

**PORTFOLIO STRATEGY**

The Laffer Tengler Fixed Income Strategy utilizes Exchanged Traded Funds (ETFs) with underlying investments in fixed-income securities to construct each portfolio. The primary objective of these portfolios is to seek a competitive level of current income, with a secondary objective of capital appreciation. Portfolio duration and sector allocation are actively managed to maximize the potential for total return while limiting risk exposure to capital loss.

Fixed Income ETFs are utilized in this strategy because they complement a macro-economic, top-down approach to investing. Since ETFs are traditionally designed to allow one investment instrument to represent an entire index or asset class, exposure to the broad fixed-income market is obtainable with just a few ETF positions. The strategy is a research-driven, diversified portfolio using Laffer Tengler's proprietary data, known as the Economic Chartbook. The Economic Chartbook is a compilation of numerous macroeconomic variables, which are analyzed to forecast the fixed income market's reaction to current and future market conditions compiled from decades of experience in top-down, supply-side research and analysis produced in coordination with Laffer Associates.

**INVESTMENT STRATEGY**

- The goal of the Fixed Income ETF Strategy is to provide competitive current income as a primary objective with capital appreciation as a secondary objective.
- The strategy is managed with an overall emphasis on intermediate-term, fixed income maturities and an overall average investment-grade credit quality.
- The investment team evaluates the current and expected economic environment and targeted strategy benchmark.
- The strategy analyzes and selects the exchange-traded funds (ETFs) that best fit the management team's duration and quality targets.
- ETF securities are weighted to take advantage of the investment team's duration, quality, and current income targets versus the strategy's benchmark.

**TOP HOLDINGS**

Portfolio Date: 12/31/2023

Name	Portfolio Weighting %
iShares 1-5 Year Inv Grade Corporate Bond ETF	20.00
iShares 0-5 Year Inv Grade Corporate Bond ETF	19.92
Invesco Variable Rate Investment Grd ETF	13.64
VanEck IG Floating Rate ETF	13.54
BlackRock Short Duration Bond ETF	10.35
iShares € High Yield CorpBd ETF EUR Dist	10.01
iShares Treasury Floating Rate Bond ETF	9.65
Dreyfus Government Cash Mgmt Svc new	0.01

**MORNINGSTAR RATINGS**

Inception Date	10/2/2006	
Morningstar Category	US SA Intermediate Core-Plus Bond	
Morningstar Rating Date	12/31/2023	
Time Period	Morningstar Rating	Funds in Category
Overall	★★★★	161
3 Yr	★★★★	161
5 Yr	★★★★★	138
10 Yr	★★★	99

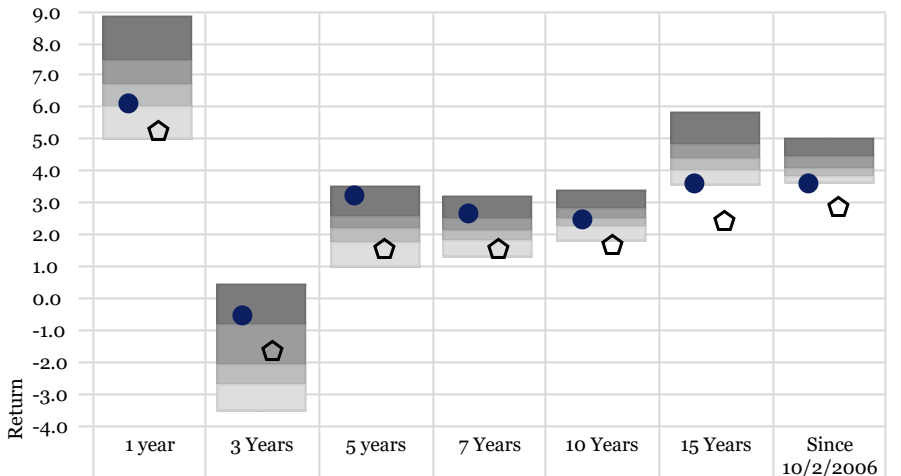
This rating was awarded by Morningstar as of December 31<sup>st</sup>, 2023, based on a weighted average of the three-, five-, and ten-year ratings through December 31<sup>st</sup>, 2023. Laffer Tengler Investments, Inc. does not compensate Morningstar to be provided a rating; however, we do pay Morningstar to obtain other products and services available from them or their affiliates. Additional information about the Morningstar Rating system, including the calculation methodology, can be found at [https://www.morningstar.com/content/dam/marketing/shared/research/methodology/771945\\_Morningstar\\_Rating\\_for\\_Funds\\_Methodology.pdf](https://www.morningstar.com/content/dam/marketing/shared/research/methodology/771945_Morningstar_Rating_for_Funds_Methodology.pdf)

