



# Fact Sheet

## Managed Income Portfolio

1/1/1992 – 12/31/2019

### About BCA

Since 1990, BCA has provided professional investment management designed to achieve a high total return with keeping risk low. Preservation of principal and safety are important goals. Brian Carruthers has been a Certified Financial Planner (CFP) since 1988 and a Chartered Market Technician (CMT) since 1992. He joined the Market Technicians Association in 1986 and was one of the founders of the MTA's Southern California chapter.

### Investment Approach

Our adaptive-tactical investment approach is designed to generate an above average total return while keeping risk low. BCA's active strategy helps capture a high dividend yield plus capital appreciation from a potential increase in a bond fund's price. Our strategy is designed to provide a 6 - 8% net total return over a full market cycle (a Bull and Bear market), while maintaining a low risk profile.

### Investments

BCA Allocates into various types of bonds listed below. Allocations depend where we are in the business cycle, bond market technical analysis and risk adjusted performance.

- High Yield
- Bank Loan/Floating Rate
- Treasury/Government Bond
- Emerging Market Debt
- Municipal Bond
- Cash/Ultra-Short Bond

BCA Managed Income Performance (Net of 1.6% RIA fee)											
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
BCA Managed Income	6.32%	-0.23%	3.43%	9.70%	-0.57%	3.18%	7.60%	8.51%	3.64%	11.58%	35.79%
Barclays Agg Bond Index*	8.60%	-0.13%	3.45%	2.50%	0.30%	5.76%	-2.26%	4.05%	7.56%	6.42%	5.93%
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
BCA Managed Income	2.40%	4.15%	8.58%	3.69%	9.43%	26.33%	10.30%	6.40%	4.40%	5.80%	9.70%
Barclays Agg Bond Index*	5.05%	6.92%	4.27%	2.40%	4.24%	3.97%	8.26%	8.43%	11.39%	-0.76%	8.58%
	1997	1996	1995	1994	1993	1992					
BCA Managed Income	13.20%	12.00%	14.60%	3.70%	16.50%	14.20%					
Barclays Agg Bond Index*	9.44%	3.58%	18.18%	-2.66%	9.68%	7.14%					

Annualized Returns (Year ending 2019)				
	5-YR	10-YR	Since Inception 1/1/1992	Maximum Drawdown***
BCA Managed Income	3.73%	5.32%	9.20%	-1.98%
Barclays Aggregate Bond Index*	2.94%	3.63%	5.25%	-4.64%

BCA Performance Compared to Various Benchmarks (Year Ending 2019)		
	10-yr Annual Return	Biggest Annual Loss **
BCA Managed Income Portfolio	5.32%	-0.57%
Barclays Agg Bond Index (VBMFX)	3.63%	-2.26%
S&P 500 Index (VFINX)	12.62%	-37.02%
Long Term Treasury (VUSUX)	6.87%	-12.94%
High Yield Bond Index****	3.99%	-26.41%
Nontraditional Bond****	2.09%	-16.70%
Bank Loan Bond****	1.76%	-29.72%
Emerging Markets Bond****	3.34%	-17.64%

