

MANAGED ETF
PORTFOLIO
CHARACTERISTICS**

AS OF: 1/31/2013

Tactical Muni ETF:

Effective Duration: 5.41yrs

Average Maturity: 7.98yrs

Indicated Yield: 2.87%

Blended 30-Day

SEC Yield: 1.93%

Core Plus ETF:

Effective Duration: 5.02yrs

Average Maturity: 6.93yrs

Indicated Yield: 2.45%

Blended 30-Day

SEC Yield: 1.86%

Tactical Opportunity ETF:

Effective Duration: 5.50yrs

Average Maturity: 8.55yrs

Indicated Yield: 2.93%

Blended 30-Day

SEC Yield: 2.16%

**Blended Portfolio Characteristics based upon official Fund data published by each sponsor firm and have been compiled using weighted averages of then current portfolio positioning. These characteristics are believed to be accurate but are not guaranteed.

1802 Bayberry Court, Suite 202
Richmond, Virginia 23226
804] 648-3333

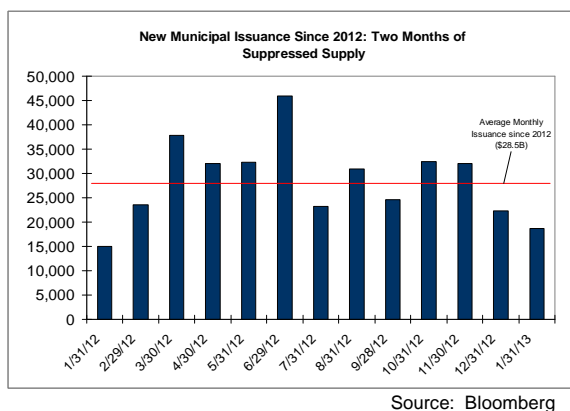
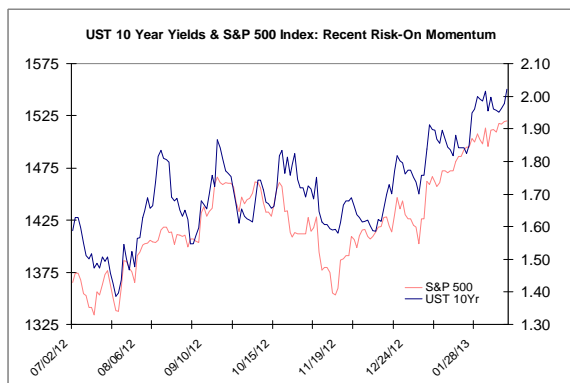
CAPRINBONDS.COM

Media Contact:
aplotkin@caprinbonds.com

Strategic Overview

- Persistent low-yield environment continues to support demand for higher yielding sectors, a trend we still strive to capitalize on with our slightly pro-risk posture
- A quieter European front (for now) gives us comfort in our sovereign exposure ahead of what promises to be a volatile period in U.S. markets around ongoing political headlines
- We favor the Municipal space over Taxables in our Blend strategy, driven primarily by recently suppressed Muni supply amid powerful demand
- California's fundamental picture improves following voters' approval of Proposition 30, driving our exposure to California's state-specific ETF

Charts of Interest



What We are Reading

- [BlackRock Rushes to Short-End as Goldman Alarmed](#)
- [Detroit Mayor to Make Final Pitch to Avoid Takeover of City](#)
- [How the Fed Almost Bought Bank Stocks in 2007](#)
- [Longest Muni Bonds Losing Appeal as 10-Year Yields Rise](#)

Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product made reference to directly or indirectly in this piece, will be profitable, equal any corresponding indicated historical performance level(s), or be suitable for your portfolio. Due to various factors, including changing market conditions, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any discussion of information contained in this piece serves as the receipt of, or as a substitute for, personalized advice from Caprin Asset Management. To the extent that a reader has any questions regarding the applicability of their situation of any specific issue discussed above, they are encouraged to consult with the professional advisor of their choosing. A copy of our current written disclosure statement discussing our advisory services and fees is available for review upon request.

Managed ETF Performance
(Net of Fees)

Tactical Muni ETF: Long bias and High Yield exposure have benefitted Caprin strategies vs Bond Indexes.

	Jan 2013	12 Months Ending 1/13	2012
Tactical Muni ETF Strategy	1.18%	4.50%	6.54%
iShares National Tax Free Muni ETF (MUB)	0.81%	2.43%	5.19%
Barclays Municipal Bond Index	0.42%	4.79%	6.76%

Core Plus ETF: Long bias expressed through Taxable Munis coupled with High Yield and Investment Grade Corporate allocations have supported Caprin returns vs Indexes.

	Jan 2013	12 Months Ending 1/13	2012
Core Plus ETF Strategy	-0.35%	3.33%	5.03%
iShares US Aggregate Bonds ETF (AGG)	-0.62%	2.36%	3.75%
Barclays US Aggregate Bond Index	-0.70%	2.60%	4.23%

Tactical Opportunity ETF: Tactical trading around Muni and Taxable market relationships has helped boost returns versus blended benchmarks.

	Jan 2013	12 Months Ending 1/13	2012
Tactical Opportunity ETF Strategy	0.64%	4.81%	6.71%
50% MUB/ 50% AGG	0.09%	2.41%	4.49%
50% Muni Index/ 50% Taxable Index	-0.14%	3.70%	5.50%