



Investment Philosophy

At Bluestone, we believe market participants are fundamentally irrational, and this irrationality can be identified and exploited. Through an understanding and application of the Nobel Prize winning Prospect Theory of behavioral finance, our research process seeks to capitalize on the opportunities created by these behavioral biases

Investment Process

Our process is based on applications of Prospect Theory and is generalized to create an adaptive process and portfolio construction engine that evolves based on the changing behaviors of market participants. Bluestone deploys both Top-Down and Bottom-Up frameworks to inform investment decision making. Both frameworks are guided by the key components of behavioral finance.

Portfolio Construction

Adaptive Alpha is a long equity portfolio that is designed to systematically generate alpha.

Universe:

Publicly traded and liquid Exchange Traded Funds (ETFs) and Stocks. ETFs used exclude those with leverage or inverse exposure.

Position Sizing:

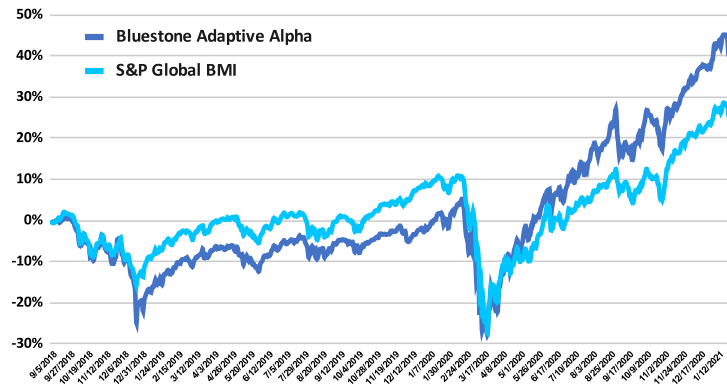
Position sizes range from of 1%-15% capital weight, with total positions between 10-50.

Inception:
September 2018

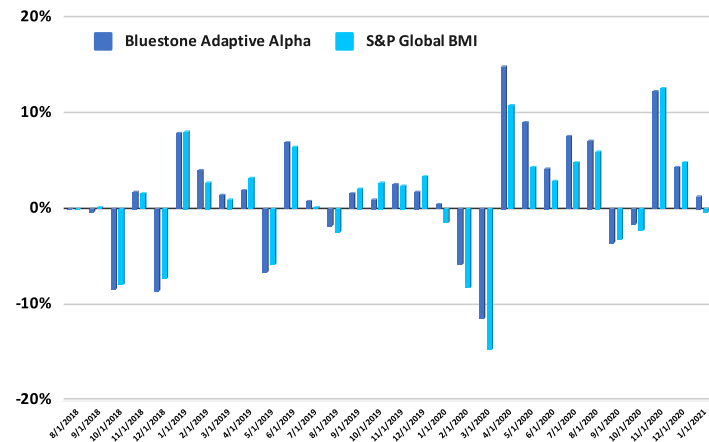
Portfolio Manager:
Brian C. Shevland

Advisory Fee:
0.5%

Cumulative Performance*



Adaptive Alpha Strategy Returns*



	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	S&P Global BMI
2018	-	-	-	-	-	-	-	-	0.6%	-7.7%	1.8%	-14.8%	-19.5%	-12.0%
2019	8.0%	4.1%	1.5%	2.1%	-6.3%	6.9%	0.9%	-1.6%	1.7%	1.0%	2.7%	1.8%	24.3%	23.6%
2020	0.6%	-5.7%	-11.4%	14.9%	9.2%	4.2%	7.6%	7.1%	-3.6%	-1.5%	12.3%	4.40%	40.9%	14.3%
2021	1.3%												1.3%	-0.2%

Visit us at www.bluestonecm.com or contact us at info@bluestonecm.com or (610)-337-6500

*All investments involve risk, including the loss of principal. Past results do not guarantee future performance. Further, the investment return and principal value of an investment will fluctuate; thus, an investor's equity, when liquidated, may be worth more or less than the original cost. This report should not be construed as a solicitation to purchase or sell any security. Returns are presented in USD net of all fees shown as well as trading costs. Returns shown are of actual accounts assigned to Bluestone's Adaptive Alpha Strategy composite. Prospective clients may obtain a GIPS compliant presentation by contacting the firm via the phone or email listed above