

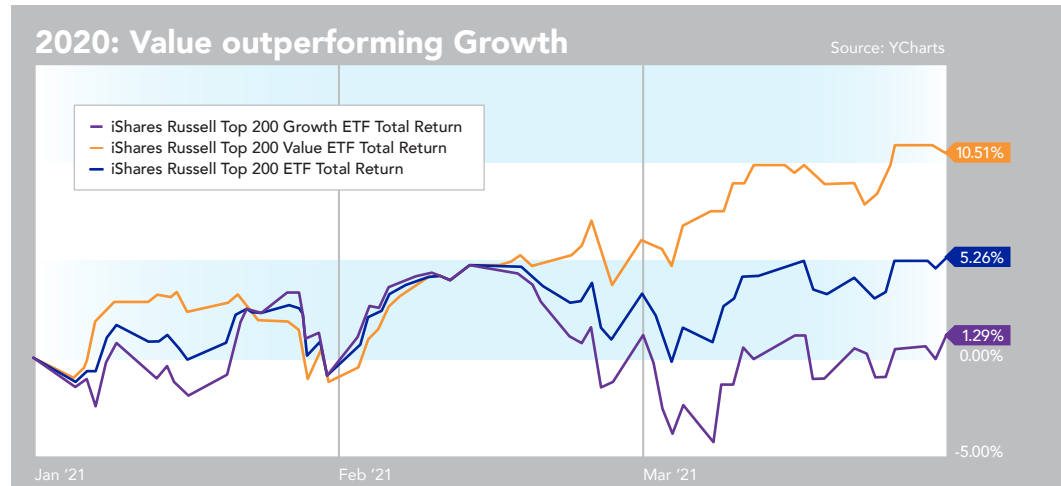
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Dynamic Portfolio Services



Quarterly Briefing

News and updates for advisors from the Portfolio Services team



Trends and Traction in Wealth Management

The return of value investing

After a decade of underperformance, we are beginning to see some life in value stocks. So far in 2021, value stocks (NYSE-IWX) have returned 14.25% vs. growth stocks (NYSE-IWF) that have returned 7.87%. Opinions across Wall Street differ as to whether this is a short-term phenomenon or whether this will be a reversion to the historical mean. Read more as the following articles discuss the value premium:

Dimensional Perspectives: [David Booth on Value Investing](#)

Forbes: [Value Stocks are Catching Up—Here's Why by Rob Isbitts](#)

Zacks Investment Management: [Will Value Stocks Outperform Growth in 2021?](#)

Dynamic Portfolio Services experiences significant growth over past four years

We currently manage more than \$750 million in assets for approximately 40 advisors. Although a lot of the growth can be attributed to Dynamic's expanded platform (i.e., more portfolio strategies and options, direct indexing, tax budgeting), we are seeing a continued shift in advisor sentiment toward outsourcing investment management.

A [recent research report published by State Street](#) shows that advisors spend 23% of their time on portfolio management even though acquiring new clients and deepening existing client relationships are usually their key business goals. It's recommended reading if you've considered outsourcing wealth management.

Dynamic Defensive models attract assets

With the launch of Dynamic ETF portfolios in 2019, we are seeing a lot of traction in these low-cost, mostly transaction-free solutions. One area of new asset growth is in our defensive line of models, and one of the most frequently asked questions is, "What are defensive models?" The defensive models were created with the objective of limited downside protection in case of a bear market.

The defensive models were built using the same methodology as all of Dynamic's other models. We begin with a top-down approach, analyzing long-term capital market assumptions to determine allocations across major asset classes. From there, we selected the best funds within each asset class (i.e., investment style consistency, approximately five years of history and a minimum amount of AUM).

The key to the defensive component is the funds that provide the limited downside protection. The CBOE Vest S&P 500 Buffer strategy is designed with the potential to take advantage of market growth while providing a level of protection in down markets through the use of rolling options.

In addition to this fund, we've added the SPDR S&P Dividend ETF, also known as the Aristocrats Index. This ETF methodology screens for companies in the S&P Composite 1500 that have consistently increased their dividend for at least 20 consecutive years.

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Dynamic Advisor Solutions, LLC dba Dynamic Wealth Advisors is an SEC registered investment advisor. Investment advisory services are offered through Dynamic.