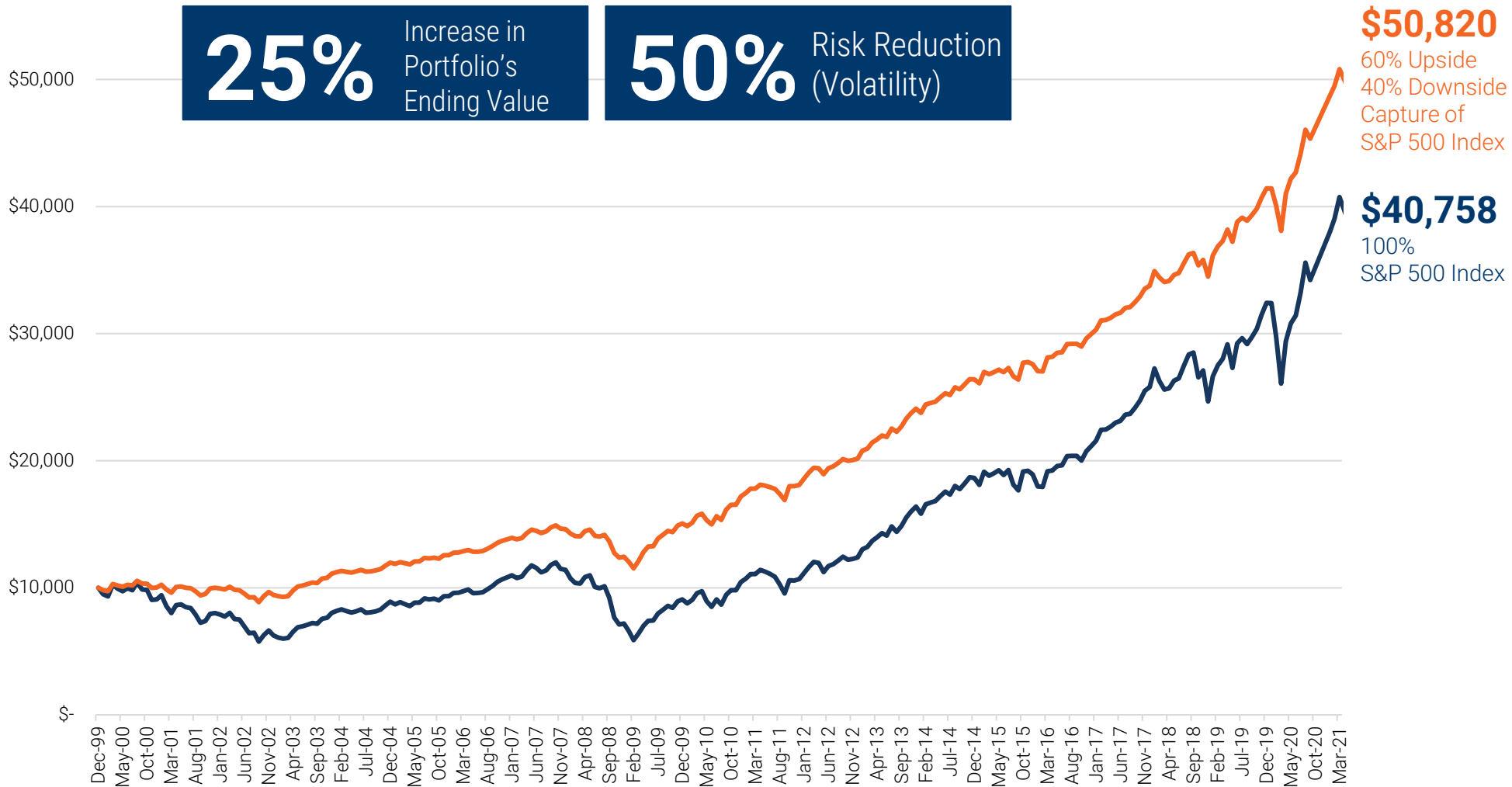


The Importance of Upside and Downside Capture

Minimizing the impact of market losses may be equally as important, if not more, than capturing 100% of market gains. That's because, the bigger the loss, the greater the return needed to get back to the original starting point. As shown below, incorporating hedged equity strategies, such as Long/Short Equity, may help truncate drawdowns and reduce the long-term impact of market declines.



Past performance is not indicative of future results. Source: Morningstar. Data from 01/01/99-03/31/21. The blue line represents a hypothetical \$10,000 investment in the S&P 500 Index (100% invested). The orange line represents a portfolio that participated in 60% of the S&P 500's gains, but experienced only 40% of the S&P 500's downside during market declines. Volatility as measured by standard deviation.

