

RCM Focus 20 Portfolio
CATEGORY: US SA LARGE BLEND



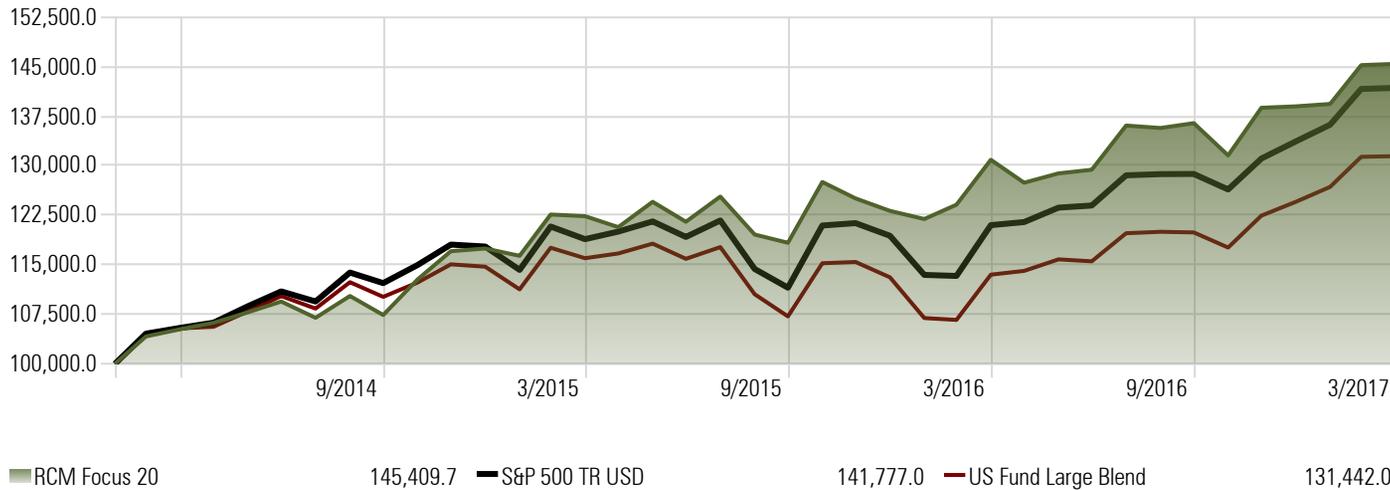
Quarterly Fact Sheet
AS OF MARCH 31, 2017



Renaissance
 Capital Management, LLC

Investment Growth

Time Period: 2/1/2014 to 3/31/2017



Portfolio Description

The RCM Focus 20 Portfolio follows a "Quantamental" approach to portfolio management. Our quantitative screening process evaluates all S&P 500 constituents and identifies only those companies that demonstrate our desired fundamental attributes. Our proprietary investment selection methodology seeks to identify high-quality companies that are trading at attractive valuations and possess superior return on equity. In aggregate, our portfolio holdings demonstrate measurably lower risk attributes than the broader U.S. stock market, with lower levels of debt, and pay a higher dividend than the S&P 500.

This valuation driven, risk-adjusted, systematic approach to investing follows an unemotional discipline. Behavioral finance has taught us that one of the greatest impediments that prevents investors from achieving long-term success is allowing one's emotions to enter into the investment decision making process. Fear and greed often lead investors to make the worst of decisions, at the worst of times. By adhering to a rules-based discipline, we eliminate the noise and remain impervious to the potential impact of daily news flow on our portfolio.

We manage the RCM Focus 20 Portfolio on a relative basis to the S&P 500 Index, remaining fully invested at all times. Our objective is to identify and hold the Top 20 stocks within the S&P 500 that by our standards represent the greatest risk-adjusted opportunity for gains, thus eliminating more than 95% of index constituents. Over time, this portfolio has historically generated both top-line and risk-adjusted outperformance over our benchmark, but more importantly provided investors with relative downside risk mitigation during more adverse conditions in the U.S. equity markets.

