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## MBSM Agg Plus Alpha Jan 2018 returns - Optimal Portfolio of Fixed Income Funds

Hello.

The Institutional version of this fixed income funds portfolio returned -0.31% net while the Retail version returned -0.29% net in January 2018, as US rates rose. Our streak of 13 months with no drawdowns, in both versions of this strategy, has ended, as US rates rose.

**Both portfolios, however, handily outperformed the Barclays Agg Index and ETF by 81 and 83 bps respectively!** The AGG ETF returned -1.13%.

The Sharpe ratio is 2.0 gross, 1.8 net, with 5.6% annualized Alpha over the Agg, and 0.4 Beta to the Agg.

To recap - these portfolios of fixed income funds are constructed through portfolio optimization techniques to match the standard deviation of the Barclays Agg index, and provide an Alpha generating source of bond market exposure, with reasonable liquidity.

We can implement these strategies in Separate Accounts, or on an Advisory basis. A long/short version might also be possible.

Regards, Samir.

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