

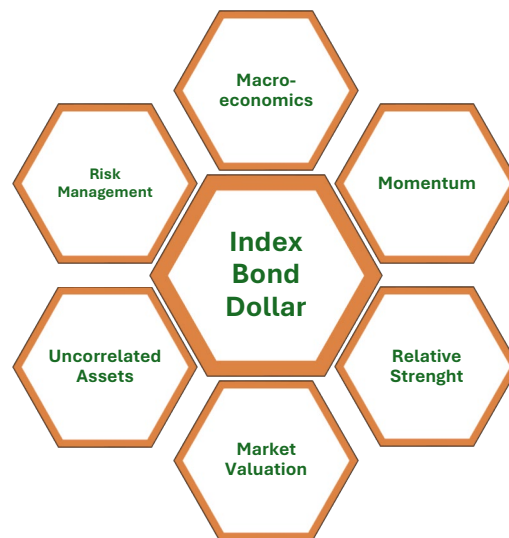


Franson Financial

Fact Sheet

Major Index, US Bond, and US Dollar Strategy (IBD)

This strategy will use a combination of Index ETFs, US Treasury bonds, notes, and bills, US Treasury bond ETFs, US dollar ETFs, and cash. The portfolio weighting will shift between equity, bonds, notes, bills, dollars, and cash based on varying market and macroeconomic conditions. The major index portion will use ETFs to gain exposure to the following indices: Russell 2000, S&P 500, Nasdaq 100, and Dow Jones Industrial Average. The US bond portion of the strategy will have exposure to US Treasury bonds, notes, or bills of varying duration. The US dollar portion provides currency exposure.



Macroeconomics – Inflation and growth are two of the major factors that determine market performance. In a rising inflation and accelerating growth environment, we expect that the Russell 2000 small cap index and the Nasdaq 100 should outperform. Alternatively, during falling inflation and accelerating growth, we anticipate that US Treasury notes and bonds, the Nasdaq 100, and S&P 500 will do well. On the other hand, when growth slows and inflation is rising, assets such as US Treasury bills, notes, and bonds, the Nasdaq 100, Dow Jones, and the US dollar should be solid performers. Finally, if growth is slowing and inflation falls, US Treasury bills, notes and bonds, cash, and the US dollar should perform the best comparatively to the rest of the market.

Momentum and Relative Strength – Momentum is the acceleration of an asset's price. A momentum strategy seeks to find assets in an upward trend and then invest in those assets. Relative strength looks to find and invest in assets that are outperforming the overall market.

Market Valuation – We monitor price-to-earnings ratios, earnings per share, free cash flows, and overall earnings to help track the overall health of the market.

Risk Management – Using assets that perform differently in changing growth and inflation conditions, we can help provide returns not correlated to the market. Along with following momentum and relative strength trends, the potential exists to minimize total portfolio drawdowns in changing economic environments.

Investment Team

Caleb Franson, MBA
Isaac Franson

Chief Investment Officer
Portfolio Manager

Firm Overview

Founded: 2022
Ownership: 100% Employee Owned
Based: Hayward, WI

Strategy Overview

Inception Date: May 1, 2024
Benchmark: S&P 500 Index

Disclosures: Franson Financial claims compliance with the Global Investment Performance Standards (GIPS®) and a composite is available upon request. Franson Financial has not been independently verified.

Firm: Franson Financial LLC ("Franson Financial") is defined as an independent investment management firm that is not affiliated with any parent organization. Franson Financial is an investment manager investing in global and U.S. traded securities.

Composite Construction: The Major Index, US Bond, and US Dollar (IBD) Composite ("Composite") was created May 1, 2024. The Composite consists of all discretionary fee-paying accounts invested in diversified portfolios of U.S. securities with the objective of maximizing total return. All fee paying, discretionary portfolios are included in firm composites; no non-fee-paying portfolios are included in firm composites.

Calculations: Valuations are computed, and performance reported in U.S. dollars. Results are calculated at a minimum of monthly and adjusted for external cash flows. Returns calculated using a time weighted rate of return. Period returns are geometrically linked. Using beginning period market values, the Composite is asset weighted by aggregating assets and cash flows into a single portfolio. Trade date accounting is used. Securities are priced using end-of-day market prices obtained from Interactive Brokers. Returns include dividends, interest, and realized and unrealized gains and losses. Dividends are recorded on a cash basis. No leverage derivatives are used. Policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.

Fees: Franson Financials' standard fee schedule for Major Index, US Bond, and US Dollar strategy (IBD) is 1.10% of assets under management. When calculating performance, the actual investment management fees are used. Past performance is not an indicator of future results. To request a complete list and description of the firm's composites, please contact us using the information below.