



Market Proxy (MP) {v008R} · Strategy Fact Sheet

Systematic, broadly diversified ETF strategy · benchmarked to the S&P 500

CB3 Financial, Inc. · Registered Investment Advisor · October 2026 · {v008R} · Data as of 2026.09.30

Strategy Overview

Market Proxy (MP) is CB3 Financial's systematic, broadly diversified ETF strategy – a cap-weighted core of U.S. and international equity, large-cap and small-cap value, and an equity-income sleeve, managed on monthly closes with the CB3 Three-Channel signal system. MP is built to track the broad market closely at materially lower risk.

Key Metrics

Thirteen months, 2025.08.31 to 2026.09.30

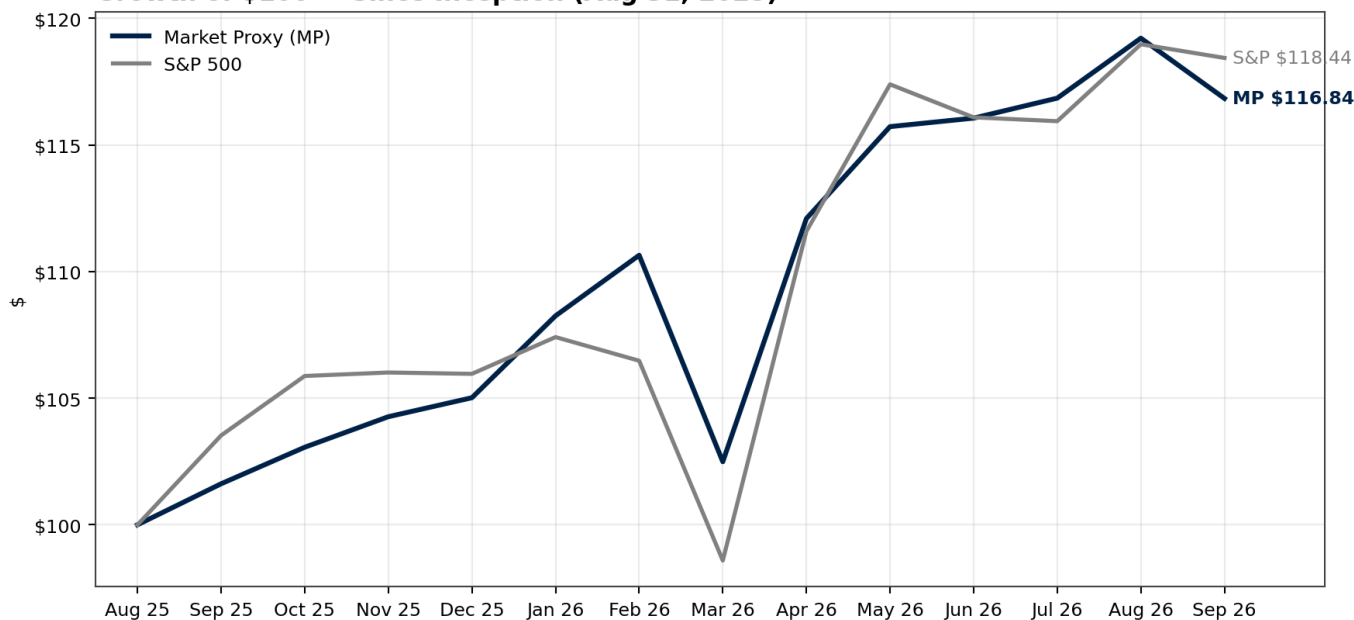
Metric	MP	S&P 500
Total Return	+16.84%	+18.44%
Annualized Return	+15.45%	+16.91%
Annualized Volatility	12.70%	16.09%
Sharpe Ratio (4.0% risk-free)	0.90	0.80
Beta to S&P 500	0.73	-
Max Drawdown	-7.37%	-7.41%
Correlation to S&P 500	0.93	1.00
% Positive Months	85%	54%
2026 YTD (Jan-Sep)	+11.26%	+11.78%

Portfolio Statistics

Nitrogen Risk	70 (GPA 3.8)
95% Range	-15.11% to +23.33%
Range Midpoint	+8.40%
Dividend Yield	2.42%
Expense Ratio	0.09%
Holdings	6 ETFs + Cash
Benchmark	S&P 500
Rebalance	Monthly
Min. Investment	\$125,000

Performance

Growth of \$100 — Since Inception (Aug 31, 2025)



Performance - Growth of \$100 (Since Inception, 2025.08.31)



