

U.S. equity markets are defined by a continuous cycle of shifting leadership. The sectors that outperform one year are often not the same ones that lead the next, creating a dynamic environment that presents both challenges and opportunities for investors. Navigating this constant change requires a strategic approach that can adapt to evolving market trends.

Symmetry Partners' systematic Sector Momentum strategy is designed to complement traditional portfolio approaches. Using objective, data-driven momentum signals, the strategy dynamically allocates to U.S. sectors showing sustained strength, providing an adaptable and transparent framework for capturing evolving market leadership.

The Sector Momentum strategy is available via the [Panoramic Sector Momentum ETF \(SMOM\)](#) as well as a [Sector Momentum SMA](#).

With the annual performance dispersion between the best and worst U.S. sectors averaging more than 44% over the last 15 years,¹ a dynamic strategy focused on top-performing sectors offers the possibility of strong performance.

Portfolio Applications

A sector momentum strategy is a versatile tool for investors and Financial Advisors.

- **Core-Satellite Allocation:** A common application is to use a sector momentum strategy as a satellite holding, representing 10%–30% of a portfolio. The goal is to add a disciplined, dynamic sleeve around a broad-market core to seek excess return without disrupting overall asset allocation.
- **Replacement for Active Strategies:** The strategy can serve as a replacement for traditional active equity strategies, particularly for investors seeking a data-driven, cost-efficient alternative to discretionary stock pickers.
- **Diversifying Portfolios:** In portfolios that are heavily concentrated in investment factors like value, high-dividend, or low-volatility, a sector momentum strategy can

Key Advantages

- **Evidence-based** – Built on decades of academic research validating momentum as a proven and persistent market factor.
- **Rules-based discipline** – Removes emotional decision-making through a consistent, repeatable process.
- **Portfolio versatility** – Functions as a complement to a core U.S. portfolio, an active strategy replacement, or a diversifying* complement to investment factor-tilted portfolios.

¹ Morningstar Direct, as of June 2025.

*Diversification does not ensure a profit or guarantee against a loss.

The Strategy

Sector rotation is not new. Investors and money managers have long tried to position portfolios in sectors expected to outperform based on the stage of the economic cycle, macro forecasts, or market "feel."

Most approaches fall into one of three categories: Macro-timing, fundamental/thematic tilts, or discretionary technical calls. The result is these sector rotation strategies tend to lack transparency and consistency, often relying on market forecasts or subjective decisions. This can make it difficult to understand the strategy's rationale—and more challenging for investors to trust the process.

Instead, Symmetry's Sector Momentum strategy is a systematic, rules-based approach that uses cross-sectional momentum to capitalize on performance trends. The strategy operates within a universe of the 11 sectors of the S&P 500: Communication Services, Consumer Discretionary, Consumer Staples, Energy, Financials, Health Care, Industrials, Information Technology, Materials, Real Estate, and Utilities.

Signals: To identify trending sectors, we employ a dual-signal approach, analyzing both trailing 6- and 12-month price momentum. The use of these intermediate horizons is well supported by academic literature. We exclude the most recent month's performance to avoid the well-documented short-term reversal effect, where the prior month's top performers tend to subsequently underperform.

Rebalancing: Even with a robust signal, performance can vary meaningfully depending on the specific timing of rebalances—a phenomenon known as rebalance timing luck. Research demonstrates this can create annualized performance dispersion of 1%–4% for identically constructed portfolios (Hoffstein, Faber, and Braun, 2020). To address this, we employ a "tranching" or staggered rebalance approach.

Weighting: Each tranche rebalances independently according to its designated quarterly schedule. The strategy selects the top three sectors based on 6-month momentum and the top three based on 12-month momentum. If a sector ranks in the top three for both the 6- and 12-month momentum signals, it receives a double weight in that tranche. As a result, each tranche will hold between three sectors (if all top-ranked sectors overlap) and six sectors (if there is no overlap).

Two Ways to Access the Sector Momentum Strategy

- 1. Sector Momentum SMA** – Launched in 2018, this strategy is available on several platforms, including Symmetry's Axiom Platform.
- 2. Panoramic Sector Momentum ETF (SMOM)** – Launched in 2025, the SMOM ETF follows a similar strategy to the SMA. As an ETF, it offers convenience, transparency, and tax efficiency.

