

## March 2024 update for Radius Capital Management

### PERFORMANCE AT A GLANCE

Portfolio/Index	March Return	YTD Return To 3/31/2024
Radius 100 (100% stock ETFs)	2.1%	5.1%
Radius Index 100 (100% stock ETFs)	2.6%	8.9%
U.S. Stock Benchmark (Vanguard S&P 500 Index Fund)	3.2%	10.5%
Balanced Risk (multi-asset risk parity portfolio) *	3.4%	4.0%
Radius Bond (100% bond ETFs)	0.6%	0.5%
Radius Index Bond (100% bond ETFs)	0.9%	-0.1%
Bond Benchmark (Vanguard Total Bond Index Fund)	0.8%	-0.8%

\* This strategy invests in “hard” assets (commodities, gold, and real estate) as well as stocks and bonds.

Markets continued to climb in March on positive economic data and strong earnings results. All three major stock indices ended the month at record highs. The S&P 500 was up 3.2% for the month whereas the Dow Jones Industrial Average (a price-weighted index) returned 2.1%. Small- and Mid-Cap stocks outpaced “safer” Large Caps as investors’ appetites for risk increased. Bond markets behaved similarly with higher risk, long-term corporate bonds outperforming the index.

The actively managed Radius 100 portfolio held up well during the month returning a respectable 2.1%. It trailed the benchmark slightly as a result of its holdings in US Mega Cap Stocks. Recall that Large-Cap stocks are generally considered to be safer investments than their Mid- and Small-Cap stock counterparts because they are more established companies with a proven track record. The passive Index Portfolio continued to perform in line with its target benchmark, the S&P 500, and gained 2.6%. The Balanced Risk portfolio had an excellent month on the back of strong gold returns and gained 3.4%. While economic indicators and company balance sheets look positive, we are, as a team, generally cautious in our approach to investing and favor solid fundamentals and quality assets when looking at investment opportunities for our clients. We recommend that investors remain prudent and maintain their targeted investment allocations. Attempting to “time the market” is seldom a successful strategy and we would not recommend you do so. The best way to protect from investment volatility and potential long-term declines is to diversify one’s investments across multiple, uncorrelated asset classes and investment strategies.

### MARKET CHARACTERISTICS

Stock market volatility <sup>§</sup>	Low (monthly avg. = 14, month end = 13)
Business Cycle Phase	Late Cycle
Dominant Investment Style (active vs. passive)	Passive

<sup>§</sup> In general, the higher the market volatility (as measured by the CBOE Volatility Index or VIX), the more the market is driven by investor emotions (greed and fear). Lower market volatility indicates a market environment based on fundamentals (economic growth, corporate earnings, etc.). The long-term average for the VIX is 20, 30 is considered high, 40 very high, and 50+ extreme.

### CURRENT RISK-ADJUSTED RETURN (RAR) RANKINGS OF MARKET SEGMENTS

RAR Rank	Stock Market Segments	1-Mo. Return	March RAR	Bond Market Segments	1-Mo. Return	March RAR
1	Large Growth	1.3%	32%	High Yield Bond	0.8%	6%
2	<b>S&amp;P 500</b>	<b>3.2%</b>	<b>31%</b>	Intermediate Corporate	1.2%	2%
3	Large Value	5.2%	25%	Worldwide Bond	1.0%	2%
4	Small Value	5.5%	18%	Long Corporate Bond	1.8%	1%
5	Mid-Cap Value	5.4%	18%	Short-Term Corp Bond	0.6%	1%
6	Mid-Cap Growth	2.9%	17%	<b>Total Bond Index</b>	<b>0.8%</b>	<b>-1%</b>
7	Foreign Large Growth	2.8%	16%	Short Government	0.3%	-2%
8	Foreign Large Value	3.5%	16%	Long Government Bond	1.0%	-2%
9	Small Growth	2.9%	15%	Intermediate Government	0.5%	-3%

### LONG-TERM PERFORMANCE THROUGH 3/31/2024

The longer-term performance of the Radius portfolios continues to be strong. Since inception (1/1/2001), the Radius 100 portfolio has generated a **net** cumulative return of +482% (7.9% annualized) vs. a cumulative return of +507% (8.1% annualized) for the benchmark S&P 500 – with a comparable level of risk (i.e., standard deviation of monthly returns, maximum drawdown, and beta). Over the same time period, the more conservative Radius 60 (60% stock mutual fund, 40% bond mutual fund) portfolio grew +328% (6.5% annualized) vs. a +334% return (6.5% annualized) for its benchmark (60% S&P 500 Stock Index and 40% Total Bond Index).