Market Proxy (MP) {v008R} · Strategy Fact Sheet

Systematic, broadly diversified ETF strategy · benchmarked to the S&P 500

CB3 Financial, Inc. · Registered Investment Advisor · October 2026 · {v008R} · Data as of 2026.09.30

Holdings Summary

Ticker	Name	Role	Target	Sep Return	Signal
SPTM	SPDR Portfolio Total Stock Market ETF	U.S. Broad Equity	42%	-0.94%	BUY
SPYV	SPDR Portfolio S&P 500 Value ETF	U.S. Large-Cap Value	18%	-3.50%	BUY
SPDW	SPDR Portfolio Developed World ex-US ETF	Int'l Developed	16%	-2.86%	BUY
JEPI	JPMorgan Equity Premium Income ETF	Equity Income	11%	-2.23%	BUY
DFSV	Dimensional US Small Cap Value ETF	U.S. Small-Cap Value	9%	-5.81%	BUY
IGSB	iShares Short-Term Corporate Bond ETF	Short Fixed Income	3%	-1.65%	BUY
CASH	Money Market	Cash	1%	-	-

Target model as of 2026.10.01 · all holdings on BUY · v008R unchanged

Review & Outlook

September was MP's first down month since March: MP returned -2.00% against the S&P 500's -0.45%. The month belonged to the bond barrage. The 10-year Treasury held near 5.30% and the 30-year at 5.64%, driving a broad rotational selloff in which roughly 75% of index constituents finished lower while the equal-weight index lost 4.4%; mega-cap AI names propped the cap-weighted figure.

The 3% IGSB sleeve is short-duration and barely felt the barrage; the damage came through the equity sleeves, with small-cap value (DFSV -5.81%) the weakest. All six holdings closed September on BUY signals; no SELL is in prospect. IGSB closed at 51.23, only 0.36 above its trailing stop near 50.87, and it is the specific condition to monitor at the 2026.10.31 close.

Strategy Details

- CB3 Three-Channel signals (Bollinger + Keltner + Donchian), monthly: decisions on closed monthly bars only, never intra-month.
- Monthly rebalance; version increments only on strategic weight changes (R suffix = rebalance-only cycle).
- Risk scoring: Nitrogen Wealth (Nitrogen Risk 70).
- No options overlay* and no added fixed income: the 0.73-beta construction is the shock absorber.
- Custodian: Charles Schwab (whole shares). Benchmark: S&P 500.
- Allocation shown is the MP target model; individual accounts may vary. Data from Charles Schwab, CSI, and Nitrogen.

Monthly Returns (MP)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2026	+3.08	+2.21	-7.37	+9.37	+3.24	+0.29	+0.68	+2.03	-2.00	.	.	.	+11.26
2025	-	-	-	-	-	-	-	-	+1.62	+1.42	+1.17	+0.72	+5.02*

*2025 shown since inception (2025.08.31).

How MP Fits

MP is the steadier, market-tracking core of a CB3 household. It pairs with Discretionary Strategies (DS), the aggressive growth program: DS supplies concentrated upside while MP keeps the overall allocation balanced and closely aligned to the market. Because MP is rules-based, it removes emotion and market-timing from the portfolio's core, suiting clients who want broad, low-cost market exposure with disciplined monthly risk management rather than concentrated bets.

Disclosures

Performance from August 31, 2025 through November 30, 2025 reflects a separate account managed to the Market Proxy model (five ETFs at inception; U.S. small-cap value sleeve added November 2025); from December 1, 2025 it reflects the Charles HSA (XXX028), the program's representative account. The portfolio manager and investment process were unchanged throughout; the two periods are chain-linked. This presentation is consistent with GIPS portability principles.

*An elective SPY put-spread sleeve (approximately 1% hedging) is offered to select clients; it is not part of the MP model and is disregarded in all MP computations.

Performance shown is that of the Charles HSA (XXX028), a representative account managed to the Market Proxy model since inception on August 31, 2025. Individual client accounts will differ as a result of timing, account size, whole-share rounding and fees. Past performance does not guarantee future results. All investments carry risk of loss; there is no guarantee that a strategy will be suitable or profitable. Minimum investment \$125,000. Risk scores and modeled ranges are estimates, not guarantees. CB3 Financial, Inc. is a State-Registered Investment Advisor in the State of Illinois, with registration exemptions in AL, FL, GA, MI, MO, KS, SD, and WI.

Contact: 312-513-7486 · cb3@cb3.com