

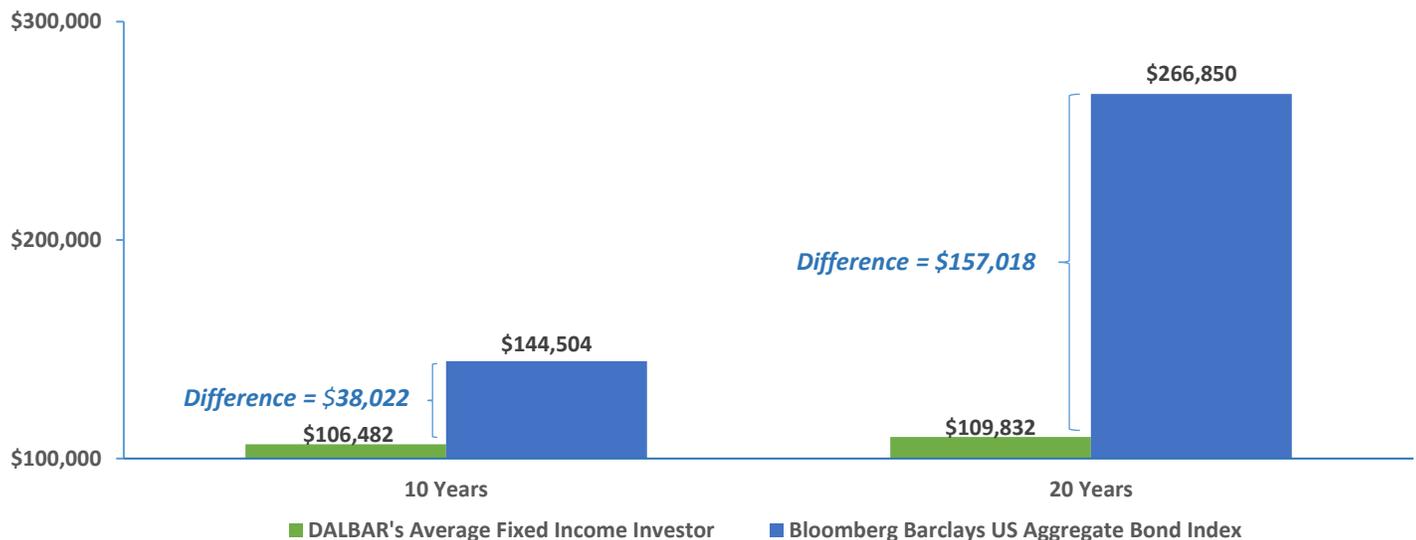
Investing with a Long-Term Focus

Financial professionals not only need to be effective investors but also behavioral finance coaches for their clients. When markets draw down or are volatile, questions will arise from concerned clients and perspective will need to be provided. Since 1994 DALBAR has published their annual *Quantitative Analysis of Investor Behavior* report to help Financial Professionals discuss the prudence of a long-term, buy and hold approach. The study finds that approximately 70% of Average Investor underperformance occurred during only 10 key periods in the last 25 years when investors withdrew from the market during crises.

In their 2020 study, we can see that the Average Fixed Income Investor not only underperforms their benchmark but fails to exceed the rate of inflation, resulting in a **negative real return**.

Periods ended 12/31/2019	Annualized Return		
	DALBAR's Average Fixed Income Investor (%) ¹	Bloomberg Barclays US Aggregate Bond Index (%) ²	Inflation (%)
10-year average	0.63	3.75	1.75
20-year average	0.47	5.03	2.14

Growth of a hypothetical \$100,000 investment ended 12/31/2019
DALBAR's Average Fixed Income Investor vs. Bloomberg Barclays US Aggregate Bond Index



The above data suggests that it may be beneficial for fixed income investors to have a long-term focus and stay invested through complete market cycles.

Please contact your CAM Client Consultant to receive a complimentary copy of DALBAR's 2020 Quantitative Analysis of Investor Behavior and hear our thoughts on how investor outcomes can potentially be improved by focusing on the long term.

This information is for comparative purposes only, based on or derived from information generally available to the public from sources believed to be reliable. No representation is made to its accuracy or completeness.

Returns for average fixed income investors attributed to DALBAR represent returns for a hypothetical average fixed income fund investors and do not reflect actual investments. DALBAR uses data from the Investment Company Institute (ICI), Standard & Poor's, Bloomberg Barclays Indices and proprietary sources to compare mutual fund investor returns to an appropriate set of benchmarks. Covering the period from January 1, 1984 to December 31, 2019, the study utilizes mutual fund sales, redemptions and exchanges each month as the measure of investor behavior. These behaviors reflect the "Average Investor."

Figures shown are past results and are not predictive in future periods. The Bloomberg Barclays US Aggregate Bond Index is unmanaged and has no expenses. You cannot invest in the Index.

This information is intended solely to report on investment strategies identified by Cincinnati Asset Management. Opinions and estimates offered constitute our judgment and are subject to change without notice, as are statements of financial market trends, which are based on current market conditions. This material is not intended as an offer or solicitation to buy, hold or sell any financial instrument. Fixed income securities may be sensitive to prevailing interest rates. When rates rise the value generally declines. Past performance is not a guarantee of future results. Gross of advisory fee performance does not reflect the deduction of investment advisory fees. Our advisory fees are disclosed in Form ADV Part 2A. Accounts managed through brokerage firm programs usually will include additional fees. Returns are calculated monthly in U.S. dollars and include reinvestment of dividends and interest. The index is unmanaged and does not take into account fees, expenses, and transaction costs. It is shown for comparative purposes and is based on information generally available to the public from sources believed to be reliable. No representation is made to its accuracy or completeness.

¹ DALBAR *Quantitative Analysis of Investor Behavior* report 2020. DALBAR defines the Average Fixed Income Investor as a universe of fixed income mutual funds which includes Investment Grade, High Yield, Government, Municipal, Multi-Sector, and Global Bond Funds. It does not include money market funds.

² The Bloomberg Barclays US Aggregate Bond Index is a broad based, market capitalization-weighted bond market index representing intermediate term investment grade bonds traded in the United States.