



# Investment Strategy: WI Factor Rotation

Investment Manager:



Dan Wallick, Wade Stinnette, Jake Wallick

<p><b>Asset Class &amp; Objective</b></p>	<p>The WI Factor Rotation’s overall portfolio style is best defined as tactical. The Factor Rotation Model’s goal is to outperform its benchmark in all market environments. WI Factor Rotation portfolio is a core, “all-weather” holding consisting of stocks having high exposure to one of our five major factors. The specific factor will be dependent on the latest economic data. For all but the most aggressive investors this portfolio should be used in conjunction with another WI core portfolio.</p>
<p><b>Strategy Custom Benchmark</b></p>	<p>48% Vanguard 500 Index (VFIAX) / 22% Russell 1000 Value Index (IWD) / 15% Vanguard Small-Cap Index (VSMAX) / 10% Vanguard FSTE All-World ex-US Index (VFWIX) / 5% Vanguard Mid-Cap Index (VIMAX)</p>
<p><b>Single Security Index</b></p>	<p>Russell 3000 / iShares Russell 3000 (IWW)</p>
<p><b>Style Factors</b></p>	<p>20% iShares MSCI USA Momentum Factor ETF (MTUM) / 20% iShares Edge MSCI USA Value Factor (VLUE) / 20% iShares Edge MSCI USA Quality (QUAL) / 20% iShares MSCI USA Minimum Volatility (USMV) / 20% SPDR S&amp;P Dividend (SDY)</p>
<p><b>Portfolio Characteristics</b></p>	<ul style="list-style-type: none"> <li>■ 21 positions with remaining in cash</li> <li>■ Concentrated factor exposure</li> <li>■ High turnover— greater than 100% per year</li> <li>■ Complies with WI faith-based and biblically responsible investment guidelines</li> </ul>
<p><b>Investment Process</b></p>	<p>Wallick Investments’ security-selection process screens a universe of over 7,200 stocks based on a proprietary weighting of each of the equity style factors. After initial screening, additional qualitative research and ensuring compliance with our ethical filters, portfolio managers select highly-ranked stocks for each portfolio. WI portfolio managers evaluate the final, top-scoring investment choices for the best combination of investments across sectors and the total portfolio. Allocations to Capital Appreciation and Defensive Factors will vary.</p>
<p><b>Sell Discipline</b></p>	<ul style="list-style-type: none"> <li>■ Deteriorating factor score, change in preferred factor</li> <li>■ A negative change in a companies corporate or moral stewardship</li> <li>■ Higher ranking choice</li> </ul>
<p><b>Risk Management</b></p>	<ul style="list-style-type: none"> <li>■ Beta will range between 0.65 – 1.35, depending on macro-economic data</li> <li>■ Sector weightings minimum of 3 sectors with at least 5%. No one sector with more than 50% weighting.</li> </ul>