



Data-Driven Insights, Better Outcomes

# Volworks Q4 Defensive Portfolio

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S&P 500 Stocks that can be considered solid defensive stocks based on key metrics

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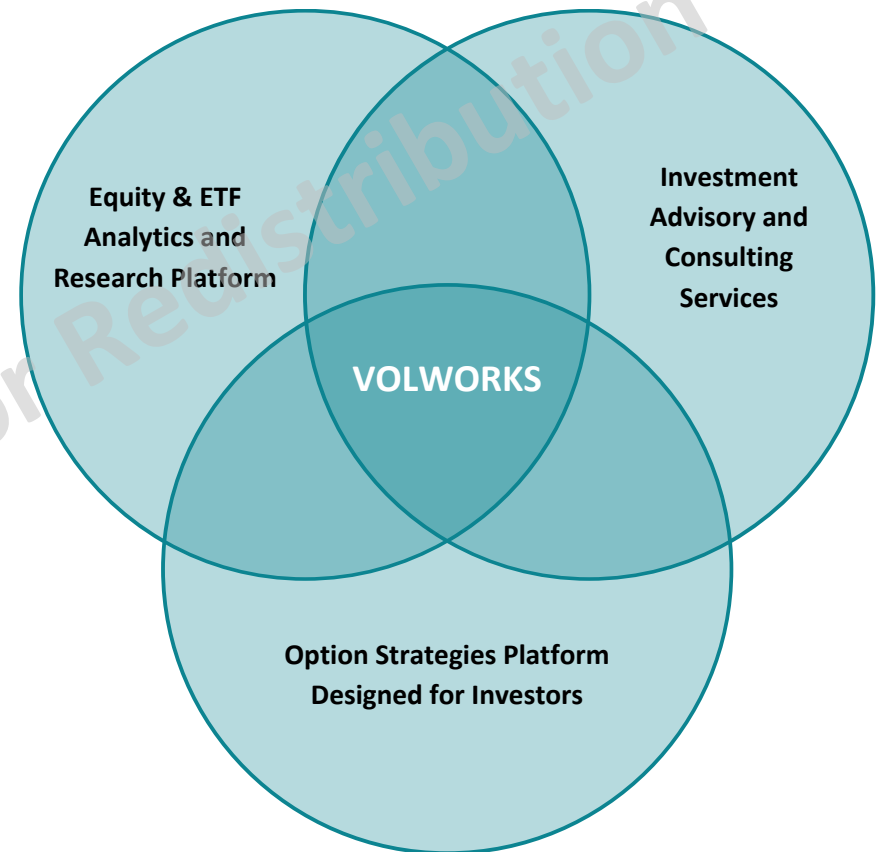
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# **Company Background**

Volworks® is a wealthtech and advisory research firm specializing in helping investors and advisors make better data-driven decisions for their equity and ETF investments.

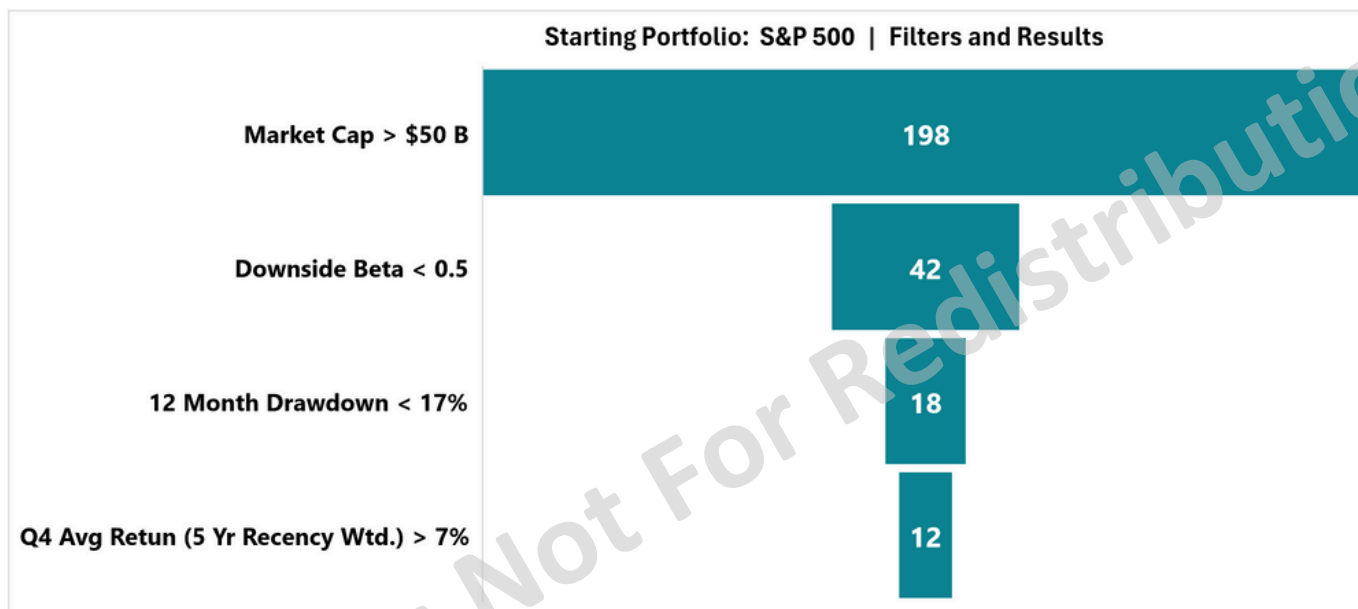
The Volworks platform was initially developed to help Volworks Founder manage equity portfolios for a family office client. While the initial focus was on using options strategies to improve outcomes, the platform has evolved into a leading equity analytics platform in addition to its powerful options capabilities, used daily by the Volworks team.