**COMPOSITE CHARACTERISTICS**

Average Eff Duration Survey	1.45
Average Eff Maturity Survey	2.41
Average Credit Quality	BBB

**NET ANNUALIZED RETURN VS. PEER GROUP**

As of Date: 12/31/2023 Peer Group (5-95%): Separate Accounts - U.S. - Intermediate Core-Plus Bond



**CURRENT GROSS YIELD: 5.6%**

**COMPOSITE CHARACTERISTICS: 5 YEARS**

Time Period: 1/1/2019 to 12/31/2023

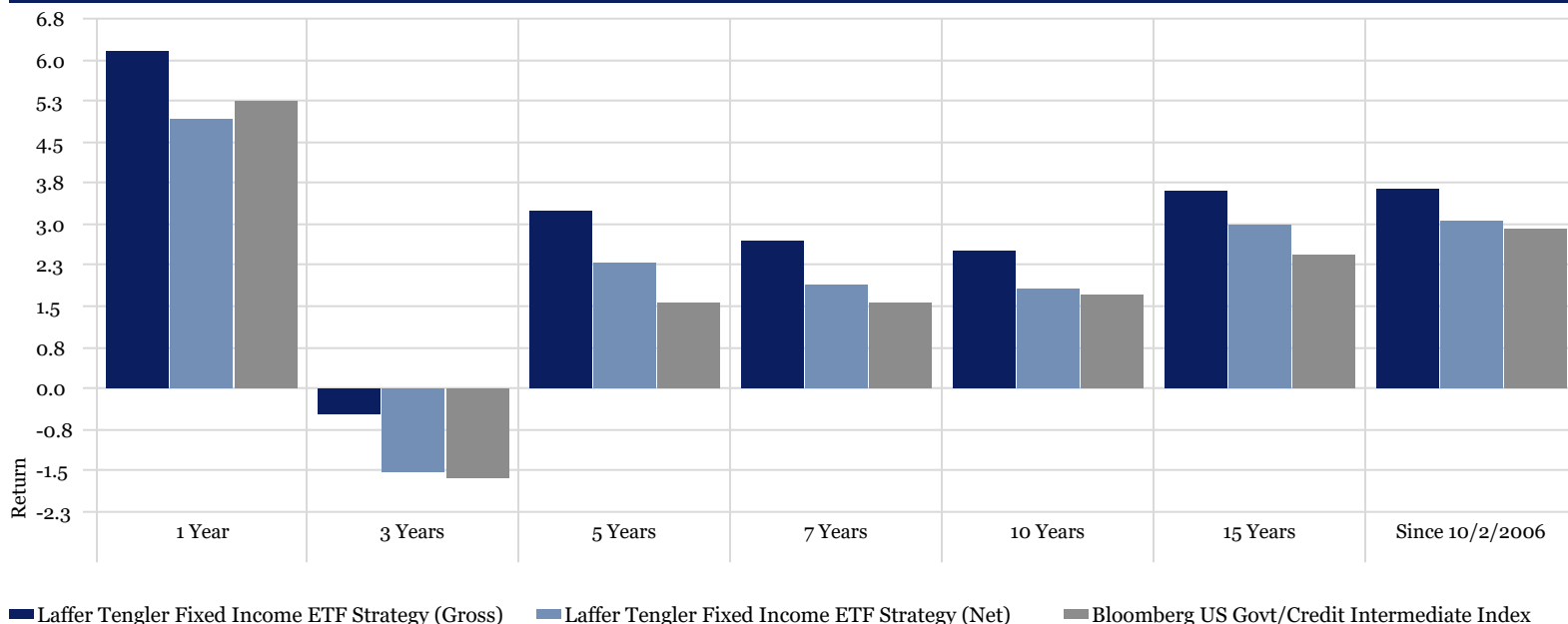
Calculation Benchmark: Bloomberg US Govt/Credit Interm TR USD

