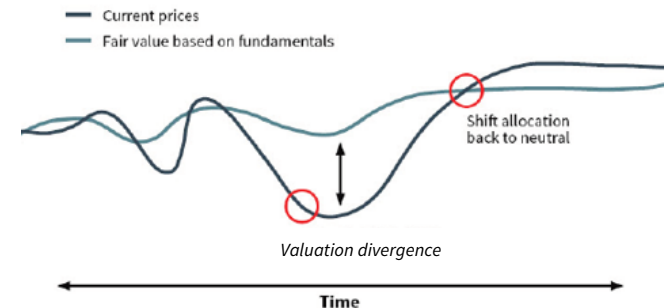
When our research determines that a compelling asset class opportunity exists, we seek to capitalize on short-term divergences in valuations based on fundamentals.

Over the long term, we believe fundamentals and valuations will converge.

### 03

#### Core-Satellite structure :

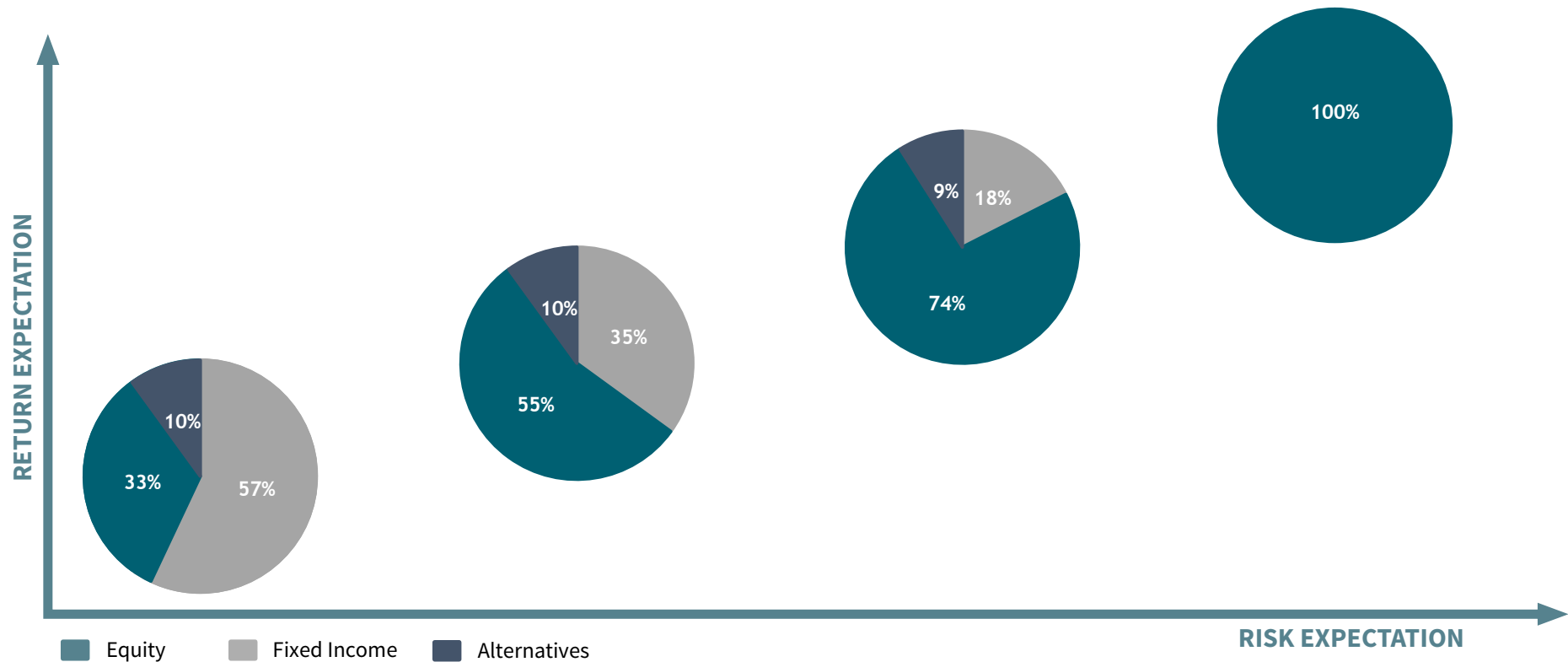
We conduct extensive due diligence to identify managers with a sustainable edge in their asset class, and we pair them with low-cost ETFs for tactical flexibility and cost savings for clients.



