

# Diversified Plus Strategy Model

LPL Financial Research

As of April 09, 2020

Aggressive Growth		Current Strategic	Previous Tactical	Current Tactical	Change From Previous	Difference From Strategic
Equities	Large Growth	22.0%	25.0%	25.0%	0.0%	3.0%
	Large Value	25.0%	29.0%	29.0%	0.0%	4.0%
	Large Blend	7.0%	25.0%	25.0%	0.0%	18.0%
	Mid Growth	5.0%	0.0%	0.0%	0.0%	-5.0%
	Mid Value	8.0%	0.0%	0.0%	0.0%	-8.0%
	Small Growth	5.0%	3.0%	3.0%	0.0%	-2.0%
	Small Value	4.0%	3.0%	3.0%	0.0%	-1.0%
	Large Foreign	7.0%	0.0%	0.0%	0.0%	-7.0%
	Small Foreign/Emerging Markets	12.0%	10.0%	10.0%	0.0%	-2.0%
Cash-Fixed Income	High-Yield Bond	3.0%	3.0%	3.0%	0.0%	0.0%
	CASH	2.0%	2.0%	2.0%	0.0%	0.0%
<b>Total</b>		<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>		

The cash portion of this portfolio is represented by money market instruments.

Growth		Current Strategic	Previous Tactical	Current Tactical	Change From Previous	Difference From Strategic
Equities	Large Growth	19.0%	24.0%	24.0%	0.0%	5.0%
	Large Value	22.0%	26.0%	26.0%	0.0%	4.0%
	Large Blend	6.0%	20.0%	20.0%	0.0%	14.0%
	Mid Growth	4.0%	0.0%	0.0%	0.0%	-4.0%
	Mid Value	7.0%	0.0%	0.0%	0.0%	-7.0%
	Small Growth	4.0%	0.0%	0.0%	0.0%	-4.0%
	Small Value	3.0%	3.0%	3.0%	0.0%	0.0%
	Large Foreign	6.0%	0.0%	0.0%	0.0%	-6.0%
	Small Foreign/Emerging Markets	9.0%	7.0%	7.0%	0.0%	-2.0%
Fixed Income	Short/Intermediate Bond	0.0%	4.0%	4.0%	0.0%	4.0%
	Intermediate-/Long-Term Bond	8.0%	4.0%	4.0%	0.0%	-4.0%
	High-Yield Bond	3.0%	3.0%	3.0%	0.0%	0.0%
	Foreign/Emerging Market Bond	3.0%	0.0%	0.0%	0.0%	-3.0%
	Mortgage-Backed Securities	4.0%	7.0%	7.0%	0.0%	3.0%
Cash	2.0%	2.0%	2.0%	0.0%	0.0%	
<b>Total</b>		<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>		

The cash portion of this portfolio is represented by money market instruments.

Growth with Income		Current Strategic	Previous Tactical	Current Tactical	Change From Previous	Difference From Strategic
Equities	Large Growth	14.0%	18.0%	18.0%	0.0%	4.0%
	Large Value	17.0%	19.0%	19.0%	0.0%	2.0%
	Large Blend	5.0%	14.0%	14.0%	0.0%	9.0%
	Mid Growth	3.0%	0.0%	0.0%	0.0%	-3.0%
	Mid Value	3.0%	0.0%	0.0%	0.0%	-3.0%
	Small Growth	3.0%	0.0%	0.0%	0.0%	-3.0%
	Small Value	2.0%	3.0%	3.0%	0.0%	1.0%
	Large Foreign	4.0%	0.0%	0.0%	0.0%	-4.0%
	Small Foreign/Emerging Markets	8.0%	6.0%	6.0%	0.0%	-2.0%
Fixed Income	Short/Intermediate Bond	2.0%	7.0%	7.0%	0.0%	5.0%
	Intermediate-/Long-Term Bond	17.0%	19.0%	19.0%	0.0%	2.0%
	High-Yield Bond	6.0%	0.0%	0.0%	0.0%	-6.0%
	Foreign/Emerging Market Bond	3.0%	0.0%	0.0%	0.0%	-3.0%
	Mortgage-Backed Securities	11.0%	12.0%	12.0%	0.0%	1.0%
Cash	2.0%	2.0%	2.0%	0.0%	0.0%	
<b>Total</b>		<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>		

The cash portion of this portfolio is represented by money market instruments.

