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## **American Portfolios' Nine Points Investment Management Introduces ThemeCatcher ETF Strategy, a Quantitative Tactical Portfolio**

HOLBROOK, N.Y. (Oct. 14, 2020)—American Portfolios Financial Services, Inc. (AP)—a privately-held, independent broker/dealer that services financial advisors across the country—has introduced the ThemeCatcher ETF strategy, a new quantitative tactical portfolio offered by the firm's registered investment advisor (RIA), American Portfolios Advisors, Inc. (APA) through Nine Points Investment Management (NPIM), an exclusive asset manager and fund strategist within the American Portfolios Advisory Platform.

"We believe it's vital for our family of investment professionals to have a wide variety of choices to offer their clients when helping them plan their financial futures," states Cliff T. Walsh, CFA, chief investment officer for AP and portfolio manager of the NPIM strategies. "We wanted to create something with downside protection, yet avoid the flaws we saw in other tactical strategies when researching. With the launch of the ThemeCatcher ETF strategy, the firm's affiliated financial advisors have enhanced methods of tapping into new financial planning opportunities. In addition to the other portfolios offered through NPIM, including the fixed income and impact portfolios, it is our hope advisors will be able to reach prospective clients and have new conversations with existing customers through these offerings."

The NPIM ThemeCatcher ETF strategy is a quantitative tactical portfolio that invests in thematic ETFs using momentum analysis. It is screened for overlap and structural integrity of the underlying ETFs and utilizes an offensive equity bucket that is both optimized for risk/adjusted returns and diversification. Defense is brought in when a significant portion of the thematic universe displays negative momentum to provide diversification when momentum signals are unclear across many themes

Thematic ETFs have exceptionally high active share and high beta, resulting in an extremely unique portfolio. It will not mirror broad market equities and it avoids sitting in nothing but short-term treasuries for months on end. The high beta element of thematic ETFs helps this strategy to attempt for outperformance in strong equity markets—unlike traditional tactical strategies. The offensive and defensive universe is updated monthly to allow for the addition of new ETFs, making the universe very dynamic. After the universe is constructed by the investment management team, the entire process is quantitative. The strategy minimum is \$75,000 and fees are 0.70 percent. The portfolio can trade as frequent as weekly and is expected to have significant turnover.

A thematic ETF is a non-traditional way to group equity markets based on common characteristics within a group of stocks. These investments cross traditional sector and geographic region breakdowns. This is done using indexing, active management and often active indexing. Weightings range from traditional market cap to equal weight to hundreds of unique methodologies. Thematic ETFs may follow certain social, economic, corporate or demographic themes that are popular in society and may gather investor attention.



CIO Walsh recently authored a white paper, entitled “Thematic Investing: Turning Insights Into Alpha.” [Visit the NPIM Web site to review the white paper.](#)

### **About Nine Points Investment Management (NPIM)**

APA added NPIM to its existing Advisor’s Solutions program on the American Portfolios Advisory Platform in 2015; NPIM provides an alternative to traditional, packaged advisory products, all while offering personalized service not found in today’s Web-based wealth management solutions. As an exclusive asset manager and fund strategist within the AP Advisory Platform, NPIM applies a disciplined and consistent approach to asset allocation portfolio design. Additionally, NPIM impact portfolios provide diversified exposure to U.S., foreign equity, fixed income and alternatives at five levels of risk to suit a broad range of client objectives. They are managed using the principles of Modern Portfolio Theory with small tactical shifts in asset class weightings to take advantage of current market conditions.

### **About American Portfolios**

Headquartered in Holbrook, N.Y., American Portfolios Financial Services, Inc. (APFS) is a full-service, independent broker/dealer and member firm of FINRA and SIPC, offering a complete range of financial services, including personal financial and retirement planning, securities trading, mutual funds, access to investment research, long-term care planning, insurance products and tax-free investing. Fee-based asset management is offered through its sister subsidiary, American Portfolios Advisors, Inc., (APA), an SEC Registered Investment Advisor. Both entities, along with technology entity American Portfolios Advisory Solutions, LLC, collectively reside under the legal entity American Portfolios Holdings, Inc. (APH). Full-service securities brokerage is available through a clearing firm relationship with Pershing, LLC, a BNY Mellon firm, the securities of which are held on a fully disclosed basis. The company currently supports 857 independent investment professionals—inclusive of registered assistants—and more than 375 non-registered associates, located in 403 branch locations throughout the nation. It was named Broker-Dealer of the Year\* (Division III) by Investment Advisor magazine for six consecutive years (2015-2020); a 2019 and 2020 WealthManagement.com Industry Award Finalist in multiple categories, and the 2020 winner in the service category of B/Ds under 1,000 representatives for its Virtual Administrative Services (VAS) program\*\*; one of the Best Companies to Work for in the state of New York for five consecutive years (2016-2020) by the New York State Society for Human Resources Management (NYS-SHRM) and the Best Companies Group (BCG); and one of the Top Long Island Workplaces for 2018 and 2019 by Newsday.

*\* Based on a poll of registered representatives conducted by Investment Advisor magazine. Broker/dealers rated highest by their representatives are awarded “Broker/Dealer (B/D) of the Year.”*

*\*\* Wealthmanagement.com Industry Award finalists are selected by a panel of independent judges made up of subject matter experts in the industry. Award is based on support provided to AP’s affiliated people and does not reflect public customers nor their account performance.*

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