# Our Portfolios Take Client Temperament into Account



**Portfolio Strategies**



	CONSERVATIVE BALANCED	BALANCED	EQUITY-TILTED BALANCED	EQUITY
AVERAGE ANNUAL RETURN*	7.23%	8.86%	9.79%	11.38%
WORSE YEAR (2018)	-4.88%	-7.57%	-9.68%	-12.43%
BEST YEAR (2009)	24.52%	29.33%	31.68%	37.29%

### An in-depth process to identify quality investment teams

#### A worldwide coverage of active asset managers

Out of the 1,100+ mid-sized asset managers, our investment universe is composed of 400+ asset managers domiciled in:

- The US (66%)
- Europe (24%)
- Asia (10%)

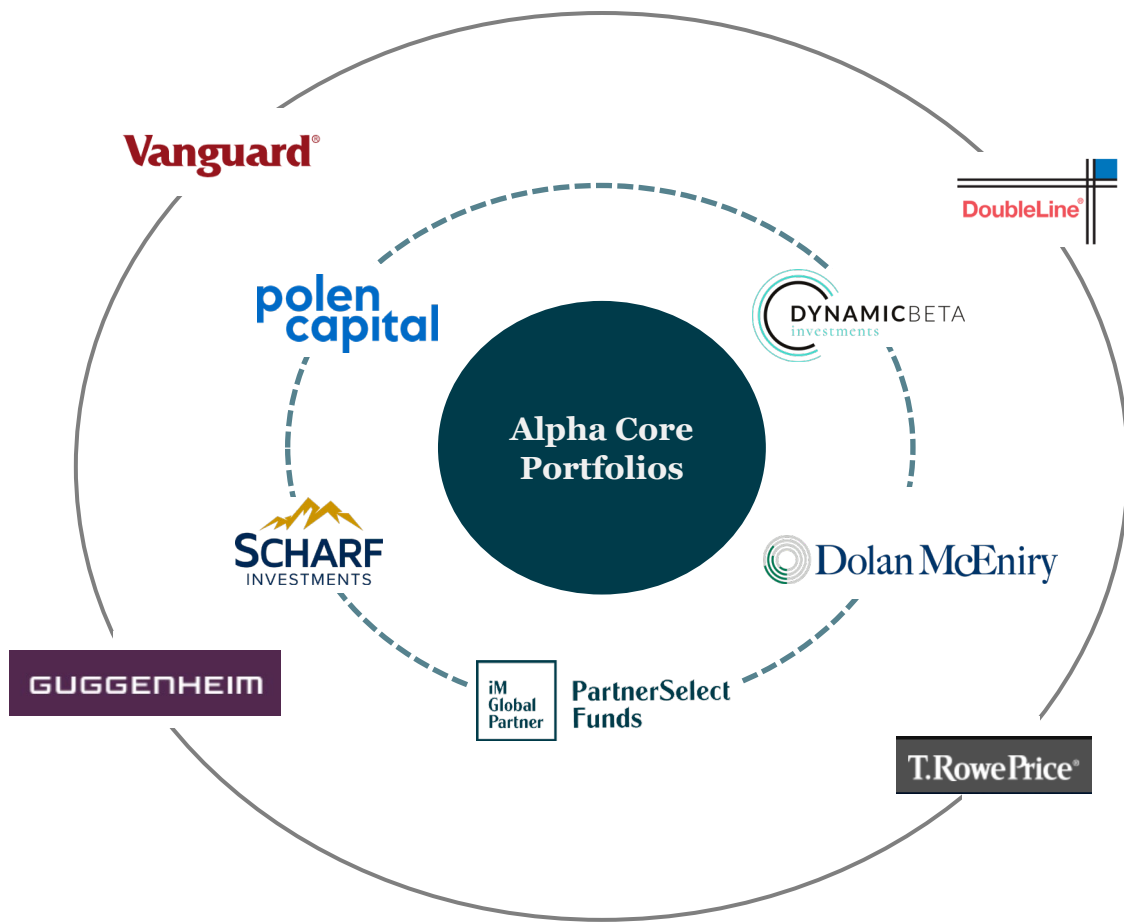
#### A deep and wide investment universe

- With capabilities to withstand various market cycle conditions.
- Managing scalable strategies with established and repeatable track-records.
- Built on sustainable and well articulated investment processes.



Corporate Profile, Investment capabilities and Operational & Regulatory Analysis pillars are key in the assessment of the sustainability of the past track records of potential Partners.

Regarding financials, operational, regulatory and legal items, we can complement our research with independent analysis from specialist advisors.