Income with Moderate Growth		Current Strategic	Previous Tactical	Current Tactical	Change From Previous	Difference From Strategic
Equities	Large Growth	10.0%	11.0%	11.0%	0.0%	1.0%
	Large Value	12.0%	13.0%	13.0%	0.0%	1.0%
	Large Blend	4.0%	8.0%	8.0%	0.0%	4.0%
	Mid Growth	3.0%	0.0%	0.0%	0.0%	-3.0%
	Mid Value	0.0%	2.0%	2.0%	0.0%	2.0%
	Small Blend	3.0%	0.0%	0.0%	0.0%	-3.0%
	Large Foreign	2.0%	0.0%	0.0%	0.0%	-2.0%
	Small Foreign/Emerging Markets	4.0%	3.0%	3.0%	0.0%	-1.0%
Fixed Income	Short/Intermediate Bond	3.0%	11.0%	11.0%	0.0%	8.0%
	Intermediate-/Long-Term Bond	27.0%	29.0%	29.0%	0.0%	2.0%
	High-Yield Bond	8.0%	3.0%	3.0%	0.0%	-5.0%
	Foreign/Emerging Market Bond	3.0%	0.0%	0.0%	0.0%	-3.0%
	Mortgage-Backed Securities	19.0%	18.0%	18.0%	0.0%	-1.0%
Cash	CASH	2.0%	2.0%	2.0%	0.0%	0.0%
<b>Total</b>		<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>		

The cash portion of this portfolio is represented by money market instruments.

Income with Capital Preservation		Current Strategic	Previous Tactical	Current Tactical	Change From Previous	Difference From Strategic
Equities	Large Growth	5.0%	6.0%	6.0%	0.0%	1.0%
	Large Value	6.0%	7.0%	7.0%	0.0%	1.0%
	Large Blend	5.0%	2.0%	2.0%	0.0%	-3.0%
	Small Foreign/Emerging Markets	2.0%	2.0%	2.0%	0.0%	0.0%
Fixed Income	Short/Intermediate Bond	7.0%	15.0%	15.0%	0.0%	8.0%
	Intermediate-/Long-Term Bond	37.0%	38.0%	38.0%	0.0%	1.0%
	High-Yield Bond	10.0%	3.0%	3.0%	0.0%	-7.0%
	Mortgage-Backed Securities	26.0%	25.0%	25.0%	0.0%	-1.0%
Cash	CASH	2.0%	2.0%	2.0%	0.0%	0.0%
<b>Total</b>		<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>		

Fixed Income		Current Strategic	Previous Tactical	Current Tactical	Change From Previous	Difference From Strategic
Fixed Income	Short/Intermediate Bond	15.0%	0.0%	0.0%	0.0%	-15.0%
	Intermediate-/Long-Term Bond	58.0%	58.0%	58.0%	0.0%	0.0%
	High-Yield Bond	10.0%	10.0%	10.0%	0.0%	0.0%
	Mortgage-Backed Securities	15.0%	27.0%	27.0%	0.0%	12.0%
Cash	CASH	2.0%	5.0%	5.0%	0.0%	3.0%
<b>Total</b>		<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>		

The cash portion of this portfolio is represented by money market instruments.

<b>Tax-Free Fixed Income</b>		<b>Current Strategic</b>	<b>Previous Tactical</b>	<b>Current Tactical</b>	<b>Change From Previous</b>	<b>Difference From Strategic</b>
<b>Cash Fixed Income</b>	Intermediate-Term Municipal Bond	53.0%	50.0%	50.0%	0.0%	-3.0%
	Long-Term Municipal Bond	35.0%	35.0%	35.0%	0.0%	0.0%
	Tax-Free High-Yield Bond	10.0%	10.0%	10.0%	0.0%	0.0%
	CASH	2.0%	5.0%	5.0%	0.0%	3.0%
	<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>		

The cash portion of this portfolio is represented by money market instruments.

## Investment Objectives

**Aggressive Growth:** Emphasis is placed on aggressive growth and maximum capital appreciation. This investment portfolio has a very high level of risk and is for investors with a longer time horizon. This portfolio is considered to have the highest level of risk.

**Growth:** Emphasis is placed on achieving high longterm growth and capital appreciation. This is considered higher than average risk.

**Growth with Income:** Emphasis is placed on modest capital growth. Certain assets are included to generate income and reduce overall volatility.

**Income with Moderate Growth:** Emphasis is placed on current income with some focus on moderate capital growth.

**Income with Capital Preservation:** Emphasis is placed on current income and preventing capital loss. This is considered the lowest risk portfolio available and is generally for investors with the shortest time horizon.

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Investing involves risks including possible loss of principal. No investment strategy or risk management technique can guarantee return or eliminate risk in all market environments. There can be no assurance that any stated investment objectives will be achieved.

The portfolio composition is as of the date listed and is subject to change. An investor's actual holdings may differ from the model due to the timing of cash flows and account level investment restrictions. Please note that due to rounding, total may not add to 100%.

All information is believed to be from reliable resources; however, LPL Financial makes no representation as to its completeness or accuracy.

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