

Bearometersm Study

S&P 500 Index
2008-2021

The Bearometersm model was designed to help identify actionable indications of change in the trend of the US stock market with the objective of limiting investor risk through managed adjustments to the amount they have invested.

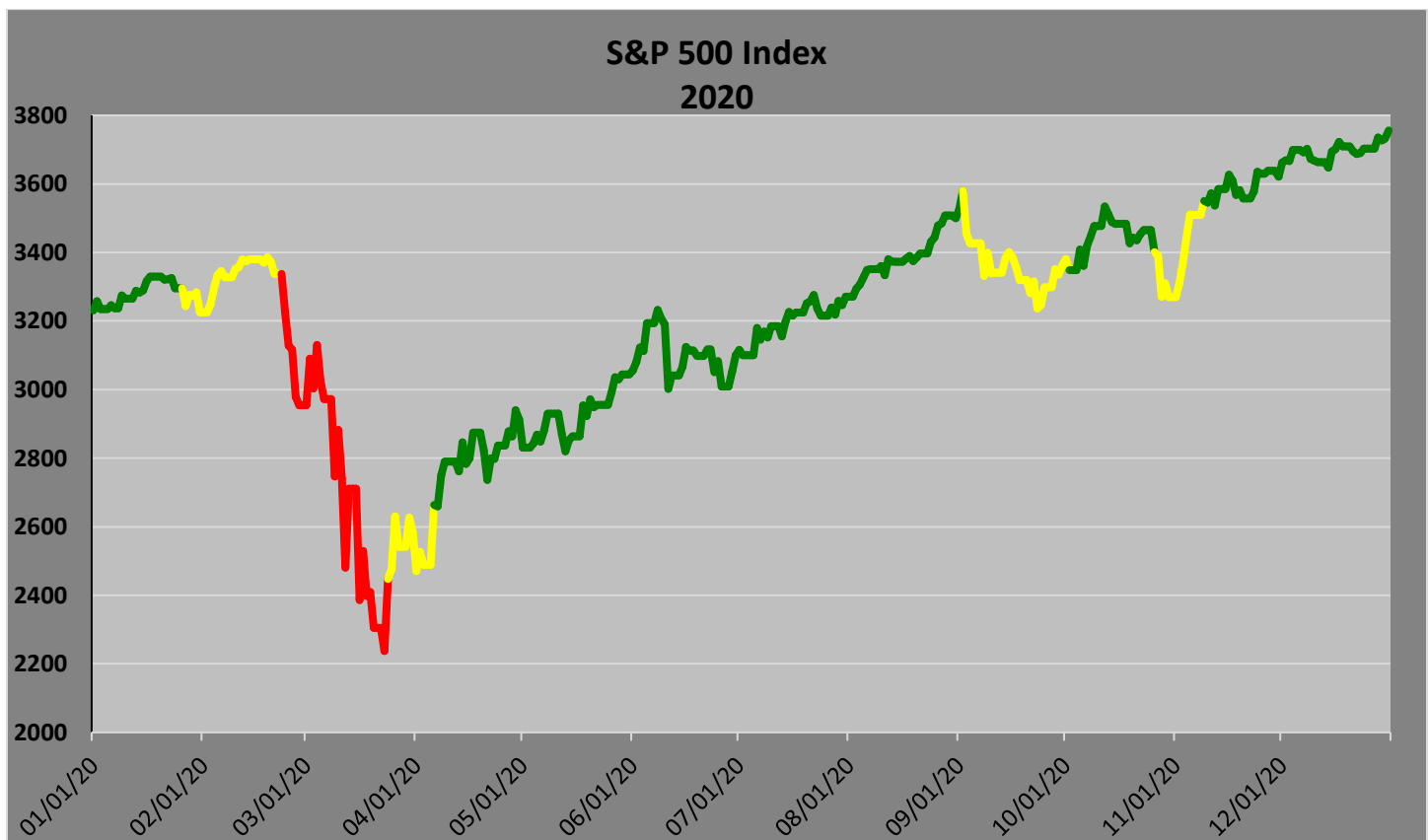
Use of The Bearometersm is based on the belief that the best form of offense is having a strong defense and that when most investors experience a lower level of volatility they tend to stay the course providing a better chance of realizing their goals.