	Strategy	Benchmark
Alpha	1.59	0.00
Beta	0.77	1.00
Standard Deviation	4.88	4.02
Up Capture Ratio	106.17	100.00
Down Capture Ratio	72.32	100.00
Information Ratio (ar)	0.43	
Correlation	0.63	1.00

● Laffer Tengler Fixed Income ETF Strategy      ◆ Bloomberg US Govt/Credit Intermediate Index

4<sup>th</sup> Quarter 2023

**GROSS AND NET ANNUALIZED RETURNS**



**ANNUALIZED GROSS RETURNS**

	1 Year	3 Years	5 Years	7 Years	10 Years	15 Years	Since 10/2/2006
Laffer Tengler Fixed Income ETF Strategy	6.16	-0.49	3.25	2.70	2.54	3.62	3.66
Bloomberg US Govt/Credit Intermediate Index	5.24	-1.63	1.59	1.57	1.72	2.46	2.92

**ANNUALIZED NET RETURNS**

	1 Year	3 Years	5 Years	7 Years	10 Years	15 Years	Since 10/2/2006
Laffer Tengler Fixed Income ETF Strategy	4.95	-1.54	2.32	1.90	1.85	3.00	3.06
Bloomberg US Govt/Credit Intermediate Index	5.24	-1.63	1.59	1.57	1.72	2.46	2.92

**CALENDAR GROSS RETURNS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Laffer Tengler Fixed Income ETF Strategy	6.16	-6.78	-0.41	9.25	9.01	-0.74	3.45	3.67	-0.23	3.10	-1.17	6.95	7.14	6.57	9.93	1.33	6.40
Bloomberg US Govt/Credit Intermediate Index	5.24	-8.23	-1.44	6.43	6.80	0.88	2.14	2.08	1.07	3.13	-0.86	3.89	5.80	5.89	5.24	5.08	7.39

**CALENDAR NET RETURNS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Laffer Tengler Fixed Income ETF Strategy	4.95	-7.86	-1.30	8.28	8.52	-1.19	2.99	3.21	-0.68	2.64	-1.62	6.47	6.66	6.09	9.44	0.88	5.92
Bloomberg US Govt/Credit Intermediate Index	5.24	-8.23	-1.44	6.43	6.80	0.88	2.14	2.08	1.07	3.13	-0.86	3.89	5.80	5.89	5.24	5.08	7.39

