

Just the FACTS....

Monthly Market Update - Oct-3-2016

If investors viewed the stock market on September 1 and took a "vacation" until September 30, it would appear as if nothing had happened. The S&P 500 was virtually unchanged, but below the surface was a significant increase in volatility during this month.

Our FACTS® and FACTS® Active strategy slightly outperformed the S&P 500 and our Magnet® strategy (now FACTS®/Magnet®) significantly outperformed the S&P 500 in September.

As portfolio managers, we have two methods of managing risk for clients, allocating a percentage of client accounts to cash and/or allocating a percentage of a strategy to cash. We did hold a large cash position for much of the month, and continue to hold a significant amount of cash in both FACTS® Active and FACTS®/Magnet®.

We expect to see further increases in volatility in October as we approach the Presidential election, a strong stock market right up to Inauguration Day, followed by a bear market regardless of the election outcome. While the stock market continues to follow the path we have anticipated, our team remains focused on stock selection, portfolio management, and risk management.

Our current portfolio strategy is currently diversified among 50 companies that all pass the FACTS® and Magnet® screens, and pays a current dividend yielding above 2.5%. The current portfolio has a dividend yield of 4%. The strategy is called FACTS® Dividend.

Jordan L. Kimmel
Portfolio Manager
Facts Asset Management

Please feel free to contact us directly for more information.

info@factsinvestor.com

Tel -212-896-1220

Our website www.factsinvestor.com has been updated