

Portfolio Strategies, Inc.
Sector Focus
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	\$5.66	196	-22.81%	-24.44%	-3.04%	0.75%	10.32%	3.42%
2017	\$86.24	\$10.77	278	6.06%	4.36%	8.35%	0.59%	9.35%	3.04%
2016	\$113.29	\$9.31	225	7.39%	5.49%	-1.37%	0.83%	10.16%	7.20%
2015	\$129.14	\$11.61	247	2.73%	0.51%	-2.41%	1.37%	n/a ¹	n/a ¹
2014	\$176.82	\$11.78	267	6.63%	4.06%	10.73%	0.53%	n/a ¹	n/a ¹

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

n/a¹ – 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.

Sector Focus: Sector Focus provides long and inverse exposure to a broad range of asset classes. Holdings can include U.S. market sectors, broad based U.S. and international indices, fixed-income, and commodities. Up to 100% of an account's assets may be committed to either long, inverse, or money market positions on any given day. The strategy does not have any constraints in the use of leveraged funds which can result in an exposure as high as plus or minus 200%. Sector Focus may not be suitable for conservative investors. Investors should have a three- to five-year investment time horizon, an investment objective of growth, and be willing to accept short-term volatility in the value of their investment. The BarclayHedge Equity Long/Short Index represents funds involving equity-oriented strategies that invest in both the long and short sides of the market. The objective is not to be market neutral. Managers have the ability to shift from value to growth, from small to medium to large capitalization stocks, and from a net long position to a net short position. Managers may use futures and options to hedge. The focus may be regional or sector specific. The Sector Focus 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®) 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.