**STRATEGY TEAM**

**Arthur B. Laffer, Jr.:** President  
*Strategy Team Leader*

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4<sup>th</sup> Quarter 2023

## DISCLOSURE INFORMATION:

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1. All information presented is accurate as of December 31<sup>st</sup>, 2023 unless otherwise indicated.
2. Unless otherwise indicated, performance results and other illustrated portfolio characteristics are based on the Laffer Tengler Fixed Income Composite ("Composite"). All performance results are shown on an annualized basis except for periods of less than one year. Prior to March 31<sup>st</sup>, 2020, the Composite was known as the Laffer Fixed Income Composite. A composite is an aggregation of one or more portfolios managed by Laffer Tengler into a single group that represents a particular investment objective or strategy. The performance information contained in this presentation is therefore derived from actual results. The portfolio characteristics, holdings and related information presented herein relate to the Composite as a whole.
3. Accounts that comprise the Composite are not identical and may have different inception dates, may be subject to client-imposed restrictions or otherwise may have more or less flexibility in achieving their investment objective (including with respect to capitalization, industry or geography). They also vary in size. Additionally, the firm's views and advice as to portfolio composition and characteristics for accounts following the strategy as reflected in the Composite evolve over time. Decisions made for one account may differ from those made for other accounts. For pre-existing accounts transferred to Laffer Tengler, Laffer Tengler may determine to retain prior holdings or employ different account weightings for a variety of reasons including tax characteristics or consequences, holding periods, transaction costs, legal or client-imposed restrictions. Thus, at any time, any particular account among those comprising the Composite may or may not include some or all of the same securities (or weightings) as other accounts that comprise the Composite. Any particular account may have portfolio characteristics and performance that differs from other accounts within the Composite. The firm's current market outlook is subject to change from time to time and without notice. A change in market outlook would generally lead to changes in account compositions, which may impact the characteristics presented herein. Individual results and portfolio compositions may also vary as a result of market conditions, trading costs, account size, cash flows, account restrictions and other factors that may be unique to each account. The portfolio characteristics, holdings and related information for any particular account comprising the Composite will vary from time to time based on, among other things, available cash, market conditions and the client's individual investment needs guidelines and restrictions. There is no guarantee that the portfolio characteristics, holdings, and related information for the Composite will remain identical to that presented here; Laffer Tengler may make investment decisions which cause the portfolio characteristics, holdings, and related information to vary from that presented herein over time.
4. Current Yield is as of December 31<sup>st</sup>, 2023. Indicated yield is used in all cases unless otherwise noted. Indicated yield is the most recently announced dividend or interest amount (depending on the security type), annualized based on the payment frequency (quarterly, semiannually, etc.) divided by the closing market price.
5. The illustrated performance is historical and does not represent future results. Historical performance is not predictive or indicative of future performance. Your actual return and yield will vary, and your account may generate a gain or a loss. All performance data labeled as "Gross" reflects performance with no deduction of advisory fees or other expenses (except for brokerage commissions where applicable) associated with managing the accounts in the Composite. The returns are calculated pre-tax and would be lower if advisory fees and other expenses were deducted. For example, if a 1.00% annual advisory fee were deducted quarterly and your annual return were 10.00% (based on quarterly returns of approximately 2.41% each quarter) before deduction of investment advisory fees, the deduction of the investment advisory fees would result in an annual return of approximately 8.93% due, in part, to the compound effect of such fees. All performance data labeled as "Net" reflects deduction of fees charged to customers by Laffer Tengler. For the strategy shown, the performance has been reduced by the amount of the highest fee charged to any customer employing the strategy used in managing the accounts within the Composite during the period under consideration. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. Laffer Tengler's fees are available upon request and may be found in Part 2 of its Form ADV. All returns reflect reinvestment of dividends and capital gains. The inception date for the Laffer Tengler Fixed Income Composite is October 2nd, 2006.
6. The illustrated benchmark for the Laffer Tengler Fixed Income Composite is the Bloomberg Barclays Intermediate Government/Cred Bond Index ("Barclays US Int Gov/Cred Index"). The Barclays US Int Gov/Cred Index is a broad-based index composed of U.S. Government Agencies and Treasuries and investment grade corporate securities. All bonds in the index are investment grade (rated Baa or higher by Moody's or BBB or higher by S&P, if unrated by Moody's). Issues must have one to ten years to maturity and at least \$25 million par outstanding. The index is weighted by the market values of the issues included in the index and is representative of approximately 100% of all investment grade bonds, not including mortgage-backed securities.
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