



# Rolling Returns are Revealing

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The Defined Risk Strategy – Seeking to Address Timing Risk

Swan Defined Risk Strategy Select Composite vs. S&P 500 Index vs. Barclays U.S. Aggregate Bond Index vs. Traditional 60/40 Portfolio

## S&P 500 Index vs. Swan DRS Rolling Annualized Returns Since Inception Based on Month-End

Rolling Period	S&P 500: July 97-Dec 2018				Swan DRS: July 97-Dec 2018				DRS vs S&P 500
	Current Rolling Return	Average Rolling Return	Worst Rolling Return	Best Rolling Return	Current Rolling Return	Average Rolling Return	Worst Rolling Return	Best Rolling Return	% of Occurrences DRS Outperformed
Rolling 1 Year	-4.38%	8.53%	-43.32%	53.62%	-7.80%	8.09%	-7.80%	38.25%	36.03%
Rolling 2 Year	7.93%	7.40%	-26.08%	37.22%	1.07%	7.85%	-0.80%	23.95%	40.00%
Rolling 3 Year	9.26%	6.45%	-16.09%	25.56%	3.84%	7.59%	1.31%	19.18%	47.53%
Rolling 4 Year	7.23%	6.09%	-9.76%	22.42%	2.10%	7.57%	2.10%	12.90%	57.35%
Rolling 5 Year	8.50%	6.13%	-6.63%	23.00%	2.97%	7.69%	2.97%	12.89%	60.80%
Rolling 6 Year	12.15%	6.29%	-1.13%	21.72%	4.78%	7.73%	4.51%	11.14%	67.91%
Rolling 7 Year	12.70%	6.17%	-3.85%	17.27%	5.38%	7.80%	4.50%	10.81%	72.00%
Rolling 10 Year	13.12%	5.30%	-3.43%	14.32%	6.31%	7.92%	5.99%	10.67%	72.66%
Rolling 15 Year	7.77%	6.14%	3.76%	10.53%	6.93%	7.78%	6.76%	9.38%	74.68%

Since Inception: July 97-Dec 2018	S&P 500 Index	Swan DRS
Annualized Return	6.95%	7.82%

Source: Swan Global Investments and Zephyr StyleAdvisor. Data based on historic returns of the S&P 500 Total Return Index and Swan DRS Select Composite net of fees, from 7/1997 to 12/31/2018, and assume no portfolio withdrawals. Results in the table are the best, worst, and average annualized returns, based on month-end returns, for every rolling period listed within the overall time frame of July 1st, 1997 to December 31st, 2018. Prior performance is not a guarantee of future results and there can be no assurance, and investors should not assume, that future performance will be comparable to past performance.

## Barclays U.S. Aggregate Bond Index vs. Swan DRS Rolling Annualized Returns Since Inception Based on Month-End

Rolling Period	Barclays US Aggregate Bond: July 97-Dec 2018				Swan DRS Select Composite: July 97-Dec 2018				DRS vs BarcAgg
	Current Rolling Return	Average Rolling Return	Worst Rolling Return	Best Rolling Return	Current Rolling Return	Average Rolling Return	Worst Rolling Return	Best Rolling Return	% of Occurrences DRS Outperformed
Rolling 1 Year	0.01%	4.87%	-2.47%	14.57%	-7.80%	8.09%	-7.80%	38.25%	68.42%
Rolling 2 Year	1.76%	4.89%	-0.66%	10.87%	1.07%	7.85%	-0.80%	23.95%	65.11%
Rolling 3 Year	2.06%	5.04%	1.04%	10.92%	3.84%	7.59%	1.31%	19.18%	81.61%
Rolling 4 Year	1.68%	5.08%	1.24%	8.88%	2.10%	7.57%	2.10%	12.90%	84.83%
Rolling 5 Year	2.52%	5.07%	1.47%	7.92%	2.97%	7.69%	2.97%	12.89%	85.43%
Rolling 6 Year	1.75%	5.04%	1.34%	8.04%	4.78%	7.73%	4.51%	11.14%	95.72%
Rolling 7 Year	2.10%	5.07%	1.89%	7.06%	5.38%	7.80%	4.50%	10.81%	100.00%
Rolling 10 Year	3.48%	5.15%	3.48%	6.53%	6.31%	7.92%	5.99%	10.67%	100.00%
Rolling 15 Year	3.87%	5.05%	3.76%	6.27%	6.93%	7.78%	6.76%	9.38%	100.00%

