

## Overview

Palladium LLC is a registered investment adviser and was founded in October 2011.

As of December 2022, \$590 Million in Assets are Under Management.

Independent, employee-owned firm.

Palladium acts as a registered investment adviser and manager.

### Fixed Income Credit Quality for Income Distribution 063023

Category	Weight
AAA	20.19%
AA	5.30%
A	23.30%
BBB	15.56%
Non-Investment Grade	31.86%
Not Rated	3.80%

### Fixed Income Maturity for Income Distribution 063023

Category	Weight
Under 1 Year	0.22%
1 - 3 Years	14.16%
3 - 5 Years	26.04%
5 - 7 Years	18.77%
7 - 10 Years	7.83%
10 - 15 Years	8.15%
15 - 20 Years	4.15%
20 - 30 Years	15.18%
Over 30 Years	5.52%

## Key Attributes

Scheduled Distributions

Liquidity & Transparency

Principal Protection

Low Expenses & Fees

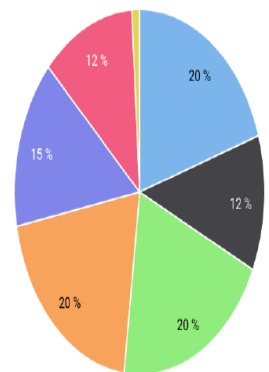
## Strategy Description

- The Income Distribution strategy is designed for investors interested in income drawdown while maintaining their principal investment.
- The portfolio is an actively managed portfolio of daily liquid diversified investments that exhibit lower volatility with a higher probability of consistent return outcome on an annual basis. This strategy replaces our previous Diversified and Focused Income strategies.
- At this time, we firmly believe that investors should not focus on yield or income return in this environment of negative real yields. We believe the risks of doing so far outweigh the benefits.

## Asset Allocation

### Income Distribution 063023

Ticker	Name	Allocation
BIL	SPDR Blmgb 1-3 Mth T-Bill ETF	20.00%
AGG	iShares Core US Aggregate Bond ETF	12.00%
CASHX	Cash	1.00%
SRLN	SPDR Blackstone Senior Loan ETF	20.00%
VABS	Virtus Newfleet ABS/MBS ETF	20.00%
GIOIX	Guggenheim Macro Opportunities Instl	15.00%
QLTA	iShares Aaa - A Rated Corporate Bond ETF	12.00%



