







## Overview

This approach is for clients seeking a dynamic bond management program with both structural and composition changes to reflect current economic conditions. The Davenport ETF (Exchange Traded Funds) Model is designed for accounts with the goal of preserving capital, generating monthly income, having maturity and sector diversification, and excellent liquidity. This is accomplished by using a carefully selected group of bond ETFs that meet quality, diversification, and liquidity characteristics. The portfolio has 8,217<sup>1</sup> individual holdings.

## DAM Bond ETF Model\*



 Ishares 5-10 Year Investment Grade Corp	5.07%	 Vanguard Short Term Corp Bond ETF	20.73%
 Ishares Floating Rate Note Bond	19.93%	 Vanguard Short Term Bond ETF	20.05%
 Schwab Short Term US Treasury	19.30%	 WisdomTree Floating Rate Treasury	14.91%

As of March 31, 2023

Source: Bloomberg

\*Allocations are subject to change without notice. Generally, the prices of debt securities rise when interest rates fall, while their prices fall when interest rates rise. Longer term debt securities are usually more sensitive to interest rate changes. An issuer suffering an adverse change in its financial condition could see the credit quality of its securities deteriorate, leading to greater price volatility of the security. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile. Risks in mortgage securities include the potential shortening or lengthening of average life as prepayment rates vacillate. <sup>1</sup>Subject to change without prior notice.

Asset Allocation and Diversification does not ensure a profit or guarantee against a loss. This illustration is for informational purposes only and is not intended to provide specific financial planning or investment advice. There is no guarantee that dividends will be paid, or distributions will be made. Investing in securities always carries risk, including loss of principal. Individual circumstances vary.

**You should consider each ETF's investment objectives, risks, charges and expenses carefully before investing. Each ETF's prospectus contains this and other important information, should be read carefully before investing or sending money, and can be obtained by contacting your Financial Advisor, or by calling 800-846-6666.**

# Davenport ETF Model Fixed Income Composite Returns

Performance is net and gross of fees and includes reinvestment of dividends and interest.



Period	Net of Fees Total Return %	Gross of Fees Total Return %**	Bloomberg 1-3 Yr US Gov/Credit Return %	Bloomberg 1-5 Yr US Gov/Credit Return %**	Number of Portfolios	Composite Assets at End of Period (USD mm)	% of Firm Assets	Total Firm Assets Under Management (USD mm)	Internal Dispersion	Composite 3-Year Std Dev†	Benchmark 3-Year Std Dev†
Q1 2023	1.3	1.6	1.5	1.8	735	119.5	1.2%	9,663.3			
Year to Date	1.3	1.6	1.5	1.8							
1 Year	-1.0	0.1	0.3	-0.3							
3 Year*	-0.5	0.5	-0.4	-0.8							
Since Inception*	-0.5	0.5	-0.4	1.1							
2022	-5.7	-4.7	-3.7	-5.5	752	120.5	1.3%	9,663.3	0.2	N/A	N/A
2021	-1.6	-0.6	-0.5	-1.0	742	120.4	1.1%	11,489.5	0.1	N/A	N/A
2020	N/A	N/A	N/A	4.7	724	103.5	1.1%	9,397.3	N/A	N/A	N/A

As of 03/31/2023

\*Returns greater than one year are annualized.  
Gross of fee returns do not include the deduction of transaction costs. Since Inception Date: 06/30/2020  
\*\*Supplemental Information

**Performance shown is historical and is no guarantee of future results.** Investing in securities carries risk including the possible loss of principal. Composite performance reflects actual economic and market conditions. Significant cash flows and other unique circumstances can affect individual account performance.

**Definition of Firm:** Davenport Asset Management ("DAM") is a separate and distinct business entity of Davenport & Company LLC. DAM manages various investment strategies where DAM is responsible for security selection.

**Strategy Description:** The Davenport ETF Model is for portfolios seeking high income levels, quality investments and liquidity when needed.

Davenport Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Davenport Asset Management has been independently verified for the periods January 1, 1984 through December 31, 2021. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

Performance results are presented net and gross of actual investment management fees and transaction costs where applicable. The Davenport ETF Model Composite was created June 30, 2020. Composite performance reflects actual economic and market conditions. Significant cash flows and other unique circumstances can affect individual account performance. The Davenport ETF Model Composite includes the following requirements where applicable, among others: use of aggregate return method; use of total return to calculate performance; accrual accounting; use of trade-date reporting; use of time-weighted rates of return, monthly valuation and geometric linking of period returns; inclusion of cash and cash equivalents in returns; inclusion of all fee-paying, discretionary accounts in at least one composite; no linkage with simulated portfolios; the inclusion of new portfolios at the beginning of the first full month; exclusion of terminated portfolios after the last full month they were in place, but their inclusion for all months prior to terminating.

**Index Definitions:** The **Bloomberg 1-3 Year US Government/Credit Total Return Index** measures the performance of US Treasury securities that that have a maturity ranging from 1-3 years. This can be used as a benchmark for short-term maturity fixed income securities.

The **Bloomberg 1-5 Year US Government/Credit Index** measures the performance of U.S. dollar-denominated U.S. Treasury bonds, government related bonds (i.e., U.S. and non-U.S. agencies, sovereign, quasi-sovereign, supranational and local authority debt) and investment grade U.S. corporate bonds that have a remaining maturity of greater than or equal to one year and less than five years. *An investor cannot invest in an index, and its returns are not indicative of the performance of any specific investment.*

Internal Dispersion is a measure of the spread of

the annual returns of individual portfolios within a composite; standard deviation is utilized. The 3-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. Both are calculated gross of fees.

**Annual Fees:**

The Davenport Fixed Income ETF Model Composite includes the fixed income portion of balanced and unified managed accounts where applicable.

**Fee only:**

- 1.50% on the first \$1,000,000
- 1.25% on the next \$4,000,000
- 1.00% on amounts over \$5,000,000;

**Fee plus commission:**

- 0.75% on the first \$1,000,000
- 0.50% on the next \$4,000,000
- 0.30% on amounts over \$5,000,000;

*The fee is inclusive of investment advisory services, custody of assets and execution services where applicable and is generally a percentage of assets under management.*

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