

The logo for Zacks Investment Management. It features the word "Zacks" in a white, serif font, underlined, set against a dark green square background. Below the square, the words "INVESTMENT" and "MANAGEMENT" are stacked in a smaller, white, sans-serif font.

**Zacks**

INVESTMENT  
MANAGEMENT

# Zacks Comparative Strategy Analysis

Our strategies rely on bottom up fundamental stock selection processes coupled with proprietary quantitative stock screening models. We are proud that our disciplined philosophy has placed us in the top rankings out of thousands of equity managers in the Morningstar Equity Universes. Even more impressively is that our strategies each scored well above the median return out of each respective equity universe.

## FOCUS GROWTH STRATEGY

### PORTFOLIO CHARACTERISTICS:

- ▶ **FOCUSED** on growth oriented stocks with a large cap bias
- ▶ **DIVERSIFIED**: 50-100 positions in the portfolio
- ▶ **DISCIPLINED**: Proven quantitative investment process
- ▶ **REGULAR REBALANCING**: Stocks with deteriorating factors are sold and replaced with stronger positions



The Zacks Focus Growth Strategy ranks in the top 1% out of 1,253 managers in the Morningstar Large Cap Growth Universe.

## RANK STRATEGY

### PORTFOLIO CHARACTERISTICS:

- ▶ **HIGH YIELD**: provides substantially higher current yield than the S&P 500.
- ▶ **LOW VOLATILITY**
- ▶ **LOW TURNOVER**
- ▶ **TAX EFFICIENT**: most capital gains are long-term

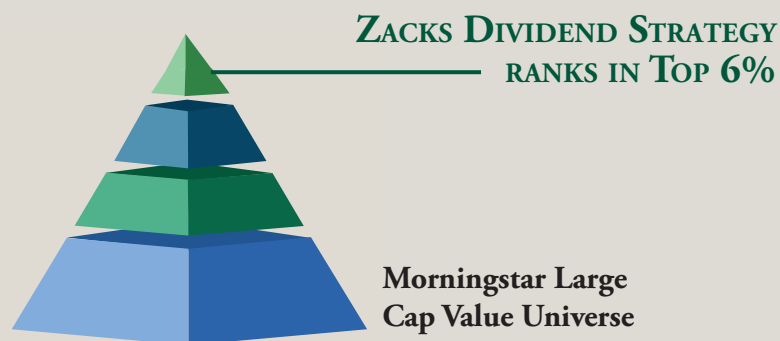


The Zacks Rank Strategy ranks in the top 7% out of 772 managers in the Morningstar All Domestic Equity Managers Universe.

## DIVIDEND STRATEGY

### PORTFOLIO CHARACTERISTICS:

- ▶ **BLENDED:** Growth and value stocks
- ▶ **ALL CAP:** Not tied to a style-box
- ▶ **FUNDAMENTAL:** Strong qualitative oversight
- ▶ **DISCIPLINED:** Strict avoidance of concept stocks



The Zacks Dividend Strategy ranks in the top 6% out of 1,050 managers in the Morningstar Large Cap Value Universe.

## INTERNATIONAL STRATEGY

### PORTFOLIO CHARACTERISTICS:

Zacks primarily utilizes Exchange Traded Funds (ETFs) for this portfolio because they offer several distinct benefits including:

- ▶ **TAX EFFICIENCY**
- ▶ **NO STYLE DRIFT**
- ▶ **HIGH LIQUIDITY**
- ▶ **TRANSPARENCY**



The Zacks International Strategy ranks in the top 8% out of 502 managers in the Morningstar World Stock Universe.

## ZACKS INVESTMENT MANAGEMENT

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# QUANTITATIVE STRATEGY

## PORTFOLIO CHARACTERISTICS:

- ▶ **STOCK SELECTION:** Majority of securities have an attractive Zacks Rank at time of rebalance
- ▶ **REGULAR REBALANCING:** Stocks with declining rank are sold and replaced with new top ranked stocks
- ▶ **FLEXIBILITY:** Invests in equities of all market caps
- ▶ **BLENDED:** Buys growth and value stocks
- ▶ **DIVERSIFIED:** Has up to 250 positions



The Zacks Quantitative Strategy ranks in the top 22% out of 1,731 managers in the Morningstar All Domestic Equity Managers Universe.

## Disclosure: Past performance is no guarantee of future results.

Inherent in any investment is the potential for loss. Results for the Zacks Strategies' Annualized Returns are shown net of fees. Results for the Strategies reflect the reinvestment of dividends and other earnings. The results portrayed are the performance history of a representative managed separate account. Clients of the firm may receive different performance than the representative account (e.g. timing of investment). Wholesale, retail and institutional clients of the firm may have differing performance due to timing of trades. Clients of the firm who invest in multiple Strategies, including Strategies whose results are presented, may receive different performance than the representative account due to differences between the investments of the Strategies and differences in each client's asset allocation between the Strategies. Clients of the firm may also experience differing results from the representative account due to differences in contributions to and withdrawals from the client's account compared to the representative account. Investments in the Zacks Strategies are not deposits of any bank, are not guaranteed by any bank, are not insured by FDIC or any other agency, and involve investment risks, including possible loss of the principal amount invested. Net of fees performance

is based on the maximum fee of 1.75% for a \$500,000 account. Lower fees may apply to larger accounts; higher fees may apply to smaller accounts. Separately managed account minimums apply. Standard management fees are available on request and are described in Part II of Form ADV.

Returns for each strategy and the corresponding Morningstar Universe reflect the annualized returns for the periods indicated. The Morningstar Universes used for comparative analysis are constructed by Morningstar (median performance) and data is provided to Zacks by Zephyr Style Advisor. The percentile ranking for each Zacks Strategy is based on the gross comparison for Zacks Strategies vs. the indicated universe rounded up to the nearest whole percentile. Other managers included in universe by Morningstar may exhibit style drift when compared to Zacks Investment Management portfolio. Neither Zacks Investment Management nor Zacks Investment Research has any affiliation with Morningstar. Neither Zacks Investment Management nor Zacks Investment Research had any influence of the process Morningstar used to determine this ranking.