● BIL    ● AGG    ● SRLN  
● VABS    ● GIOIX    ● QLTA  
● CASHX

## PCT PORTFOLIO SEGMENTS / CONSTITUENTS

### 85.0% Fixed Income: Preserve Capital and Generate Income

Inv Grade Corp Bonds  
 Senior Loans  
 1-3 mo T-bills  
 Asset Backed

### 15.0% Alternative: Anticipated Risk Mitigation with Alpha Opportunities

Global Macro Credit

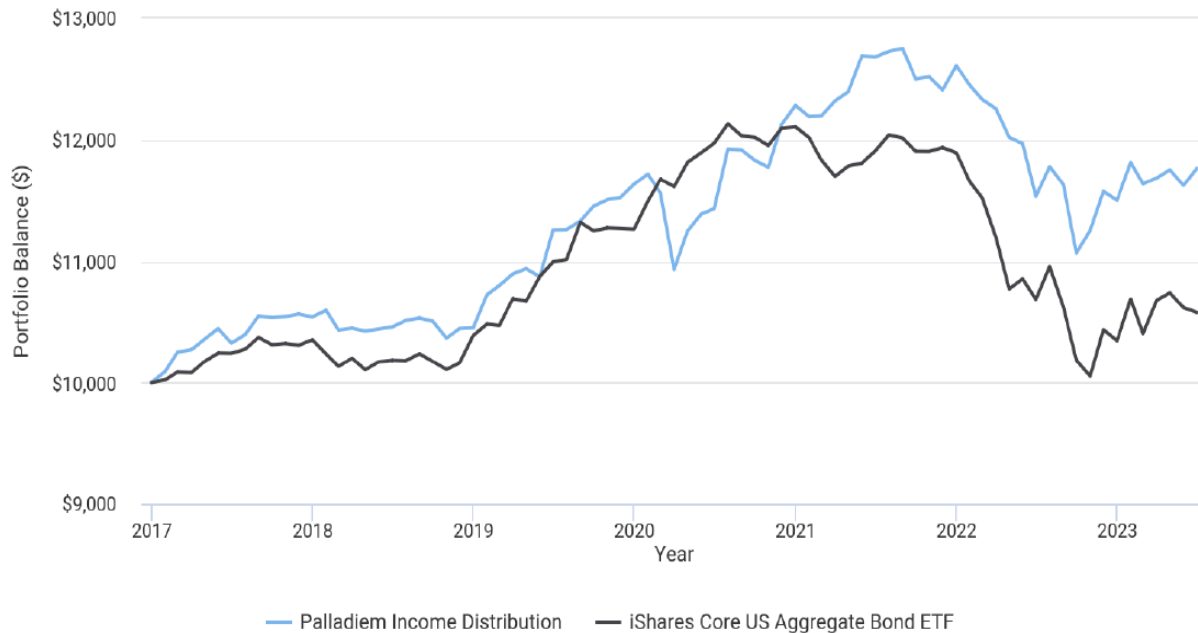
Source: Morningstar & Portfolio Visualizer

\*Holdings are subject to change and may be different than at the time of this report or based on program constraints.

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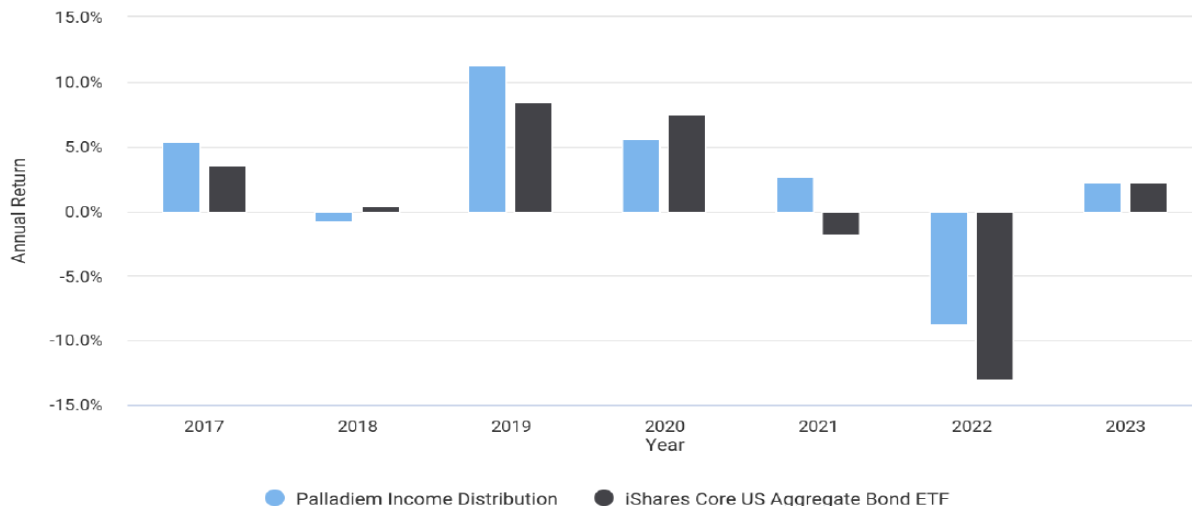
Palladium LLC is a Registered Investment Adviser. **Approved for End Client Use.**

### Growth Chart



The chart represents the growth of a hypothetical investment of \$10,000 in the strategy since inception and reflects the reinvestment of dividends and income. The chart does not represent an actual investment and is not intended to imply future results.

