

**Portfolio Strategies, Inc.**  
**Quantitative Alpha**  
**ANNUAL DISCLOSURE PRESENTATION**

Year End	Total Firm Assets (USD) (millions)	Composite Assets (USD) (millions)	Number of Accounts	Annual Performance Results Composite		BarclayHedge Equity Long/Short Index	Composite Dispersion (Net)	Composite 3-Yr Std. Deviation (Net)	Benchmark 3-Yr Std. Deviation
				(Gross)	(Net)				
2018	\$66.58	\$1.68	91	-18.88%	-20.54%	-3.04%	0.59%	11.26%	3.42%
2017	\$86.24	\$2.02	92	17.83%	15.84%	8.35%	0.80%	6.67%	3.04%
2016	\$113.29	\$0.62	28	-2.86%	-4.37%	-1.37%	0.91%	6.84%	7.20%
2015	\$129.14	\$2.09	70	0.26%	-1.39%	-2.41%	0.52%	n/a <sup>2</sup>	n/a <sup>2</sup>
2014	\$176.82	\$0.52	30	2.45%	2.10%	10.73%	n/a <sup>1</sup>	n/a <sup>2</sup>	n/a <sup>2</sup>

\*Composite and benchmark performance are for the period January 1, 2014 through December 31, 2018.

n/a<sup>1</sup> - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

n/a<sup>2</sup> - The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period.

The three-year annualized standard deviation is not presented for 2014 and 2015 due to less than 36 months of composite and benchmark data.

**Quantitative Alpha:** The Quantitative Alpha Program seeks to produce returns that are independent from general macroeconomic conditions. The program attempts to take advantage of short-to-intermediate-term pricing dislocations in the S&P 500, DJIA, Nasdaq, Russell 2000, S&P MidCap 400 Indices and the S&P 500 VIX Index by identifying entry and exit points in these markets. These entry and exit points are identified using advanced quantitative pattern recognition techniques. Additionally, the strategy employs leverage at various levels and at various times to produce an optimal level of terminal wealth for the long-term investor. The strategy does not have any constraints in the use of leveraged funds which can result in an exposure as high as 150% long or 50% short the equity markets. The HFRI Macro: Systematic Diversified Index measures systematic diversified strategies that incorporate investment processes that use mathematical, algorithmic, and technical models, with little or no influence of individuals over the portfolio positioning. These types of strategies are designed to identify opportunities in markets exhibiting trending or momentum characteristics across select instruments or asset classes. The strategies typically use quantitative processes that focus on statistically robust or technical patterns in the return series of the asset, and usually focus on highly liquid instruments and maintain shorter holding periods than either discretionary or mean reverting strategies. Although some strategies seek to employ counter trend models, strategies benefit most from an environment characterized by persistent, discernible trending behavior. Systematic diversified strategies typically would expect to have no greater than 35% of portfolio in either dedicated currency or commodity exposures over a given market cycle. The Quantitative Alpha composite was created January 1, 2014. Portfolio Strategies, Inc. (PSI) is a registered investment adviser with United States Securities and Exchange Commission in accordance with the Investment Advisers Act of 1940.

Portfolio Strategies, Inc. ("PSI") claims compliance with the Global Investment Performance Standards (GIPS<sup>®</sup>) and has prepared and presented this report in compliance with the GIPS standards. PSI has been independently verified for the periods January 1, 2004 through December 31, 2018. The verification report is available upon request.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

The firm's list of composite descriptions is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. The annual composite dispersion presented is an equal-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The investment management fee schedule for the composite is 2.50% from \$20,000 to \$500,000, 2.25% \$500,001 to \$1,000,000, 2.00% \$1,000,001 and above. Actual investment advisory fees incurred by clients may vary.