Since Inception: July 97-Dec 2018	Barclays US Aggregate Bond	Swan DRS
Annualized Return	4.93%	7.82%

Source: Swan Global Investments and Zephyr StyleAdvisor. Data based on historic returns of a 60/40 blended composite and the Swan DRS Select Composite net of fees, from 7/1997 to 12/31/2018, and assume no portfolio withdrawals. The 60/40 blended composite, weighted 60% in the S&P 500 Index, which consists of approximately 500 large cap stocks, and 40% in the Barclays US Aggregate Bond Index. The 60/40 is rebalanced monthly. The Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency). Results in the table are the best, worst, and average annualized returns, based on month-end returns, for every rolling period listed within the overall time frame of July 1st, 1997 to December 31st, 2018. Prior performance is not a guarantee of future results and there can be no assurance, and investors should not assume, that future performance will be comparable to past performance.

## 60/40 Portfolio vs. Swan DRS Rolling Annualized Returns Since Inception Based on Month-End

Rolling Period	60/40 Portfolio: July 97-Dec 2018				Swan DRS: July 97-Dec 2018				DRS vs 60/40
	Current Rolling Return	Average Rolling Return	Worst Rolling Return	Best Rolling Return	Current Rolling Return	Average Rolling Return	Worst Rolling Return	Best Rolling Return	% of Occurrences DRS Outperformed
Rolling 1 Year	-2.35%	6.96%	-27.65%	34.50%	-7.80%	8.09%	-7.80%	38.25%	43.32%
Rolling 2 Year	5.61%	6.45%	-14.59%	24.76%	1.07%	7.85%	-0.80%	23.95%	52.77%
Rolling 3 Year	6.50%	6.04%	-7.24%	18.45%	3.84%	7.59%	1.31%	19.18%	56.05%
Rolling 4 Year	5.17%	5.89%	-4.05%	16.11%	2.10%	7.57%	2.10%	12.90%	60.19%
Rolling 5 Year	6.24%	5.93%	-2.26%	15.85%	2.97%	7.69%	2.97%	12.89%	63.82%
Rolling 6 Year	8.05%	6.05%	1.69%	15.08%	4.78%	7.73%	4.51%	11.14%	70.59%
Rolling 7 Year	8.51%	6.00%	-0.12%	12.31%	5.38%	7.80%	4.50%	10.81%	74.86%
Rolling 10 Year	9.42%	5.54%	0.42%	10.18%	6.31%	7.92%	5.99%	10.67%	88.49%
Rolling 15 Year	6.44%	6.01%	4.69%	8.14%	6.93%	7.78%	6.76%	9.38%	91.14%

Since Inception: July 97-Dec 2018	60% S&P 500 Index / 40% Barclays Aggregate Bond	Swan DRS
Annualized Return	6.45%	7.82%

Source: Swan Global Investments and Zephyr StyleAdvisor. Data based on historic returns of a 60/40 blended composite and the Swan DRS Select Composite net of fees, from 7/1997 to 12/31/2018, and assume no portfolio withdrawals. The 60/40 blended composite, weighted 60% in the S&P 500 Index, which consists of approximately 500 large cap stocks, and 40% in the Barclays US Aggregate Bond Index. The 60/40 is rebalanced monthly. The Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency). Results in the table are the best, worst, and average annualized returns, based on month-end returns, for every rolling period listed within the overall time frame of July 1st, 1997 to December 31st, 2018. Prior performance is not a guarantee of future results and there can be no assurance, and investors should not assume, that future performance will be comparable to past performance.

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