Our team has extensive experience in options trading, asset management, and software development. Volworks Founder Victor Viner previously led two SEC Registered Investment Advisory firms as CEO & CIO, including Volaris, a multibillion-dollar options-based firm with proprietary technology later acquired by Credit Suisse.



# Presentation Overview

The Volworks Q4 Defensive Portfolio screens for **S&P 500** stocks that meet specific criteria that can give investors confidence that they can potentially outperform in a down market.



- The best-performing stock was **ISRG**, with a weighted avg. **Q4** return of **20.6%**
- The lowest-performing stock of this group was **DLR**, with a weighted avg. **Q4** return of **7.3%**
- **S&P 500** stocks with a market cap > **\$50B** had an average **Q4** return of **9.8%** vs. **11.2%** for our Defensive Portfolio
- **6** sectors are represented in our defensive portfolio
- **7** of the **12** stocks (**58%**) have positive returns for **Q4** in each year **2019-2023**
- **MDLZ** is the only stock in the group that was down year-to-date through **Q3**

## S&P 500 | Quarterly Returns By Year

Filters: Quarter Q4 | MktCap (\$B) > \$50 | Down Beta (5Yrs) <.5 | 12M DD < 17% | CER 5 Yr Wtd > 7%

Symbol (12)	MktCap (\$B)	Sector	CER 5 Yr Wtd <sup>1</sup>	5 Yr Mean	% Up (5 Yrs)	> SPY (5 Yrs)	2019	2020	2021	2022	2023	YTD	1M Return	3M Return	Down Beta (5Yrs) <sup>2</sup>	12M DD
SPY	-		9.9%	9.8%	100.0%	100.0%	8.5%	11.6%	10.7%	7.1%	11.2%	23.0%	4.0%	4.4%	1.00	9.7%
Average			11.9%	11.2%	86.7%	55.0%	7.9%	6.8%	15.6%	18.5%	7.2%	24.5%	(0.8%)	7.3%	0.20	12.7%
ISRG	\$172	Healthcare	20.6%	18.0%	100.0%	80.0%	9.5%	15.3%	8.4%	41.6%	15.4%	44.6%	(0.4%)	9.8%	0.40	9.8%
ABBV	\$343	Healthcare	16.0%	17.8%	100.0%	80.0%	16.9%	22.3%	25.5%	20.4%	4.0%	26.6%	1.0%	15.2%	0.11	16.0%
ELV	\$116	Healthcare	15.4%	18.2%	100.0%	80.0%	25.8%	19.5%	24.3%	12.9%	8.3%	8.0%	(7.5%)	(4.9%)	0.13	14.3%
LIN	\$226	Materials	14.7%	14.0%	100.0%	60.0%	9.9%	10.7%	18.1%	21.0%	10.3%	16.2%	1.8%	8.3%	0.50	13.4%
CL	\$82	Cons Stapl	10.9%	8.3%	80.0%	60.0%	(6.4%)	10.8%	12.9%	12.2%	12.1%	26.4%	(4.7%)	2.7%	0.30	10.5%
MDLZ	\$94	Cons Stapl	10.2%	8.2%	80.0%	40.0%	(0.4%)	1.8%	14.0%	21.6%	4.4%	(3.2%)	(6.8%)	7.3%	0.30	16.9%
AZO	\$53	Cons Discr	10.1%	10.2%	100.0%	60.0%	9.8%	0.7%	23.5%	15.1%	1.8%	22.2%	1.2%	8.2%	0.32	16.2%
VRTX	\$124	Healthcare	10.0%	10.8%	60.0%	60.0%	29.2%	(13.1%)	21.1%	(0.3%)	17.0%	19.3%	0%	(0.7%)	-0.75	12.3%
ORCL	\$487	Technology	9.8%	7.6%	60.0%	20.0%	(3.7%)	8.4%	0.1%	33.8%	(0.5%)	67.2%	8.8%	21.8%	0.48	14.2%
PG	\$402	Cons Stapl	8.9%	7.6%	100.0%	40.0%	0.4%	0.1%	17.0%	20.0%	0.5%	17.7%	(0.9%)	3.5%	0.21	7.5%
PM	\$187	Cons Stapl	8.6%	9.2%	100.0%	40.0%	12.1%	10.4%	0.2%	21.9%	1.6%	27.6%	(4.4%)	13.3%	0.17	8.3%
DLR	\$53	Real Estate	7.3%	4.4%	60.0%	40.0%	(7.8%)	(4.9%)	22.4%	1.1%	11.2%	20.8%	2.3%	2.7%	0.18	13.3%