Investment Objective

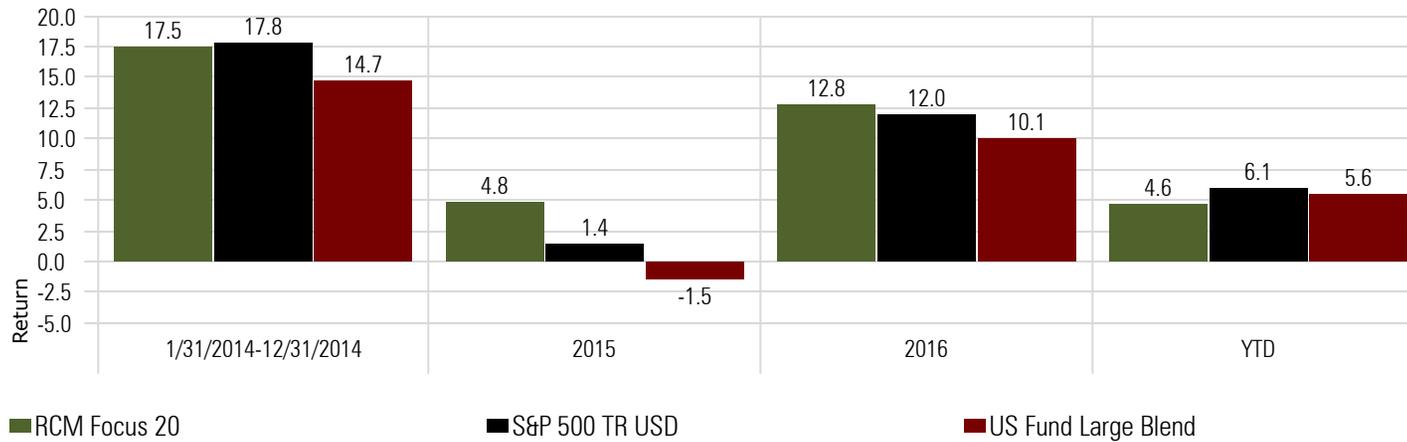
Seeks long-term growth of capital by providing investors with concentrated exposure to the U.S. markets through direct investment in individual stocks.

RCM Focus 20 - Performance

Time Period: 2/1/2014 to 3/31/2017

	Focus 20	S&P 500	Lg Blend
Return	12.55	11.65	8.99
Cumulative Return	45.41	41.78	31.33
Std Dev	10.20	10.33	10.24
Alpha	2.39	0.00	-2.29
Beta	0.86	1.00	0.99
Sharpe Ratio	1.20	1.10	0.88
Sortino Ratio	2.59	2.11	1.55
Treynor Ratio (geo)	14.36	11.45	8.91
Up Capture Ratio	89.92	100.00	91.70
Down Capture Ratio	68.04	100.00	109.40
Max Drawdown	-5.58	-8.36	-9.84
Best Month	7.77	8.44	7.47
Worst Month	-4.58	-6.03	-6.08
Best Quarter	9.37	7.04	5.57
Worst Quarter	-2.61	-6.44	-7.53
Average Gain	2.71	2.41	2.41
Average Loss	-1.89	-2.23	-2.12
Correlation	0.87	1.00	1.00
Batting Average	52.63	100.00	18.42

Annual Returns



Portfolio Statistics

As of Date: 3/31/2017

	Focus 20	S&P 500	+/-
Avg Mkt Cap (\$M)	80,302	44,134	36,169
Dividend Yield %	2.70	1.95	0.75
P/E	19.41	32.03	-12.61
P/E Using FY1 Est	16.44	23.06	-6.62
P/EBITDA	10.36	15.65	-5.29
P/B	4.13	5.15	-1.02
P/S	2.31	3.87	-1.56
Return on Equity	22.52	18.31	4.21
Debt to Capital	31.55	41.83	-10.28
Active Share	92.78		

Trailing Returns

	YTD	1 Year	2 Year	3 Year	Since Inception
RCM Focus 20	4.63	11.09	9.01	11.38	12.55
S&P 500 TR USD	6.07	17.17	9.21	10.37	11.65
US Fund Large Blend	5.55	15.82	6.40	7.62	8.99