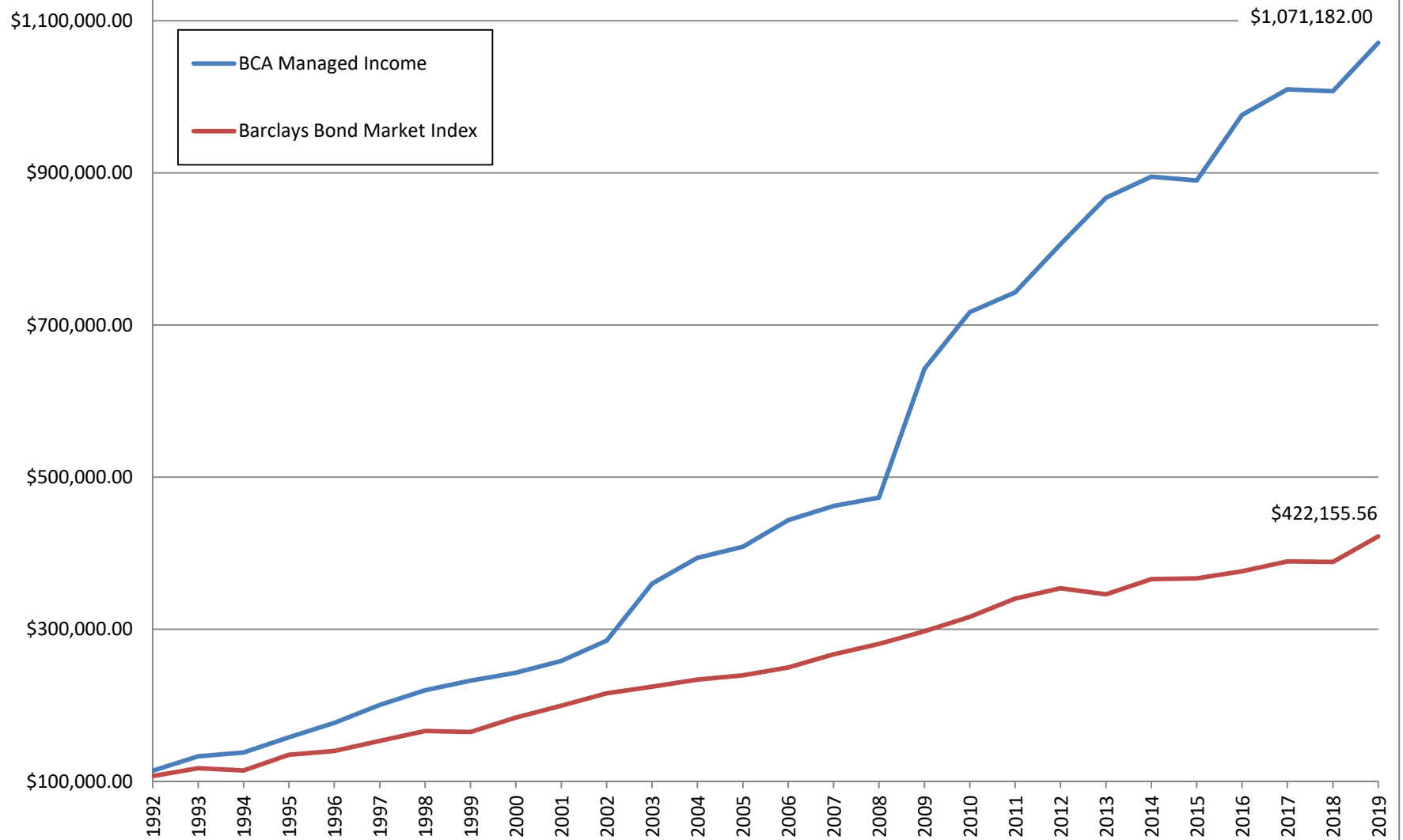
\*Barclays U.S. Aggregate Bond Index is represented by Vanguard's Total Bond Market Index Fund (VBMFX).

\*\*From 12/31/2002

\*\*\*Drawdown represents maximum drawdown; largest peak to trough loss on a rolling month to month basis. BCA Managed Income and Vanguard Total Bond drawdown since 2002.

\*\*\*\*Morningstar Fund Category Performance data used for these benchmarks

## Growth of \$100,000 Investment



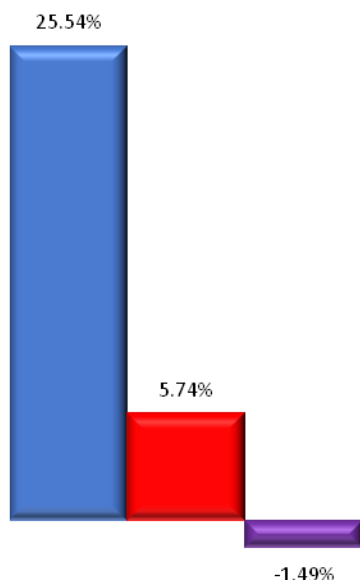
## Performance During Periods of Rising Interest Rates