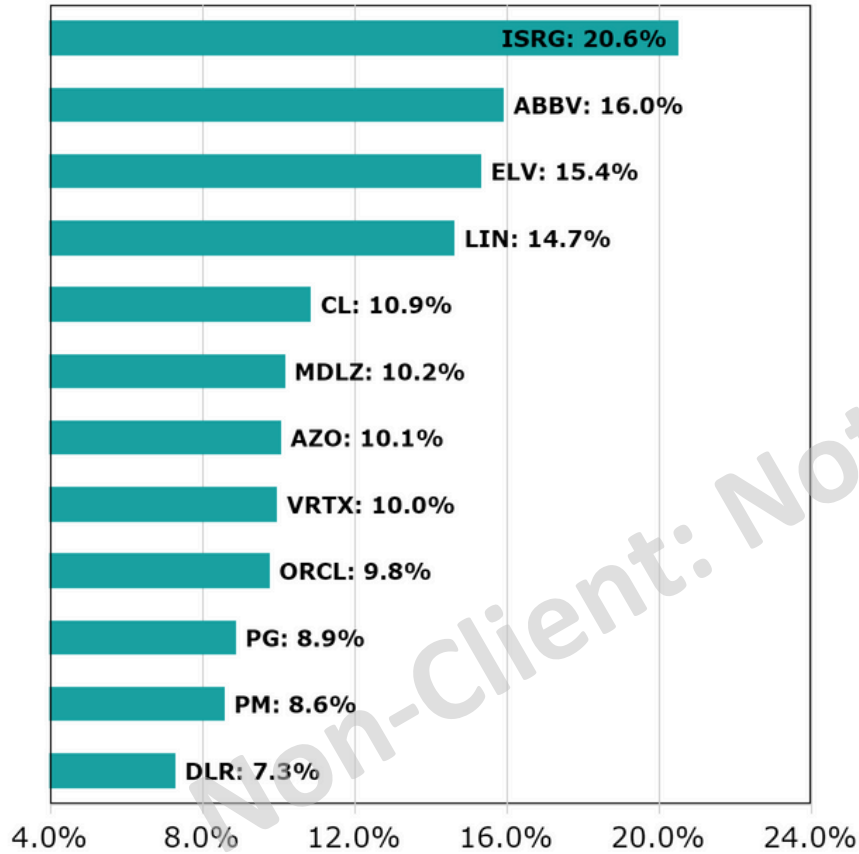
<sup>1</sup>Contextual Expiration Returns™ (CER): The Contextual Expiration Return™ (CER) shows the recency-adjusted average, median, and/or mean returns of the past 5 and/or 10 years for a specific quarter.

