



TARGET INCOME PORTFOLIO

As investors search for income and interest rates remain historically low, the need for reliable income investment strategies is more important than ever. The Target Income Portfolio was released at Cabana in April 2021 and is designed for investors seeking a steady stream of income, while minimizing sequence of return risk as well as overall drawdown through a tactical allocation model. The portfolio seeks a yield in excess of 4%, increasing as interest rates rise. Like all Cabana portfolios and products, it utilizes the firm's proprietary Cyclical Asset Reallocation Algorithm ("CARA") to evaluate the repeating economic cycle and allocate assets accordingly.

Quick Facts

Portfolio Manager:	G. Chadd Mason
Minimum Investment:	\$5,000
Target Drawdown:	12%
Inception Date:	May 13, 2021

Standard Deviation

Std Dev 1 Yr (Mo-End)	7.74%
Std Dev 3 Yr (Mo-End)	NA
Std Dev 5 Yr (Mo-End)	NA
Current Yield (Mo-End)	4.54%

Global Investment Performance Standards

Cabana claims compliance with the Global Investment Performance Standards (GIPS®).

The Target Income Portfolio has been performance examined consistent with GIPS® standards. [The Target Income Portfolio GIPS® Composite Report can be accessed here.](#)



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Risk number is as of July 31, 2023.



WHAT IS TARGET DRAWDOWN?



Cabana numerically quantifies acceptable levels of risk by identifying a "target drawdown" percentage for each portfolio at the onset of the investment process.



Monthly returns are used to calculate the drawdown percentage. This method of measurement creates a new "high-water mark" each time the portfolio's value increases, which means drawdown is determined from a portfolio's highest value, not from an investor's starting balance.



Drawdown is defined as the maximum loss, or amount an investment can be expected to fall, from peak to trough during adverse market conditions.



This portfolio utilizes Cabana's target drawdown approach with the goal of minimizing losses where possible - especially losses that exceed the portfolio's target drawdown parameter (in this case, 12%). This investment philosophy allows clients to remain fully invested at all times, set expectations for loss, and actively participate in favorable market conditions.

Monthly Performance 2023

Fund/Benchmark Name	Jan	Feb	Mar	April	May	June	July	YTD
Target Income Portfolio Gross	3.63%	-3.55%	0.35%	-0.14%	-1.44%	1.95%	0.68%	1.33%
Target Income Portfolio Net	3.46%	-3.71%	0.18%	-0.31%	-1.60%	1.78%	0.51%	0.16%
Morningstar Moderately Conservative TR	4.53%	-2.60%	2.04%	0.82%	-1.40%	2.18%	1.61%	7.23%
SPY	6.29%	-2.51%	3.71%	1.60%	0.46%	6.48%	3.20%	20.53%
Morningstar Category: Tactical Allocation	4.15%	-2.53%	1.39%	0.45%	-1.00%	3.74%	2.44%	8.77%

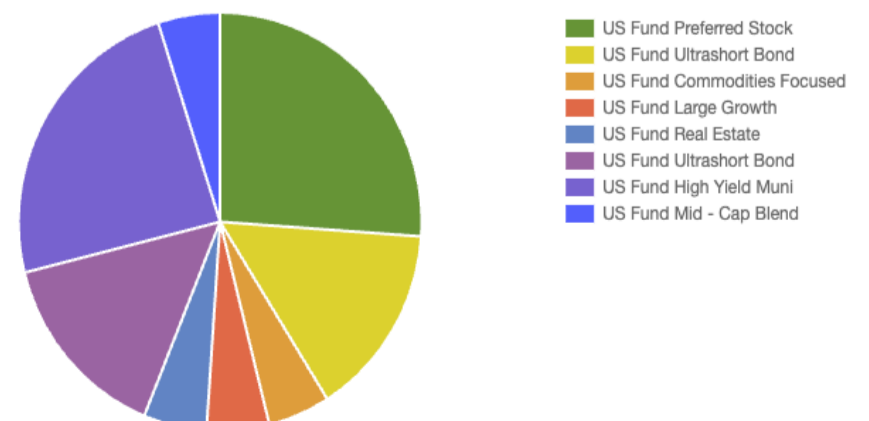
Annual Returns

Fund/Benchmark Name	2023	2022	2021
Target Income Portfolio Gross	1.33%	-17.33%	3.22%
Target Income Portfolio Net	0.16%	-18.96%	2.02%
Morningstar Moderately Conservative TR	7.23%	-13.84%	2.61%
SPY	20.53%	-18.25%	14.25%
Morningstar Category: Tactical Allocation	8.77%	-15.58%	4.44%

Leveraging Cabana's Target Drawdown ETFs

On September 17, 2020, Cabana released a series of Target Drawdown ETFs that follow the firm's flagship Target Drawdown Strategy. The Target Income Portfolio will invest in various Cabana Target Drawdown ETFs, with the goal of providing a foundation of stability, consistent yield and historical performance. Other third-party ETFs make up the remainder of the portfolio in order to satisfy the underlying objectives of the strategy.