By dynamically allocating to sectors exhibiting strong momentum characteristics, the Sector Momentum strategy provides a disciplined way to potentially improve risk-adjusted returns, diversify factor exposure, and enhance long-term outcomes for portfolios.

More Information

Symmetry can help you identify the right Panoramic solution—as well as personalization options—for your specific needs and requirements.

To learn more, visit panoramicinvesting.com

Symmetry Partners, LLC is an investment advisory firm registered with the Securities and Exchange Commission. The firm only transacts business in states where it is properly registered, or exempted or excluded from registration requirements. Past performance does not guarantee future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product, or any noninvestment related content, made reference to directly or indirectly in this material will be profitable, or prove successful. As with any investment strategy, there is the possibility of profitability as well as loss. Symmetry Partners, LLC is not affiliated with SIDCO. Diversification seeks to reduce volatility by spreading your investment dollars into various asset classes to add balance to your portfolio. Using this methodology, however, does not guarantee a profit or protection from loss in a declining market. Rebalancing assets can have tax consequences. If you sell assets in a taxable account you may have to pay tax on any gain resulting from the sale. Please consult your tax advisor.

Risk Disclosure

Principal Investment Risks: As with all exchange-traded funds, there is the risk that you could lose money through your investment in the Fund. A Fund share is not a bank deposit and it is not insured or guaranteed by the FDIC or any other government agency. **Market Risk** – The prices of and the income generated by the Fund's securities may decline in response to, among other things, investor sentiment, general economic and market conditions, regional or global instability, and currency and interest rate fluctuations. In addition, the impact of any epidemic, pandemic or natural disaster, or widespread fear that such events may occur, could negatively affect the global economy, as well as the economies of individual countries, the financial performance of individual companies and sectors, and the markets in general in significant and unforeseen ways.

ETF Risks – The Fund is an ETF and, as a result of this structure, it is exposed to the following risks:

Trading Risk – Shares of the Fund may trade on The Nasdaq Stock Market LLC (the "Exchange") above or below their NAV. The NAV of shares of the Fund will fluctuate with changes in the market value of the Fund's holdings. In addition, although the Fund's shares are currently listed on the Exchange, there can be no assurance that an active trading market for shares will develop or be maintained. Trading in Fund shares may be halted due to market conditions or for reasons that, in the view of the Exchange, make trading in shares of the Fund inadvisable.

Limited Authorized Participants, Market Makers and Liquidity Providers

Risk – Because the Fund is an ETF, only a limited number of institutional investors (known as "Authorized Participants") are authorized to purchase and redeem shares directly from the Fund. In addition, there may be a limited number of market makers and/or liquidity providers in the marketplace. To the extent either of the following events occur, Fund shares may trade at a material discount to net asset value ("NAV") and possibly face delisting: (i) Authorized Participants exit the business or otherwise become unable to process creation and/or redemption orders and no other Authorized Participants step forward to perform these services, or (ii) market makers and/or liquidity providers exit the business or significantly reduce their business activities and no other entities step forward to perform their functions.

Equity Risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. Preferred stocks are subject to the risk that the dividend on the stock may be changed or omitted by the issuer, and that participation in the growth of an issuer may be limited.

Large Capitalization Companies Risk – If valuations of large capitalization companies appear to be greatly out of proportion to the valuations of small or medium capitalization companies, investors may migrate to the stocks of small and medium-sized companies. Additionally, larger, more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes. Larger companies also may not be able to attain the high growth rates of successful smaller companies.

Momentum Style Risk – Investing in or having exposure to securities with positive momentum entails investing in securities that have had above-average recent returns. These securities may be more volatile than a broad cross-section of securities. In addition, there may be periods when the momentum style is out of favor, and during which the investment performance of the Fund using a momentum strategy may suffer.

Quantitative Investing Risk – The risk that the value of securities or other investments selected using quantitative analysis can perform differently from the market as a whole or from their expected performance. This may be as a result of the momentum metrics used in building the quantitative model, the accuracy of historical data supplied by third parties, and changing sources of market returns.

Sector Risk – From time to time, the Fund may focus its investments in one or more particular sectors. Sector risk is the risk that if the Fund invests a significant portion of its total assets in certain issuers within the same economic sector, an adverse economic, business or political development affecting that sector may affect the value of the Fund's investments more than if the Fund's investments were not so focused.