### Rising Rate Period

6/1/03 - 6/30/06

Rate Expansion: 64%

10-Yr 3.11% - 5.13%

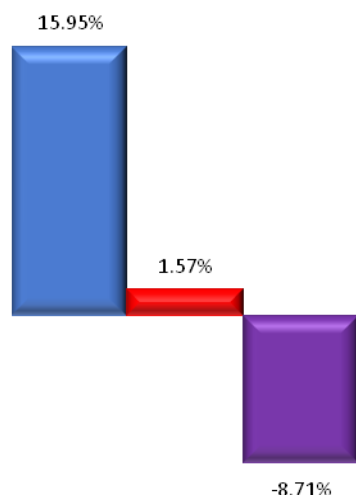


### Rising Rate Period

1/1/09 - 5/31/09

Rate Expansion: 46%

10-Yr 2.37% - 3.46%

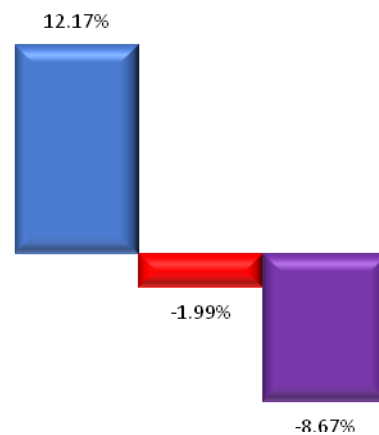


### Rising Rate Period

8/1/12 - 12/31/13

Rate Expansion: 99%

10-Yr 1.52% - 3.03%

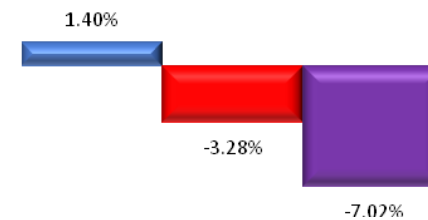


### Rising Rate Period

9/30/16 - 12/31/16

Rate Expansion: 53%

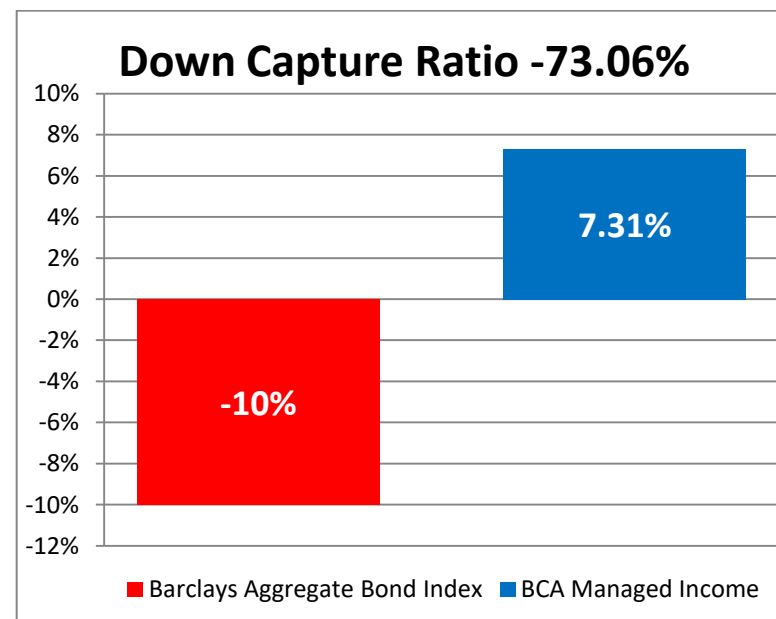
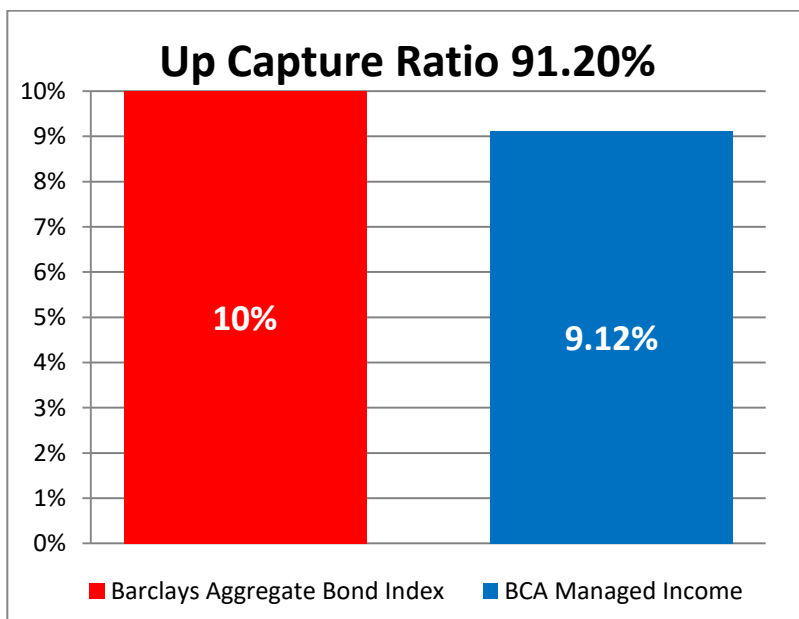
10-Yr 1.60% - 2.45%



- BCA Managed Income
- Barclays Aggregate Bond Market Index
- 10-Yr Treasury

## BCA's Managed Income Portfolio Up/Down Capture Ratio Converted to Total Return vs. Barclays Agg Bond Market Index

8/1/2002 – 12/31/2019



	Up Market Capture Ratio	Down Market Capture Ratio	Capture Ratio Spread
Managed Income vs. Barclays Aggregate Bond Market Index	91.20%	-73.06%	164.26%

If BCA's Managed Income Portfolio (MIP) generates positive returns while the benchmark (Barclays Aggregate Bond Market Index) *declines*, the MIP *downside* capture ratio will be negative (meaning it has moved in the opposite direction of the benchmark). If the MIP total return is the same as the benchmark, the Upside Capture Ratio is 100%. MIP's Upside Capture Ratio is 92.61%. For example, if the benchmark is up 10%, the MIP will be up 9.26%. MIP's Down Capture Ratio is -73.06%. For example, if the benchmark's return is *negative* 10%, BCA's MIP will be up 7.31%.

### Why Upside/Downside Capture Ratio Spread is an Important Risk Management Statistic

The Upside/Downside Capture Ratio Spread highlights our MIP's Up Capture Ratio during periods of market strength and Down Capture Ratio during periods of market weakness, which offers both downside protection and upside potential. The larger the Upside/Downside Capture