**Past performance is no guarantee of future results. It should not be assumed that investment decisions made in the future will be profitable or will equal the performance of the portfolios shown above.**

## Long-Term Performance (net of fees) to 3/31/2024

For S&P 500\*, Radius<sup>1</sup> 100, Index<sup>2</sup> 100,  
Balanced Risk Portfolio<sup>2</sup>,  
Radius<sup>1</sup> Bond, Index<sup>2</sup> Bond, Bond Index\*

	S&P 500	Radius 100	Index 100	Balanced Risk	Radius Bond	Index Bond	Bond Index
<b>Portfolio Characteristics</b>							
Inception Date		Jan. 2001	Aug. 2014	Apr. 2015	Jan. 2002	Aug. 2014	
% Stock Funds	100	100	100	28	-	-	-
% Bond Funds	-	-	-	39	100	100	100
% Real Estate				2			
% Commodities				10			
% Gold				20			
<b>Recent Performance</b>							
3-Month	11%	5%	9%	4%	0%	0%	-1%
6-Month	23%	17%	21%	14%	5%	5%	6%
1-Year	30%	19%	26%	10%	4%	3%	2%
<b>Performance since Inception (1/1/2001)</b>							
Cumulative	507%	482%	487%	441%	120%	132%	121%
Annualized	8.1%	7.9%	7.9%	7.5%	3.5%	3.7%	3.5%
<b>Risk Measures since Inception</b>							
Beta	1.00	0.95	1.03	0.34	0.08	0.05	0.03
Max Drawdown	-55%	-57%	-52%	-19%	-10%	-14%	-17%
Std. Deviation	15%	16%	16%	8%	6%	5%	4%
Correlation to S&P	1.00	0.89	0.96	0.64	0.22	0.14	0.11

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\* **Benchmarks:** S&P 500 Stock Index = Vanguard S&P 500 Stock Fund (VFINX), Bond Index = Vanguard Total Bond Fund (VBMFX)

### Footnotes:

<sup>1</sup> Investment return numbers for the Radius 100 and Radius Bond reflect the (unaudited) performance of actual portfolios that have been invested since 1/2001.

<sup>2</sup> Returns for the Index portfolios prior to 8/2014 and Balanced Risk prior to 4/2015 are **back-tested** and not actual returns of accounts managed by Radius. Back-tested (simulated) performance results have certain inherent limitations. Unlike an actual performance record, simulated results do not represent actual trading. Also, since the trades have not actually been executed, the results may have under- or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated investment strategies in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown.

### Other Notes:

- All performance numbers include dividends and capital gains and are net of all transaction costs and management fees, but do not reflect the impact of taxes.
- Data Sources: Account statements, Vanguard.com

## COMPANY OVERVIEW

Radius Capital Management is a registered investment advisory company specializing in diversified ETF and mutual fund portfolios. Radius currently manages assets for individuals, retirement and profit-sharing plans, and trusts.

### Investment Strategies

- **Radius Strategy** (Active Market-Correlated Momentum): Seeks to invest in the funds that have the best risk-adjusted returns over the past 1-year.
- **Index Strategy** (Passive Market-Correlated Momentum): Invests in broad-based passive market index funds with a focus on tax efficiency and avoiding short-term capital gains.
- **Balanced Risk** (Multi-Asset Risk Parity): Seeks to balance the portfolio risk exposure to generate more stable portfolio returns in all market/economic environments.

## ADDITIONAL INFORMATION

If you have any questions about the investment approach or would like to learn more about Radius Capital Management, please visit [www.radius-capital.com](http://www.radius-capital.com) or send an e-mail to [info@radius-capital.com](mailto:info@radius-capital.com).

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