

MANAGED ETF  
PORTFOLIO  
CHARACTERISTICS\*\*  
AS OF: 7/22/2013

Tactical Muni ETF:

Duration: 2.94yrs  
Average Maturity: 3.97yrs  
Indicated Yield: 2.37%  
Blended 30-Day  
SEC Yield: 1.71%

Core Plus ETF:

Duration: 2.65yrs  
Average Maturity: 3.78yrs  
Indicated Yield: 2.07%  
Blended 30-Day  
SEC Yield: 1.93%

Tactical Opportunity ETF:

Duration: 3.05yrs  
Average Maturity: 5.33yrs  
Indicated Yield: 2.59%  
Blended 30-Day  
SEC Yield: 2.11%

\*\*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.

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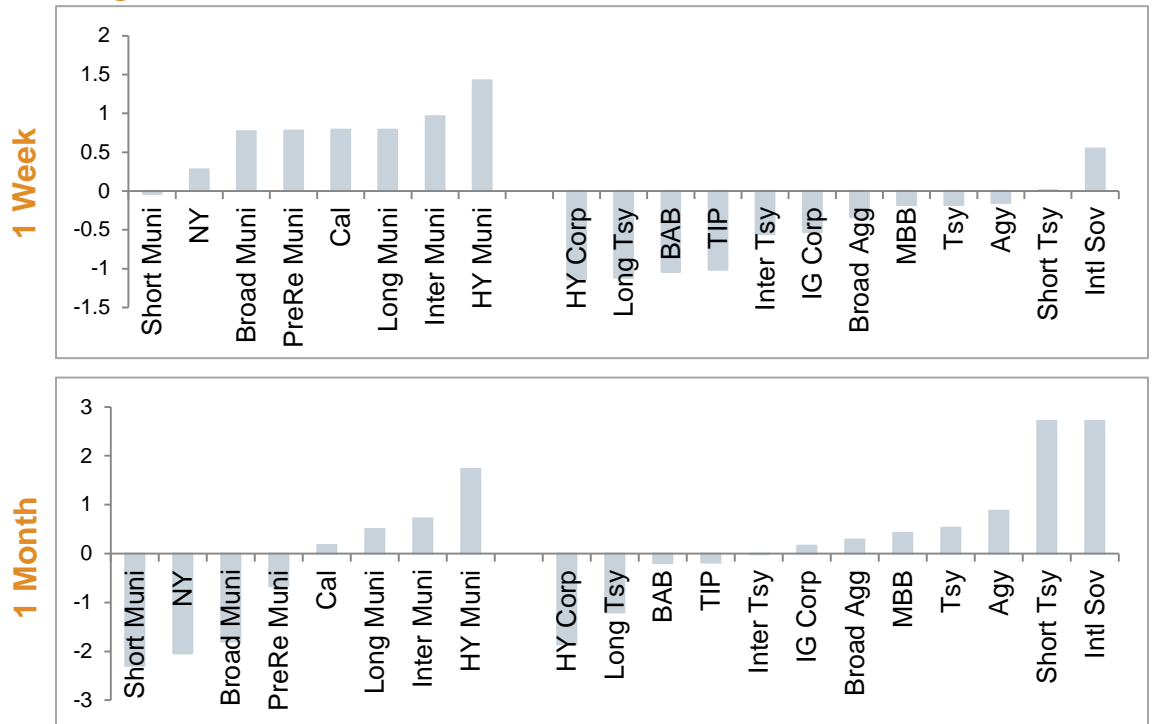
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## Strategic Overview

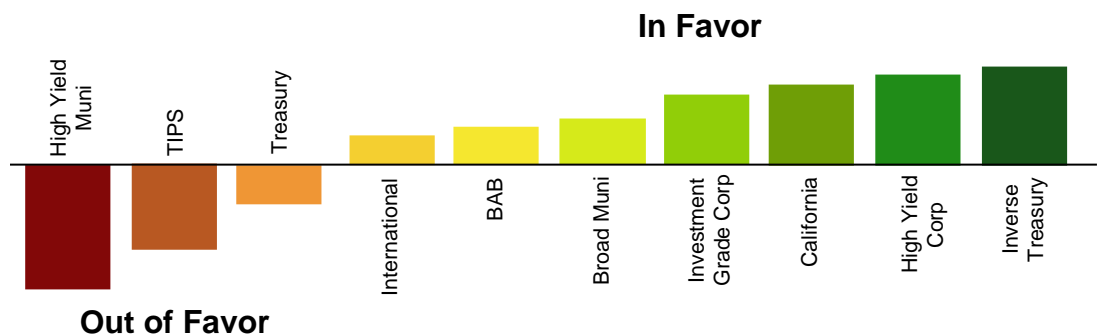
- Significant data pouring in that will further shape Fed and rate expectations. Watching outcome of Fed meeting this week for any shift in mindset regarding removal of QE. Monthly jobs reports will further set the tone. Housing data increasingly important for any sign that the recent rate move is adversely impacting housing recovery. Caprin's current base case outlook sees QE beginning to wind down later this year, putting upward pressure on rates. This has us defensively positioning portfolios with allocations to inverse ETFs.
- Notable healing in ETF discounts over recent weeks. Taxable market has proven more stable than Municipals as, according to Lipper, Muni mutual fund outflows persist amid credit headlines (Detroit). Caprin sees value in Munis given relative yields, manageable supply, and stabilizing discounts.
- Generally positive corporate earnings season thus far validates broader theme of slow, laborious recovery, marching towards potential Fed pullback of accommodation. Caprin remains allocated to Investment Grade and High Yield Corporates consistent with this recovery outlook.

## Trending



Source: Bloomberg as of 7/29/13

## Caprin Views



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 to 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.