RCM Focus 20 - Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2017	0.26	4.22	0.13										4.63
2016	-1.00	1.78	5.48	-2.65	1.11	0.42	5.18	-0.27	0.54	-3.58	5.48	0.16	12.85
2015	-0.95	5.37	-0.20	-1.36	3.18	-2.43	3.14	-4.58	-1.04	7.77	-1.95	-1.51	4.84
2014		4.15	1.05	0.91	1.51	1.51	-2.25	3.09	-2.61	5.01	3.79	0.35	

S&P 500 TR USD - Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2017	1.90	3.97	0.12										7.16
2016	-4.96	-0.13	6.78	0.39	1.80	0.26	3.69	0.14	0.02	-1.82	3.70	1.98	11.96
2015	-3.00	5.75	-1.58	0.96	1.29	-1.94	2.10	-6.03	-2.47	8.44	0.30	-1.58	1.38
2014	-3.46	4.57	0.84	0.74	2.35	2.07	-1.38	4.00	-1.40	2.44	2.69	-0.25	13.69

TOP 10 HOLDINGS

- As of March 31, 2017
- GENERAL DYNAMICS
 - DOW CHEMICAL
 - HONEYWELL INTERNATIONAL
 - THE GAP
 - COACH
 - SIMON PROPERTY GROUP
 - DELTA AIRLINES
 - JOHNSON & JOHNSON
 - ROCKWELL COLLINS
 - HORMEL FOODS

ANNUAL DISCLOSURE PRESENTATION

Year End	Composite Gross Return	Composite Net Return	S&P 500 Return	Composite 3 Year St Dev	S&P 500 3 Year St Dev	Composite Internal Dispersion	Composite Number of Portfolios	Composite Assets (\$ Millions)	Assets Under Advisement (\$ Millions)	Firm Assets (\$ Millions)
2016	12.84%	11.37%	11.96%	n/a ¹	10.74%	n/a ²	≤ 5	0.47	0.00	4.17
2015	4.83%	3.43%	1.38%	n/a ¹	10.62%	n/a ²	≤ 5	2.88**	12.73**	5.38
2014*	17.47%	16.33%	17.76%	n/a ¹	9.10%	n/a ²	≤ 5	3.27**	15.25**	

Composite and benchmark performance are for the period 1/31/2014-12/31/2016.

*Denoted performance for 2014 represents composite and benchmark performance since the composite inception date of January 31, 2014 to December 31, 2014.

**Prior to November 11, 2016, the composite was managed by the portfolio manager while affiliated with another firm, in addition to Renaissance Capital Management, LLC. Composite and strategy assets prior to this date reflect the total accounts of Renaissance Capital Management, in addition to prior affiliations.

N.A.1 - The 3-year standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The 3-year annualized standard deviation is not presented from 2014 through 2016 due to less than 36 months of composite data.

N.A.2 - The information is not statistically meaningful due to an insignificant number of portfolios in the composite for the entire year.

Renaissance Capital Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Renaissance Capital Management, LLC has been independently verified for the period of April 1, 2015 through December 31, 2016. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Renaissance Capital Management's RCM Focus 20 Portfolio is a U.S. large cap blend strategy investing in large and mid-cap U.S. equities, with the goal of providing long-term capital appreciation. The benchmark for the RCM Focus 20 Portfolio is the S&P 500 Total Return Index, which includes 500 stocks representing all major industries of the U.S. economy.

Renaissance Capital Management, LLC is an independent investment management firm that is not affiliated with any parent organization. Renaissance Capital Management, LLC is a State Registered Investment Advisor.

Investment results are based on fully discretionary accounts under management, including those no longer with the firm. No current or prospective investor should assume that past performance of this or any other strategy to be indicative of future results. The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Gross-of-fee returns are presented before management and custodial fees but after all trading expenses. Net-of-fee returns are calculated by deducting actual client fees from gross performance on a quarterly basis. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The investment management fee schedule is as follows: 1.25% on accounts \$25,000 - \$100,000, 1.15% on accounts \$100,001 - \$300,000, 1.00% on accounts \$300,001 - \$600,000, 0.85% on accounts \$600,001-\$1 million, and 0.70% on accounts greater than \$1 million. Actual investment advisor fees incurred by clients may vary.