<sup>2</sup>Downside Beta helps investors assess a stock's risk when the market is down. We believe it's a better measure of downside risk than the stock's beta. Volworks uses 5-year monthly returns for our analysis.

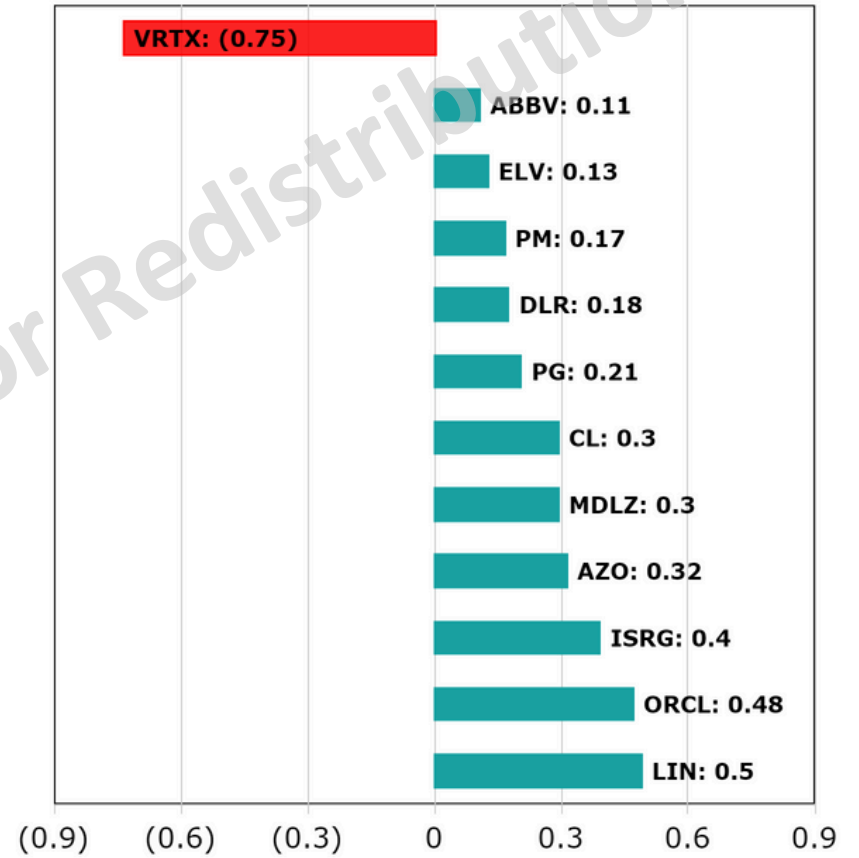
	ABBV	AZO	CL	DLR	ELV	ISRG	LIN	MDLZ	ORCL	PG	PM	VRTX
ABBV	1.00	0.45	0.31	-0.06	0.48	0.39	0.52	0.30	0.15	0.24	0.33	0.36
AZO	0.45	1.00	0.37	0.09	0.68	0.47	0.60	0.38	0.39	0.44	0.33	0.21
CL	0.31	0.37	1.00	0.28	0.44	0.43	0.55	0.69	0.25	0.73	0.46	0.21
DLR	-0.06	0.09	0.28	1.00	0.16	0.34	0.39	0.29	0.45	0.37	0.21	0.14
ELV	0.48	0.68	0.44	0.16	1.00	0.45	0.59	0.47	0.34	0.46	0.48	0.27
ISRG	0.39	0.47	0.43	0.34	0.45	1.00	0.60	0.54	0.61	0.43	0.42	0.23
LIN	0.52	0.60	0.55	0.39	0.59	0.60	1.00	0.62	0.47	0.56	0.49	0.25
MDLZ	0.30	0.38	0.69	0.29	0.47	0.54	0.62	1.00	0.33	0.70	0.61	0.24
ORCL	0.15	0.39	0.25	0.45	0.34	0.61	0.47	0.33	1.00	0.31	0.24	0.08
PG	0.24	0.44	0.73	0.37	0.46	0.43	0.56	0.70	0.31	1.00	0.47	0.17
PM	0.33	0.33	0.46	0.21	0.48	0.42	0.49	0.61	0.24	0.47	1.00	0.29
VRTX	0.36	0.21	0.21	0.14	0.27	0.23	0.25	0.24	0.08	0.17	0.29	1.00

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Q4 5 Yr. Weighted Avg Returns



Downside Betas: Filter <.50



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