A Story About Astoria

Background

- An NYC-based, employee-owned investment management company.

- The employees have decades of experience at large-scale institutions, including Morgan Stanley, Merrill Lynch, J.P. Morgan, WisdomTree, and iShares. Their roles ranged from portfolio construction and research, sales management, ETF product development, and executive management.

- The firm is macro and quantitatively focused with solutions ranging from Core Risk Based ETF Portfolios, Thematic ETF and Stock Portfolios, and quantitatively driven factor US Stock Portfolios.

- Astoria places particular emphasis on providing clients with long-term, research-driven investment solutions, with an emphasis on thematic and secular investment trends.

- $1.7 bln in assets under management/advisement as of March 2024.

- There are 4 CFAs on staff.

- GIPS audited and verified by Alpha Verification Services.

- Multi-Asset Risk Strategy (MARS) verified returns since 2010.

Astoria's Founder, John Davi

- Award-winning ETF, macro, and derivatives research strategist; 8-year Institutional Investor top-ranked analyst.

- 25 years of portfolio construction and investment management experience advising the world's largest asset managers and hedge funds.

- Published hundreds of institutional research reports in his career.

- Frequently appears on CNBC and Bloomberg and speaks at various industry conferences. Advisory board member of the Inside ETFs Conference.

- Developed ETF model portfolio solutions dating back to 2002 for institutional and retail clients, where billions of dollars were executed and raised.

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Astoria's ETF Solutions

- Blend active and passive investment strategies utilizing 1-2% active risk.

- Benchmark: A combination of MSCI ACWI & Bloomberg Aggregate Bond Index.

- The goal is to produce attractive risk-adjusted returns over varying economic cycles to participate in upside markets while hedging our downside risk.

- Three main components to our asset allocation discipline:

  o Macroeconomic policy

  o Earnings & Valuation catalysts

  o Portfolio risk mitigation via alternatives and factor diversification

Quantitively Driven Stock Selection Models and Thematic Investment Strategies

- The goal is to outperform the benchmark by deploying quantitative stock selection techniques using fundamental metrics such as variability of earnings growth, ROE, ROA, free cash flow, debt to equity, etc.

- Stock portfolios primarily consist of approximately forty stocks, rebalanced annually, and sector-optimized.

- Examples of solutions include:

  o High Growth Stock Portfolio: Target 40 stocks that have the potential for above-average growth.

  o High Quality Stock Portfolio: Target 40 stocks with high quality characteristics

  o Dividend Growers: Target 40 stocks that have raised dividends for twenty-five consecutive years, with above-average ROE/ROA metrics.

  o Renaissance Risk Managed Rotation Portfolio: Captures the most relevant macroeconomic portfolio tilts via ETFs while targeting an S&P 500 standard deviation.

  o Inflation Sensitive ETF Portfolio: Own stocks, bonds, commodities, and commodity equities expected to benefit from a rise in inflation.

We utilize the following portfolio construction tools

- FactSet: provides valuations, performance attribution, and historical time series for macro and economic indicators.

- BlackRock Portfolio Construction Tool: provides analytics on factor, country, sector, and stock risks.

- Portfolio Visualizer: Monte Carlo simulation, optimizer, and tools for exploring factor regressions, correlations, and efficient frontiers.

- ETF Action: Quantitative filter overlays to understand "what under the hood for our ETFs".

- WisdomTree's Digital Portfolio Developer: quantitatively screens various ETF and factor strategies.

- Morningstar.

Sample of Macro-Economic Indicators

- We utilize macroeconomic models to determine where we are in the economic cycle and determine overweights/underweights.

- Earnings growth, earnings revision, & relative valuations to determine country/regional/sector allocations.

- Factor tilts to outperform our benchmark.

- Interest rate and Central Bank policy to determine where we should deploy currency hedging.

- Inflation models to determine usage of inflation hedges.

- Credit Spreads to determine richness/cheapness of credit products.

- Libor OIS spreads to analyze potential liquidity problems.

Research products offered to existing clients

- Portfolio Construction Dashboards: highlight performance, asset allocation/factor tilts.

- Portfolio Diagnostics: deep dive analysis into prospective client's portfolio, tax management oversight.

- Daily commentaries on factors and macroeconomic landscape.

- Forward-looking monthly commentary reports.

- Quarterly Investment Committee Outlook Presentation.

- CIO Thoughts: Provides forward-looking commentary on markets.

- OCIO conference calls with RIAs, family offices, and advisors on evolving macro-economic landscape.