

The Approach

The Hedged Equity – Market Neutral portfolio seeks to capture positive absolute returns with low correlation to broad equity market risk. The portfolio is comprised of between 40 and 50 large cap stocks with call options sold against the SPDR S&P 500 exchange traded fund to decrease volatility associated with equity market risk. The stocks are selected utilizing our quantitative models and the options are selected based on our proprietary option selling model. The strategy is designed to be market neutral, targeting a portfolio beta of zero over time.

The Features

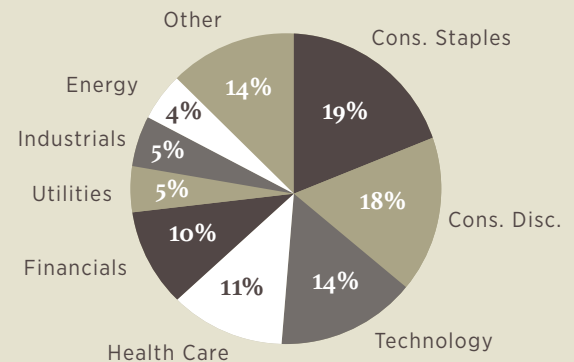
Market neutral strategies provide an alternative to traditional, long-only equity strategies by providing positive exposure to factors such as value, yield, quality, and momentum, while neutralizing exposure to the overall equity market. Such strategies have the potential to deliver positive absolute returns in a variety of market environments, though they may underperform while the market is trending upward, or if the underlying factors underperform the broad market.

In addition to selling call options, the manager may also hedge the portfolio by using inverse ETFs to provide additional protection against declining markets.

Key Facts

Strategy Assets: ————— \$1 Million
 Number of Holdings: ——— 50
 Beta to S&P 500*: ————— 0.00
 Active Share: ————— 69%
 Dividend Yield: ————— 2.5%
 Min Portfolio Size: ————— \$200,000
 Benchmark: ————— S&P 500 (Total Return)

Sector Weightings



Top 5 Holdings (%)

S&P 500 ETF	8.7%
Allstate	3.7%
Target	3.5%
Altria Group	3.5%
Walmart	3.3%

Footnote

*Beta is a measure of the systematic risk of a portfolio relative to the benchmark. The beta of the benchmark is equal to 1. Source: 2018 Bloomberg; 2018 Addepar

E / contact@6meridian.com • P / 316.776.4601 / 855.334.2110 • F / 316.776.4620
WWW.6MERIDIAN.COM • 1635 N. Waterfront Parkway, Ste. 250, Wichita, KS 67206

Securities offered through Private Client Services LLC, Member FINRA/SIPC. Advisory products and services offered through 6 Meridian LLC, a Registered Investment Advisor. Private Client Services LLC and 6 Meridian LLC are unaffiliated entities.

6 Meridian LLC is a Registered Investment Adviser. This fund sheet is solely for informational purposes. Advisory services are only offered to clients or prospective clients where 6 Meridian LLC and its representatives are properly licensed or exempt from licensure. Past performance is no guarantee of future returns. Investing involves risk and possible loss of principal capital. No advice may be rendered by 6 Meridian LLC unless a client service agreement is in place.

Material discussed is meant for general illustration and/or informational purposes only and it is not to be construed as tax, legal, or investment advice. Although the information has been gathered from sources believed to be reliable, please note that individual situations can vary, therefore, the information should be relied upon only when coordinated with individual professional advice.