Investment Companies and Exchange-Traded Funds Risk – When the Fund invests in other investment companies, including the Underlying Funds, it will bear additional expenses based on its pro rata share of the other investment company's operating expenses, including the management fees of Underlying Funds in addition to those paid by the Fund. The risk of owning an Underlying Fund generally reflects the risks of owning the underlying investments the Underlying Fund holds. The Fund also will incur brokerage costs when it purchases and sells shares of the Underlying Funds. Additionally, the Underlying Funds may trade in the secondary market at prices below the value of their underlying portfolios and may not be liquid. Underlying Funds that track an index are subject to tracking error and may be unable to sell poorly performing assets that are included in their index or other benchmark.

Index Tracking Error Risk – The performance of an Underlying Fund and its index may differ from each other for a variety of reasons. For example, an Underlying Fund that is index-based in which the Fund invests incurs operating expenses and portfolio transaction costs not incurred by the Underlying Fund's index. In addition, the Underlying Fund may not be fully invested in the securities of the index that it tracks at all times or may hold securities not included in its index.

Asset Allocation Risk – The risk that the selection by the Adviser of the Underlying Funds and the allocation of the Fund's assets among the Underlying Funds will cause the Fund to underperform other funds with similar investment objectives. In this regard, the Fund also may temporarily deviate from its desired asset allocation for the purpose of managing distributions. The allocation of the Fund's assets to a limited number of Underlying Funds may adversely affect the performance of the Fund, and, in such circumstances, it will be more sensitive to the performance and risks associated with those Underlying Funds and any investments in which such Underlying Funds focus.

Risk Disclosure Continued:

Management Risk – The risk that investment strategies employed by the Adviser in selecting investments for the Fund may not result in an increase in the value of your investment or in overall performance equal to other similar investment vehicles having similar investment strategies or that imperfections, errors or limitations in the tools and data used by the Adviser may cause unintended results.

Operational Risk – Operational risks include human error, changes in personnel, system changes, faults in communication, and failures in systems, technology, or processes. Various operational events or circumstances are outside the Adviser's and the Sub-Adviser's control, including instances at third parties. The Fund, the Adviser and the Sub-Adviser seek to reduce these operational risks through control and procedures. However, these measures do not address every possible risk and may be inadequate to address these risks.

Liquidity Risk – Certain securities may be difficult or impossible to sell at the time and the price that the Fund would like. The Fund may have to accept a lower price to sell a security, sell other securities to raise cash, or give up an investment opportunity, any of which could have a negative effect on Fund management or performance.

Valuation Risk – The risk that a security may be difficult to value. The Fund may value certain securities at a price higher or lower than the price at which they can be sold. This risk may be especially pronounced for investments that are illiquid or may become illiquid.

High Portfolio Turnover Risk - The Fund may engage in active trading, including investments made on a shorter-term basis, which may lead to higher fund expenses and lower total return.

Non-Diversified Risk - The Fund is non-diversified, which means that it may invest in the securities of relatively few issuers. As a result, the Fund may be more susceptible to a single adverse economic or political occurrence affecting one or more of these issuers and may experience increased volatility due to its investments in those securities.

New Fund Risk – Because the Fund is new, investors in the Fund bear the risk that the Fund may not be successful in implementing its investment strategy, may not employ a successful investment strategy, or may fail to attract sufficient assets under management to realize economies of scale, any of which could result in the Fund being liquidated at any time without shareholder approval and at a time that may not be favorable for all shareholders. Such liquidation could have negative tax consequences for shareholders and will cause shareholders to incur expenses of liquidation.

The ETF's investment adviser is Symmetry Partners, and the ETF is distributed by SEI Investment Distribution Company (SIDCO). SIDCO is not affiliated with Symmetry Partners, LLC.

CONSIDER THE ETF'S INVESTMENT OBJECTIVE, RISK FACTORS, AND CHARGES AND EXPENSES BEFORE INVESTING. THIS AND OTHER INFORMATION CAN BE FOUND IN THE FUNDS' PROSPECTUS AND SUMMARY PROSPECTUS, WHICH CAN BE OBTAINED BY VISITING WWW.PANORAMICFUNDS.COM OR BY CALLING 1-844-SYM-FUND (844-796-3863). PLEASE READ THE PROSPECTUS CAREFULLY BEFORE INVESTING.

There are risks involved in investing, including loss of principal. Asset allocation may not protect against market risk. Investment in the fund(s) is subject to the risks of the underlying funds.