This study is back tested as the current version of The Bearometersm was not available in previous years having been developed over time and real-world application.

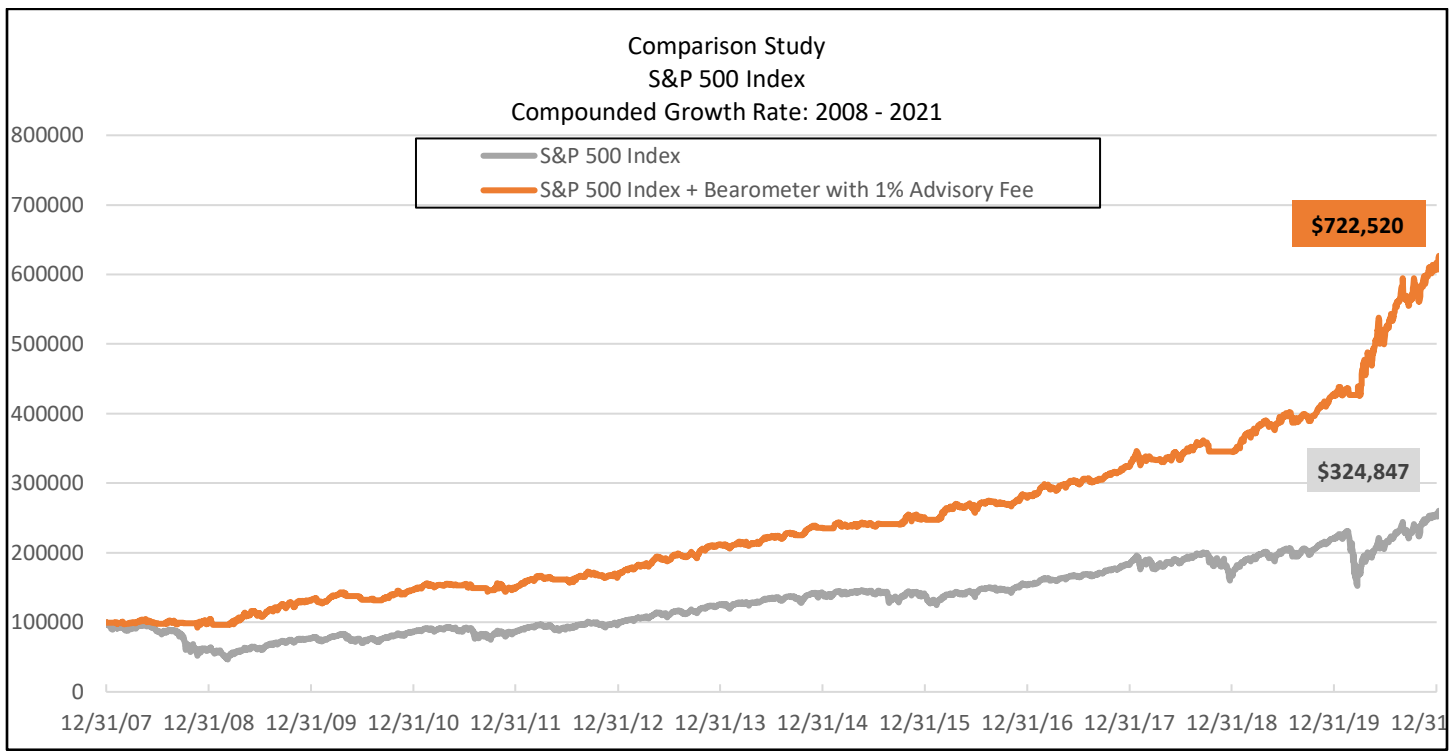
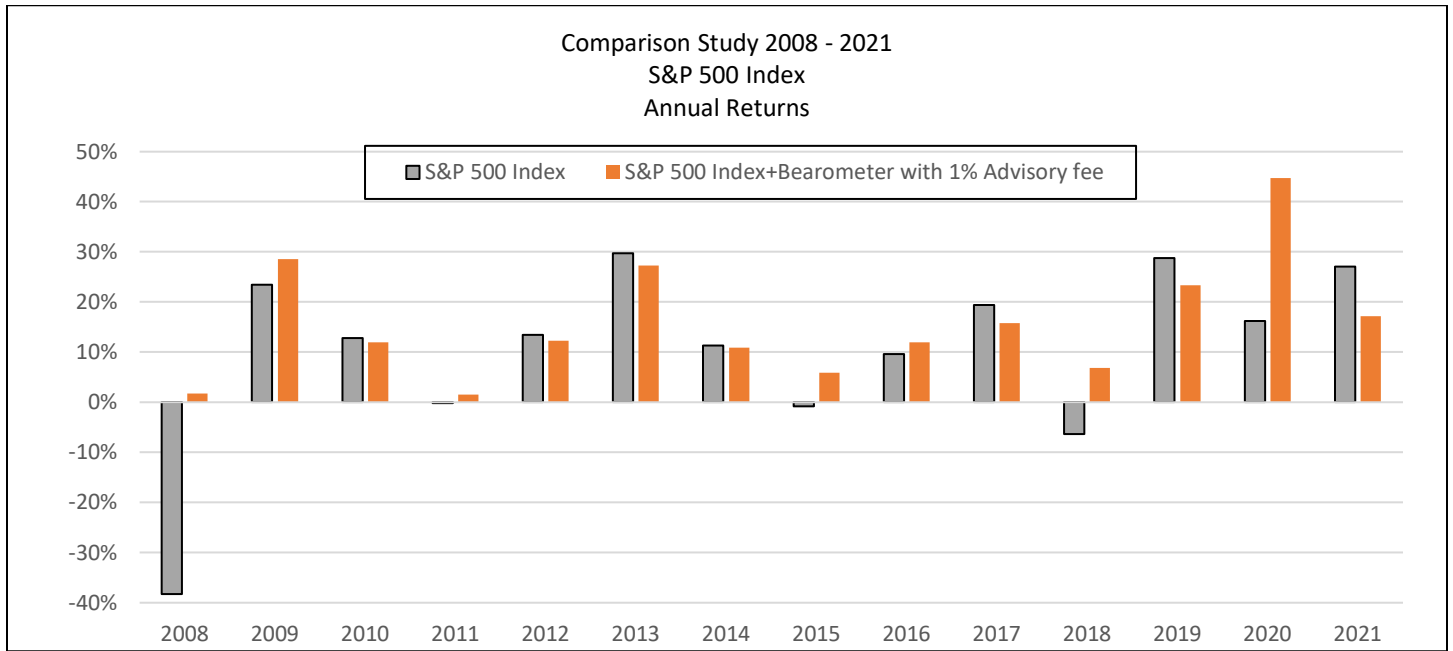
The Bearometersm reflects one of three market conditions and the corresponding suggested investment exposure: Green condition (100% invested), Yellow condition (50% invested) and Red condition (0% invested).

The Bearometersm calculates these suggested exposures using only stock market statistics based solely on changes in price. In addition, it is "rules based", meaning it formulates these suggested market exposures using a specific proprietary combination of these price statistics. Nothing is subjective. Calculations are done daily and based on closing market prices. Market condition changes are implemented the following day based on closing prices. This study does not include any dividends or interest.

The chart below illustrates the market conditions generated by The Bearometersm applied to the S&P 500 Index in 2020.



The following two graphs illustrate applying The Bearometersm to the S&P 500 Index (SPX) from January 1, 2008 through December 31, 2021. All historical price data was provided through the public website of Yahoo Finance. This study does not include any dividends or interest.



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The S&P is an unmanaged index comprised of 500 widely-held securities considered to be of the stock market in general. You cannot directly invest in the S&P 500 Index.