Asset Allocation



Trailing Returns

Trailing returns are annualized for periods greater than one year. The table below is as of July 31, 2023.

Fund/Benchmark Name	1 Year	3 Year	5 Year	Since Inception
Target Income Portfolio Gross	-1.25%	NA	NA	-6.49%
Target Income Portfolio Net	-3.21%	NA	NA	-8.34%
Morningstar Moderately Conservative TR	2.99%	NA	NA	-2.44%
SPY	12.87%	NA	NA	5.62%
Morningstar Category: Tactical Allocation	3.88%	NA	NA	-1.91%

Target Income Portfolio Disclaimer

Cabana LLC, dba Cabana Asset Management ("Cabana"), is an investment adviser registered with the SEC. Cabana only transacts business in states where it is properly registered or is exempted from registration requirements. Registration as an investment adviser is not an endorsement of Cabana by securities regulators and does not mean that such investment adviser has achieved a specific level of skill or ability. Additional information regarding Cabana, including its fees, can be found in Cabana's Form CRS and Form ADV Part 2A, copies of which are available upon request or online at <https://thecabanagroup.com/form-crs> and <https://thecabanagroup.com/adv-part2> or www.adviserinfo.sec.gov. This material is proprietary, and is not to be copied, reproduced, altered, deconstructed, or distributed without the express written consent of Cabana, LLC. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal, accounting, or personalized investment advice. You should consult your own tax, legal, accounting, and financial advisors before engaging in any transaction.

The performance returns, benchmark comparisons, and metrics in this factsheet represent actual composite returns during a time when actual client funds were invested. SPY returns reflect the deduction of all expenses and transaction costs incurred by the SPY ETF. Unless otherwise indicated, performance data, benchmark comparisons, asset allocation charts, drawdown, and other statistics are for illustrative purposes, calculated as of end of month, and shown gross of advisory fees but net of trading costs. Asset allocation may vary intramonth if a reallocation has occurred. Performance data is expressed in U.S. dollar currency and it includes the reinvestment of dividends and capital gains. Consistent with our ongoing third-party GIPS verification efforts, Cabana will from time to time and without notice, make minor non-material updates and corrections to performance data which do not significantly impact performance. These changes will be reflected on the most recent fact sheets and independent verification reports, as applicable. Target Drawdown is identified on a gross of advisory fees but net of trading costs basis. Net performance includes a maximum investment advisory fee of 3% prior to March 1, 2017 and 2% thereafter. Morningstar's Moderate Target Risk (<http://glossary.morningstar.com/InvGlossary/morningstar-target-risk-indexes.aspx>) index follows a moderate equity risk preference and is based on well-established asset allocation methodology from Ibbotson Associates, a Morningstar company. SPY is an ETF that tracks the performance of 500 leading U.S. large cap companies. The funds in the Morningstar Tactical Allocation Category (http://im.mstar.com/im/newhomepage/Morningstar_Category_Definitions_US_June_2016.pdf) seek to provide capital appreciation and income by actively shifting allocations across investments. All indexes and categories are unmanaged and an individual cannot invest directly in an index. Index returns do not include fees or expenses. Benchmark indices will likely materially differ from Cabana's portfolio strategies. Detailed information as to how the returns are calculated can be obtained online from the following link: <https://thecabanagroup.com/disclaimers/performance-reporting-methodology/>.

The Target Drawdown Professional Series invests primarily in Cabana's proprietary ETFs ("Cabana ETFs"). Cabana serves as sub-advisor to the Cabana ETFs and is responsible for their investment strategy. The Cabana ETFs were launched in partnership with private label ETF advisor Exchange Traded Concepts ("ETC"). Cabana receives an asset management fee for its investment advisory services related to Cabana's ETFs. The investment strategy employed to manage the Cabana ETFs is similar to that of Cabana's other Target Drawdown products and utilizes Cabana's proprietary algorithm, though each product type has some material differences and performance will vary. Detailed information regarding Cabana's ETF can be found in the offering documents, which are available at <https://thecabanagroup.com/etf-prospectus/>.