 High Quality Managers from iM Global Partner

 High Quality External Managers

### Who we are

iM Global Partner connects high-quality investment firms with financial institutions, wealth advisory platforms and investors globally.

iM Global Partner has a dedicated range of products and services for US domiciled investors: Mutual Funds, ETFs and services including the Litman Gregory Portfolio Strategies.

### Litman Gregory Portfolio Strategies available to US advisors

Through partnerships with multiple turnkey asset management platforms (TAMPs), iM Global Partner offers access to globally diversified, risk-managed tactical portfolios that are based on rigorous, independent research and disciplined investment process for more than 30 years.

- Risk-based, multi asset class portfolios
- Strategic allocation combined with a tactical overlay managed to adapt to changing market conditions
- Globally diversified across equity, fixed-income and alternative investments
- Portfolios are constructed with third-party active managers, ETFs and proprietary Partner-Select Alpha-Core models
- Model portfolio performance track record dating back to 1990

OVER **\$2.2 billion\***  
IN ASSETS UNDER ADVISORY

SERVING MORE THAN  
**4,000**  
ADVISORS NATIONWIDE

# Performance Update



RETURNS AS OF 9/30/21	TOTAL RETURN YTD	TOTAL RETURN 1 YR	TOTAL RETURN ANNUALIZED 3 YR	TOTAL RETURN ANNUALIZED 5 YR	TOTAL RETURN ANNUALIZED SINCE INCEPTION*
Equity - Alpha-Core	9.50	30.57	11.11	11.58	11.38
Equity Category Average	10.66	28.52	11.12	11.97	11.32
Equity Titled Balanced – Alpha-Core	7.91	24.47	10.28	9.64	9.79
Equity Titled Category Average Benchmark	7.70	20.66	9.46	9.38	9.23
Balanced – Alpha-Core	6.14	18.54	9.14	8.31	8.86
Balanced Category Average Benchmark	5.88	15.97	8.59	8.02	8.20
Conservative Balanced – Alpha-Core	4.09	12.34	7.61	6.35	7.23
Conservative Balanced Category Average Benchmark	3.49	10.22	7.35	6.20	6.82

**\*Inception Date :  
1/1/2009**

### Benchmark Compositions

Equity Category Average : Consists of a 50 % weighting to the US Fund Large Blend Category, 10 % weighting in the US Fund Small Blend Category, 20 % weighting in the US Fund Foreign Large Blend Category, and 20 % weighting in the US Fund Diversified Emerging Markets Category.

Equity Titled Category Average: Consists of 35 % weighting to the US Fund Large Blend Category, 7% weighting in the US Fund Small Blend Category, 14.5% weighting in the US Fund Foreign Large Blend Category, 14.5% weighting in the US Fund Diversified Emerging Markets Category, 20% weighting in the US Fund Intermediate Core Bond Category, 4% weighting in the US Fund Multistrategy Category, and a 5% weighting in the US Fund Systematic Trend Category.

Balanced Category Average: Consists of a 28% weighting to the US Fund Large Blend Category, 5 % weighting in the US Fund Small Blend Category, 11% weighting in the US Fund Foreign Large Blend Category, 11% weighting in the US Fund Diversified Emerging Markets Category, 35% weighting in the US Fund Intermediate Core Bond Category, 5% weighting in the IS Fund Multistrategy Category, and a 5% weighting in the US Fund Systematic Trend Category.

Conservate Balanced Category Average: Consists of a 18% weighting to the US Fund Large Blend Category, 3% weighting in the US Fund Small Blend Category, 7% weighting in the US Fund Foreign Large Blend Category, 7% weighting in the US Fund Diversified Emerging Category, 55% weighting in the US Fund Intermediate Core Bond Category, 5 % weighting in the IS Fund Multistrategy Category, and a 5% weighting in the US Fund Systematic Trend Category.



