

TTFS /NYSE Arca



EQUITY

How the Wilshire Buyback ETF Works

The AdvisorShares Wilshire Buyback ETF (NYSE Arca: TTFS) seeks to generate long-term returns in excess of the total return of the Russell 3000® Index, with less volatility than the Index. TTFS is sub-advised by Wilshire Associates Incorporated, through its Wilshire Funds Management division (“Portfolio Manager”). The Fund seeks to achieve this objective by investing in stocks with liquidity and fundamental characteristics that are historically associated with superior long-term performance. Stock selection for TTFS is based on extensive historical research from Wilshire Associates, a leading independent institutional firm with a long-standing reputation of innovation.

5 Key Attributes

Supply/Demand Philosophy – The Portfolio Manager believes that the prices of stocks are influenced by supply and demand, and that stocks should perform best when their outstanding shares decrease. All else being equal, if the same amount of money is chasing a smaller number of shares, then the share price increases.

Quality Filtering – The Portfolio Manager invests in companies that are not increasing leverage and have positive free cash flow.

Buyback Strength-Based Weighting – Positions are sized based on Wilshire’s proprietary buyback strength signal, which is calculated based on a normalized measure of the reduction in shares outstanding relative to other securities in the portfolio.

Extensive Stock Screening – The Portfolio Manager screens approximately 3,000 companies, narrows that universe to approximately 750 of the most liquid securities, and invests in approximately 100 stocks that have a reduction in outstanding shares, are not increasing leverage, and have positive free cash flow.

Innovative Research – Wilshire Associates has a history of innovation since its inception in 1972. The firm’s research team regularly reevaluates quantitative factors to continue to enhance its investment solutions to adapt to evolving financial markets.

Fund Basics

Portfolio Manager: Wilshire Associates Incorporated
Fund Inception: 10.04.2011
Symbol: TTFS
Exchange: NYSE Arca
Options: No
Dividend Frequency: Annual
Indicative Value: TTFS.IV
Net Asset Value: TTFS.NV
Fund Type: Actively-Managed ETF
CUSIP: 00768Y818

Where Does TTFS Fit in a Traditional Portfolio?

TTFS can provide an alternative core allocation that may replace or complement market cap, fundamental, dividend or other index weighting methodologies you employ in your portfolio allocation.

Why Invest in TTFS?

For Core Diversification – Allocating to a buyback focused US Core strategy can further diversify your manager risk and potentially reduce overall portfolio risk. TTFS can provide an alternative core allocation that may replace or complement market cap, fundamental, dividend or other index weighting methodologies you employ in your portfolio allocation.

To Achieve a Differentiated Approach to Harnessing Buyback Alpha – The Portfolio Manager’s approach to security selection and portfolio construction is unique relative to other buyback focused strategies, with the goal of delivering a differentiated portfolio and a lower correlation of excess returns (alpha) relative to its peers.

For a Potentially Higher Quality Equity Exposure – Companies that are able to buy back stock are generally on financially firmer footing than companies that do not have buyback programs in place.

Wilshire Buyback ETF

About the Portfolio Managers

Josh Emanuel, CFA, Chief Investment Officer, Wilshire Funds Management

Josh Emanuel joined Wilshire Associates in 2015 and has 15 years of industry experience. In his role as CIO, Mr. Emanuel leads the investment activities of Wilshire Funds Management, including asset allocation, manager research, portfolio management, and investment research. Mr. Emanuel also chairs the Wilshire Funds Management Investment Committee. From 2010 to May 2015, Mr. Emanuel served as chief investment officer of The Elements Financial Group, LLC (TEG), where he developed and managed a variety of outcome-oriented investment strategies and exchange traded funds. Mr. Emanuel also co-developed an innovative technology solution which provides volatility-based risk profiling, risk budgeting, and compliance services to financial advisors and institutions. Prior to his tenure at TEG, Mr. Emanuel served in several roles at Wilshire from 2004-2010, including head of manager research, head of strategy for Wilshire Funds Management, and co-chairman of the Wilshire Funds Management Investment Committee. Prior to 2004, Mr. Emanuel was responsible for international manager research for Jeffrey Slocum & Associates, Inc. Mr. Emanuel has a BA in Finance from the University of Pittsburgh and holds the Chartered Financial Analyst designation.

Kai Chen, Ph.D. Senior Associate

Kai Chen is a senior associate of Wilshire Associates and a member of Wilshire Funds Management's investment research team. Mr. Chen joined Wilshire in 2014, and is primarily responsible for building quantitative asset allocation models and equity-focused security selection models. He also conducts quantitative research in the areas of strategic and tactical market signal detection, alternative investment portfolio construction, smart beta product development, risk premia investing, and customized investment solutions. Mr. Chen earned his bachelor's degree in mathematics from Zhejiang University in China and his two MS degrees in computer science and mathematical finance from the University of Southern California. Mr. Chen completed his PhD in operations research at the University of Southern California and has successfully completed all three levels of the Chartered Financial Analyst designation.

About Wilshire Funds Management

Wilshire Funds Management is the global investment management business unit of Wilshire Associates, a diversified global financial services firm that serves in excess of 500 clients across 20 countries.

Wilshire Funds Management is dedicated to helping its financial intermediary clients distinguish themselves in today's highly competitive financial services industry. Their services leverage their firms 30+ years of institutional consulting excellence. As a result, its clients gain access to market-tested investment strategies and programs that have a solid foundation in industry best practices.

<http://wilshire.com/funds-management>

Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is in the prospectus, a copy of which may be obtained by visiting the Fund's website at www.AdvisorShares.com. Please read the prospectus carefully before you invest. Foreside Fund Services, LLC, distributor.

There is no guarantee that the Fund will achieve its investment objective. An investment in the Fund is subject to risk, including the possible loss of principal amount invested. Investing in mid and small capitalization companies may be riskier and more volatile than large cap companies. Other Fund risks include market risk, equity risk, large cap risk, liquidity risk and trading risk. Please see prospectus for details regarding risk.

Shares are bought and sold at market price not net asset value (NAV) and are not individually redeemed from the Fund. Market price returns are based on the midpoint of the bid/ask spread at 4:00 pm Eastern Time (when NAV is normally determined) and do not represent the return you would receive if you traded at other times.

Definitions

Alpha is a measure of performance on a risk-adjusted basis.