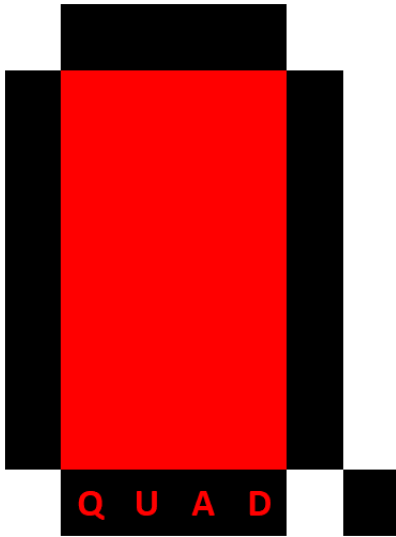


UNDERSTANDING (Y)OUR STRATEGIES—*QUAD*

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In this series, we profile our four proprietary strategies—QUAD, CORE, FOCAL, and ASTRA—deployed to manage our clients’ money.

Unlike most approaches, we see markets not as purely random or fully deterministic, but as organized into market regimes—large, coherent waves of favorable or adverse conditions that persist over time and span broad segments of the market. Each strategy is a purpose-built ship, designed to navigate shifting waters within and between market regimes.

Importantly, all four strategies share the same mission: in bullish regimes, they set sail to capture gains; in bearish regimes, they retreat to port, taking on a defensive posture. This contrasts sharply with most investment disciplines, which, regardless of market conditions, stick to fixed allocations—risk-rated (like the “moderate” 60/40 stocks-bond mix) or goal-oriented (Income, Growth, or Growth & Income).

Though united in mission, each strategy charts its own path, evident across three dimensions: regime detection, trading engines, and allocation granularity.

QUAD—our second offering to clients since the mid-2000s—embodies these principles:

With the longest R&D heritage (25+ years), QUAD pioneered one of the first frameworks for detecting market regimes, a core concept of 4th Generation Factor Investing. Its name reflects a constellation of four proprietary indicators—the first, and still the weightiest, among a dozen markers—assessing market dynamics to gauge regime status and calibrate exposure. Because its market inputs flow without lag or revisions (unlike traditional economic indicators), QUAD can reach 100% stock exposure in bullish regimes—which are more prevalent—and is thus classified as “Aggressive Growth” in conventional terms. Still, during bearish regimes, it is designed to assume a defensive posture, including going fully to cash when needed.

Once exposure is calibrated, three engines drive QUAD’s execution. These tightly integrated protocols combine indicators with decision rules to determine the selection, allocation, and trading of QUAD’s holdings. Two of these—QL64 and GV64—are engineered to track unfolding market trends, while a third—QU82—aims to amplify them. Each engine combines ‘offensive’ and ‘defensive’ components to maintain strong traction through rallies and pullbacks.

Finally, QUAD is designed to capture market opportunities through broader, lower-resolution asset segmentation, focusing on market factors to mute the noise, volatility, and tax inefficiencies tied to sector and industry rotations.

Its market-based regime surveillance, balanced three-engine trading, and broader asset segmentation make QUAD a highly complementary and synergistic companion to our CORE, FOCAL, and ASTRA in both taxable and deferred accounts.

Curious about what this could mean for your portfolio? Visit our HQ for an interactive, behind-the-scenes look at QUAD and our other strategies in action.

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