# Alpha-Core Balanced Portfolio



**Portfolio  
Strategies**

<b>Alpha-Core Balanced Portfolio (60 stock / 40 bond)*</b>			
<b>Holding</b>	<b>Ticker</b>	<b>Pct</b>	<b>Expense</b>
<b>FIXED-INCOME</b>			
Cash		2.0%	0.00%
<b>Investment-Grade Bond Funds</b>		<b>19.0%</b>	
Dolan McEniry Corporate Bond Fund	IDMIX	5.5%	0.71%
DoubleLine Total Return Bond Inst'l	DBLTX	5.5%	0.49%
Guggenheim Total Return Bond Inst'l	GIBIX	8.0%	0.52%
<b>Absolute-Return-Oriented Fixed-Income</b>		<b>5.0%</b>	
PartnerSelect High Income Fund	MAHIX	5.0%	0.98%
<b>Floating-Rate Loan Funds</b>		<b>2.5%</b>	
T. Rowe Price Inst'l Floating Rate	RPIFX	2.5%	0.75%
<b>STOCKS</b>			
<b>Larger-Cap U.S. Stock Funds</b>		<b>27.0%</b>	
Polen Capital US Focus Growth Fund	POLIX	11.0%	0.98%
iShares - S&P 500 Index	IVV	5.0%	0.03%
Scharf Value Fund	LOGIX	11.0%	0.89%
<b>Smaller-Cap U.S. Stock Funds</b>		<b>5.0%</b>	
PartnerSelect SBH Focused Small Value Fund	PFSVX	2.0%	1.15%
iShares - Russell 2000 Index	IWM	3.0%	0.19%
<b>Developed International Stock Funds</b>		<b>12.0%</b>	
Polen Int'l Growth Fund	POIIX	3.0%	1.10%
PartnerSelect International Fund Institutional Class	MSILX	6.0%	1.15%
PartnerSelect Oldfield International Value Fund	POIVX	3.0%	0.94%
<b>Emerging-Market Stock Funds</b>		<b>17.5%</b>	
Vanguard FTSE Emerging Markets ETF	VWO	17.5%	0.10%
<b>ALTERNATIVE STRATEGIES</b>			
<b>Alternative Strategies</b>		<b>10.0%</b>	
PartnerSelect Alternative Strategies Fund Institutional Class	MASFX	5.0%	1.30%
iM DBi Managed Futures Strategy ETF	DBMF	5.0%	0.85%

<b>Proposed Portfolio Summary Stats:</b>	
PS/iMGP Allocation:	56.5%
Active:	72.5%
Passive:	27.5%
Expense Ratio:	0.67%

## AVAILABILITY:



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www.lgportfolios.com

The graphs, charts and other visual aids are provided for informational purposes only. None of these graphs, charts or visual aids can of themselves be used to make investment decisions.

The model portfolio returns shown for each strategy are the pro forma performance of a hypothetical account invested in the strategy for the period shown, as if an investor in that strategy had bought and sold mutual funds and ETFs as instructed by Litman Gregory during that period. For the purpose of calculating the model portfolios' performance, we have assumed that any portfolio changes are made at month end, and that there were no capital additions to or withdrawals from the hypothetical account during the period shown. Clients may rebalance their portfolios at different times, which may cause additional variance between their performance and the model performance.

The model portfolio results do not represent actual returns of any client account. Model returns do not reflect actual trading and may not reflect the impact that material economic and market factors may have had on Litman Gregory's decision-making had the hypothetical account been an actual client account. During some or all of the periods shown, Litman Gregory managed actual accounts of its own clients using strategies similar to those employed in structuring the model portfolios, and the returns of those accounts, net of Litman Gregory's management fees, may be higher or lower than those shown here.

The hypothetical "net" returns of the model portfolios shown reflect the reinvestment of dividends and other earnings of the funds included in them and the deduction of the funds' expenses, but do not reflect the deduction of any transaction costs or the fees charged by investment program sponsors, asset management platforms or other third-party investment managers, which will have a compounding adverse impact on actual results. To the extent a client obtains access to the strategy through a third-party program, platform or manager. The hypothetical "net" results shown were prepared by Litman Gregory and have not been compiled, reviewed or audited by an independent accountant.

The funds in the model portfolios include mutual funds managed by Litman Gregory (or an affiliate of Litman Gregory) which receives indirect compensation from such clients in the form of investment management fees paid by fund shareholders.

Litman Gregory has adjusted and may further adjust its investment strategies and the model portfolios at any time. Litman Gregory has in the past and will in the future depart from its long-term strategic asset class allocations for particular strategies and allocate more or less to any asset class, or to other asset classes, in an attempt to add to portfolios' overall returns. The model portfolios may include different funds in the future, and the funds included in the model portfolios will invest in different securities in the future. The model results shown reflect investment for a limited time and do not reflect performance in all different economic cycles. The model results were generated under market conditions, economic factors and other variables that will not be replicated in the future. The model performance shown is hypothetical and historical and is not an indication of the future performance of the model portfolios or any actual client account.

The model portfolios include mutual funds and exchange traded funds ("ETFs"). Each mutual fund and ETF is offered only by its prospectus, which contains more information regarding the fees, expenses and risks associated with investing in that fund. You should read each fund's prospectus carefully before investing. Mutual fund and ETF shares are not insured by the FDIC or any other agency, are not guaranteed by any financial institution, are not obligations of any financial institution, and involve investment risk, including possible loss of principal.