### Annual Returns



Source: Portfolio Visualizer (Model Returns)

\* Inception Date: 1/1/2012

Palladium strategy (net 0.55% fee). Benchmarks: 100% iShares Bloomberg US Aggregate Bond Index ETF (AGG net 0.03% fee). Benchmarks represent asset classes that may be included in the strategy and are presented to provide perspective on the strategy's historical risk, as measured by standard deviation, in relation to these asset classes. AGG (ETF) represents the Bloomberg Barclays Capital US Aggregate Bond index. You cannot invest directly in an index.

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## Risk and Return Metrics (Jan 2017 - Jun 2023)

Metric	Palladiem Income Distribution	iShares Core US Aggregate Bond ETF
Arithmetic Mean (monthly)	0.22%	0.08%
Arithmetic Mean (annualized)	2.68%	0.99%
Geometric Mean (monthly)	0.21%	0.07%
Geometric Mean (annualized)	2.53%	0.87%
Standard Deviation (monthly)	1.59%	1.45%
Standard Deviation (annualized)	5.52%	5.02%
Downside Deviation (monthly)	1.09%	1.00%
Maximum Drawdown	-13.22%	-17.14%
Stock Market Correlation	0.80	0.35
Beta (*)	0.65	1.00
Alpha (annualized)	2.01%	-0.00%
R Squared	35.07%	100.00%

## Palladiem Income Distribution Returns

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017	0.90%	1.60%	0.18%	0.83%	0.86%	-1.15%	0.68%	1.47%	-0.13%	0.09%	0.19%	-0.22%	5.40%
2018	0.52%	-1.53%	0.14%	-0.22%	0.16%	0.16%	0.51%	0.19%	-0.25%	-1.32%	0.76%	0.05%	-0.85%
2019	2.62%	0.71%	0.88%	0.39%	-0.60%	3.55%	0.03%	0.62%	1.08%	0.46%	0.16%	0.96%	11.34%
2020	0.71%	-1.34%	-5.45%	2.90%	1.25%	0.39%	4.30%	-0.07%	-0.72%	-0.47%	2.99%	1.30%	5.58%
2021	-0.75%	0.04%	1.02%	0.61%	2.40%	-0.09%	0.37%	0.19%	-1.98%	0.14%	-0.86%	1.60%	2.65%
2022	-1.26%	-0.94%	-0.62%	-1.94%	-0.42%	-3.64%	2.14%	-1.26%	-4.85%	1.68%	2.86%	-0.64%	-8.79%
2023	2.72%	-1.49%	0.41%	0.58%	-1.10%	1.20%							2.28%

Annual return for 2023 is from 01/01/2023 to 06/30/2023

## iShares Core US Aggregate Bond ETF Returns

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017	0.21%	0.65%	-0.05%	0.91%	0.69%	-0.02%	0.33%	0.94%	-0.57%	0.10%	-0.15%	0.44%	3.52%
2018	-1.13%	-1.01%	0.67%	-0.94%	0.66%	0.10%	-0.03%	0.57%	-0.62%	-0.64%	0.52%	2.22%	0.33%
2019	0.91%	-0.11%	2.12%	-0.20%	1.91%	1.10%	0.18%	2.78%	-0.61%	0.21%	-0.03%	-0.05%	8.45%
2020	2.03%	1.58%	-0.53%	1.72%	0.67%	0.66%	1.33%	-0.82%	-0.10%	-0.56%	1.21%	0.09%	7.48%
2021	-0.74%	-1.52%	-1.15%	0.73%	0.20%	0.83%	1.12%	-0.20%	-0.92%	-0.01%	0.27%	-0.36%	-1.77%
2022	-2.00%	-1.15%	-2.81%	-3.81%	0.76%	-1.55%	2.54%	-3.04%	-4.14%	-1.28%	3.81%	-0.87%	-13.03%
2023	3.33%	-2.67%	2.64%	0.57%	-1.14%	-0.37%							2.26%

Annual return for 2023 is from 01/01/2023 to 06/30/2023

Source: Portfolio Visualizer (Model Returns)

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