GIPS composite selection criteria includes the following: The account must meet Cabana's definition of discretion as outlined in your GIPS policies and procedures, the account must meet the composite description as outlined in the GIPS Report and P&P, the account must meet composite membership policies, the account must meet the specific composite/s minimum account size rule, the account cannot violate the composite's significant cash flow policy for the given month.

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Past performance is no guarantee of future results. All investment strategies have different degrees of risk and the corresponding potential for profit or loss. Asset allocation and diversification will not necessarily improve returns and cannot eliminate the risk of investment losses. "Target Drawdown" is merely a descriptive term used to describe the general strategy and objective of the portfolio, it is not a guarantee, nor should it be construed to suggest safety or protection from loss. There is no guarantee that portfolio performance will remain consistent with the targeted drawdown parameter. While risk tolerance and targeted "drawdown" are identified on the front end for each portfolio, Cabana's algorithm does not take any one client's situation into account and there is no guarantee that Cabana's strategies will be suitable for any investor. Investors and advisors should not simply rely on the name of any portfolio to determine what is suitable. It is the responsibility of investment advisors to determine what is suitable for their clients. Cabana manages assets on multiple custodial platforms. Performance data, statistics, including drawdown, and asset allocation for specific investors will vary based upon differences in associated costs, inflows and outflows, custodial fees, and asset availability during the reporting period and may not be identical to reported data. All references to Cabana's proprietary algorithm in this fact sheet refer to the most current version of the algorithm as of the date this fact sheet is published. The performance returns shown in this piece are derived from a composite of accounts that executed trades in strict accordance with Cabana investment strategies. Investors will not achieve the same performance returns if their account did not execute trades in strict conformance with Cabana's trade signals. Scene names and number of scenes have changed over time.

Investing involves risk including possible loss of principal. There is no guarantee the portfolio will maintain the target drawdown or meet its objective. The principal risks of the portfolio include: The portfolio may purchase ETFs at prices that exceed the net asset value of their underlying investments and may sell at prices below such net asset value, which will likely incur brokerage costs. Commodity-related companies may subject the ETFs to greater volatility than investments in traditional securities. Investments in foreign securities may involve risks such as social and political instability, market illiquidity, exchange-rate fluctuations, a high level of volatility and limited regulation. Investing in emerging markets involves different and greater risks, as these countries are substantially smaller, less liquid and more volatile than securities markets in more developed markets. The market value of fixed income investments may change in response to interest rate changes. During periods of rising interest rates, the value of fixed income securities generally decline. The market price of a security or instrument could decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic or political conditions throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. Risks include declines in the real estate market, decreases in property revenues, increases in interest rates, increases in property taxes and operating expenses, legal and regulatory changes, a lack of credit or capital, defaults by borrowers or tenants, environmental problems and natural disasters. A portfolio and its underlying ETFs may invest a significant portion of its assets in one or more sectors and thus will be more susceptible to the risks affecting those sectors. The small- and mid-capitalization companies in which an ETF invests may be more vulnerable to adverse business or economic events than larger, more established companies. Cabana's judgments about the markets, the economy, or companies may not anticipate actual market movements, economic conditions or company performance, and these judgments may affect the return on your investment. The quantitative model used by Cabana may not perform as expected, particularly in volatile markets. In addition to the risks listed above, the portfolios also include Early Close/Trading Halt Risk, Credit Risk, Equity Risk, Issuer-Specific Risk, Large-Capitalization Risk, U.S. Government Securities Risk, Limited Authorized Participants, Market Makers and Liquidity Providers Risk, Model and Data Risk, Operational Risk, Trading Risk and New/Smaller Fund Risk.

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The Morningstar Rating™ for funds, or "star rating", is calculated for separate accounts with at least a three-year history. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics.

The Risk Number® is a proprietary scaled index developed by Nitrogen to reflect risk for both advisors and their clients. One of the most important drivers of the Risk Number is the measurement of downside risk in a portfolio. Cabana's Target Drawdown Professional Portfolios are built into Nitrogen and are given a Risk Number for advisor analysis.

Scene as of 07/31/2023

Transitional Bearish (Improving)

Intra-scene reallocation occurred on 07/05/2023.

This scene represents the typical uptrend within a larger, cyclical bear market. Income producing assets, including preferred stocks, corporate grade bonds and dividend paying large cap equities are attractive. Higher beta growth stocks may also do well as this scene may represent the beginnings of a new bull market.