The material presented is for general illustration and informational purposes only. It is not to be construed as investment advice or a solicitation to invest in any security. Additional information about Litman Gregory is available from the firm and in its disclosure documents that are available on the Investment Adviser Public Disclosure web site ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)). A complete list of portfolio holdings and specific securities transactions for the preceding 12 months is available upon request.

### Benchmark Returns:

The benchmark returns for each strategy show the performance of a benchmark comprised of broad market indices selected by Litman Gregory as representative of various asset classes, weighted in a manner that corresponds to the long-term strategic allocation among asset classes that Litman Gregory has targeted for that strategy. A strategy's benchmark performance is intended to represent the historical returns of that strategy's target allocation among asset classes. A strategy's benchmark is not directly comparable to its model portfolio, however. As noted above, Litman Gregory is not required to allocate a model portfolio among asset classes in accordance with the target allocation for a strategy and makes tactical departures from the target allocations in its discretion. In addition, the model portfolios contain actively managed mutual funds and ETFs, while the benchmarks only attempt to track the general equity and fixed income markets. The securities held by the funds in the model portfolios may differ significantly from the securities included in the benchmark's indices, and the volatility of the funds may differ significantly from that of the indices.

The benchmark returns reflect the reinvestment of dividends and other earnings of securities in the indices. However, they do not reflect the deduction of transaction costs, the Strategist Fees charged by Litman Gregory, or the sponsor and platform fees charged by Envestnet, all of which reduce the returns of the model portfolios. For periods after June 30, 2013, the benchmarks consist of mutual funds and ETFs that mirror the relevant indices, and those funds' management fees and operating expenses reduce the benchmark returns, in the same way that the fees and operating expenses of the constituent funds in the model portfolios reduce the returns of the models. Before July 1, 2013, however, the benchmarks consisted of pure indices, rather than investable funds; their returns were thus not reduced by any fund expenses and as a result were less comparable as benchmarks for the model portfolios' performance. Further information about the composition of the benchmarks is shown below.

The PartnerSelect Funds (MAHIX, MASFx, MSILX and PFSVX, collectively "the Funds") are managed by iM Global Partner Fund Management, LLC, an affiliate of Litman Gregory Analytics LLC. iM Global Partner Fund Management is paid a management fee by the funds that has been approved by the independent members of the Board of Trustees of the Litman Gregory Funds Trust. iM Global Partner Fund Management is responsible for paying sub-advisory fees to the sub-advisors of each fund at rates negotiated by iM Global Partner Fund Management, LLC and approved by the independent members of Board of Trustees of the Litman Gregory Funds Trust. iM Global Partner Fund Management, LLC has contractually agreed to waive a portion of its advisory fees through at least April 30, 2022 such that after payment of all sub-advisory fees, its retained advisory fees do not exceed the following fee:

MSILX	0.40%
MASFx	0.50%
MAHIX	0.40%
PFSVX	0.33%

iM Global Partner Fund Management, LLC has contractually agreed to reimburse certain operating expenses (excluding borrowing costs, taxes, dividends or interest on short positions, brokerage commissions and transactional costs, acquired fund fees and expenses or extraordinary expenses) of MAHIX and PFSVX so that annual operating expenses do not exceed 0.98% of the annual average net assets of MAHIX or 1.15% of PFSVX, respectively through at least April 30, 2022.

The IM Dolan McEniry Corporate Bond Fund is managed by iMGlobal Partners US (IMGpus), an affiliate of Litman Gregory Analytics. IMGpus is paid a management fee by the funds that has been approved by the independent members of the Board of Trustees of the Manager Directed Portfolios trust and is responsible for paying sub-advisory fees to the sub-advisor of the fund at a rate negotiated by IMGpus and approved by the independent members of the Managers Directed Portfolios trust. IMGpus has contractually agreed to waive management fees and/or reimburse certain operating expenses (excluding any front-end or contingent deferred loads, Rule 12b-1 plan fees, shareholder servicing plan fees, taxes, leverage (*i.e.*, any expenses incurred in connection with borrowings made by the Fund), interest (including interest incurred in connection with bank and custody overdrafts), brokerage commissions and other transactional expenses, expenses incurred in connection with any merger or reorganization, dividends or interest on short positions, acquired fund fees and expenses or extraordinary expenses such as litigation (collectively, "Excludable Expenses")) do not exceed 0.70% and 1.05% of the Fund's average daily net assets in the Institutional and Advisor Share Classes, respectively, through at least April 30, 2022.

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