The RCM Focus 20 Portfolio Composite inception date is 1/31/2014. This composite was created on 4/1/2015. The minimum account size for inclusion in the composite is \$25,000 and with 100% of the account allocated to this strategy. Since inception, significant cash flow policy requires the temporary removal of any portfolio incurring cash inflows or outflows greater than 5% which impact performance from the composite for at least the month of the significant inflow or outflow. A complete list of composite descriptions is available upon request.

For informational purposes and to gain further insight into how our Quantamental strategy may be expected to perform under various market conditions.

Observations: The RCM Focus 20 Portfolio follows a quantitative discipline, deriving portfolio holdings based on fundamental factors. Rules-based strategies allow us to generate unbiased historical illustrations of model portfolio performance. By taking a closer look at the results of our proprietary screening process over longer time periods, investors may gain further insight into how the RCM Focus 20 Portfolio may be expected to perform during various stages in the market cycle. The objective of the RCM Focus 20 Strategy is to maintain an overall portfolio that in comparison to the S&P 500 Index, is comprised of only high-quality companies, trading at attractive valuations, and who possess superior return on equity. Generally speaking, during more adverse conditions in the U.S. equity markets, the Focus 20 has held up far better than the S&P 500 Index. This has held true since the inception date of our portfolio, but is also demonstrated in this historical illustration. During stages in the market cycle that favor lower-quality, more highly leveraged companies, the RCM Focus 20 Portfolio should be expected to lag. This environment presented itself during 2009 and may also describe the investment landscape we have experienced since the 4th quarter of 2016. Over the course of a full market cycle, the goal of the RCM Focus 20 Portfolio is to generate superior top-line and risk-adjusted returns. Since inception, as well as over the historical model performance of our portfolio, our strategy has maintained up-capture ratios close to our targeted range of 90, and down-capture ratios around 70. While these numbers certainly don't tell the whole story, they accurately depict the virtues of our disciplined approach.

RCM Focus 20 - Performance

Time Period: 1/1/2008 to 12/31/2013

	Focus 20	S&P 500	Lg Blend
Return	13.54	6.24	5.15
Cumulative Return	114.23	43.77	35.14
Std Dev	16.19	17.89	18.12
Alpha	7.78	0.00	-1.06
Beta	0.81	1.00	1.01
Sharpe Ratio	0.85	0.41	0.35
Sortino Ratio	1.23	0.57	0.48
Treynor Ratio (geo)	16.17	5.88	4.75
Up Capture Ratio	97.19	100.00	99.14
Down Capture Ratio	66.25	100.00	103.60
Max Drawdown	-38.78	-48.45	-48.30
Best Month	9.81	10.93	11.31
Worst Month	-15.02	-16.79	-17.32
Best Quarter	17.29	15.93	16.79
Worst Quarter	-15.87	-21.94	-22.07
Average Gain	3.42	3.67	3.73
Average Loss	-4.44	-4.86	-4.86
Correlation	0.90	1.00	1.00
Batting Average	56.94	100.00	37.50

Model Performance Annual Returns



Hypothetical Illustration Disclosure: Hypothetical illustrations of the RCM Focus 20 Portfolio depicted prior to composite inception on January 31, 2014 are based on the application of the proprietary RCM Quantamental investment selection process over select historical periods. Screening for historical holdings was conducted using independent third-party software. Performance is based on closing price execution for the securities purchased on the date of purchase. Therefore, this hypothetical illustration does not represent the results of actual trading, but rather depicts returns on the securities that would have been purchased in accordance to strategy guidelines, rebalanced and reconstituted on a quarterly basis. Trade price execution on the actual portfolios may be either better or worse than the closing prices of the selected securities. Statistical analysis of the hypothetical portfolio was conducted utilizing third party portfolio management software based on the specific underlying holdings, weightings, and dates purchased. No current or prospective client should assume that this or any specific strategy will be profitable or equal to past hypothetical illustrations. Hypothetical and back-tested returns illustrated are gross of management fees, custodial fees, and transaction costs. These expenses will reduce the actual account performance.