UNITED STATES · SECTOR ROTATION

STRATEGY OVERVIEW

Alpha Cycle US

Own the sectors the cycle rewards. Step aside when it turns.

Sector leadership in US equities shifts with the economic cycle. Alpha Cycle US reads where the economy stands each month and holds only the sectors that have historically led in that phase — and moves to Treasury bills when the cycle turns against equities.

MARKET	INSTRUMENTS	REBALANCE	BENCHMARK	PROCESS
US equities	ETFs + T-bills	Monthly	S&P 500	Rules-based

Two questions. Four regimes.

Is US growth accelerating or slowing? Is inflation rising or falling?

	INFLATION FALLING	INFLATION RISING
GROWTH RISING	**Recovery** — MOSTLY INVESTED Growth picks up as inflation cools. **Holds** cyclical leaders — financials, consumer, industrials — plus cash.	**Expansion** — FULLY INVESTED Strong demand pushes prices higher. **Holds** growth and cyclical leaders, with an energy sleeve.
GROWTH SLOWING	**Easing** — MOSTLY INVESTED Growth slows as inflation and rates ease. **Holds** long-duration growth — technology, software, housing — plus cash.	**Squeeze** — IN CASH Growth slows; inflation stays high. **Moves** entirely to short-term Treasury bills to protect capital.

How it works

01
Read the economy
Leading indicators gauge growth; actual consumer prices gauge inflation.

02
Judge the direction
Each signal is scored against its own history, with a buffer to avoid whipsaw.

03
Set the portfolio
Each regime maps to a fixed sector basket and cash weight. No overrides.

04
Rebalance monthly
Only data already published is used. Regime changes are infrequent.

DESIGNED TO

PERFORMANCE OVERLEAF →

Participate in up-cycles
Invested in the sectors leading each phase of growth.

Sidestep the squeeze
Moves to T-bills when equities historically struggle.

Stay simple and liquid
Listed ETFs and T-bills. No leverage or derivatives.

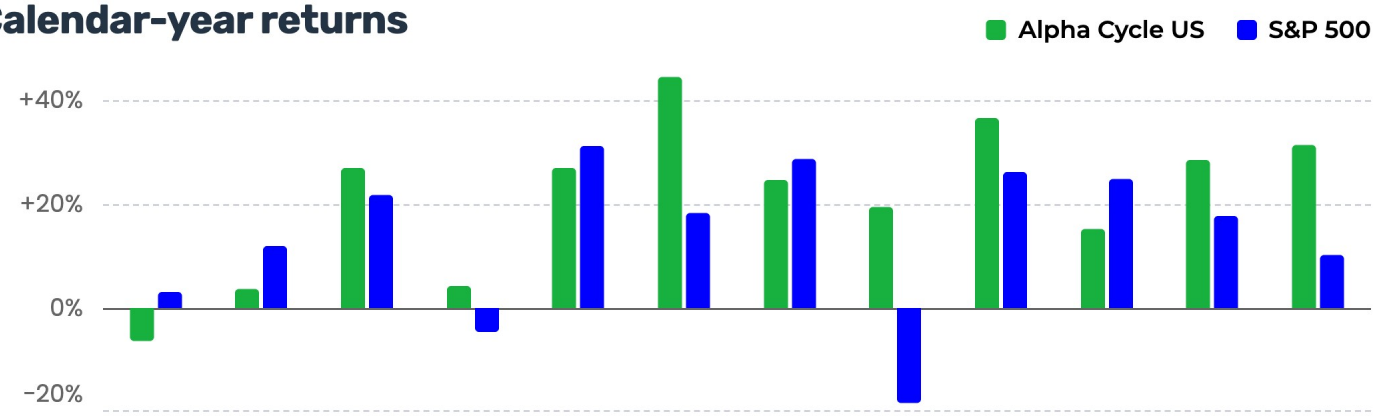
Simulated performance

Jan 2015 – Jul 2026 · month-end values · after 0.10% trading costs · before fees and taxes

ANNUAL RETURN	WORST DRAWDOWN	SHARPE RATIO	YEARS AHEAD
21.2%	**−17.4%**	**1.54**	**7 of 12**
S&P 500: 13.8%	S&P 500: −24.4%	S&P 500: 0.94	Calendar years vs S&P 500

Over the period: $100 grew to $929 vs $448 in the S&P 500, with 13.1% volatility vs 15.0%, 89% of the market's up months and 37% of its down months.

Calendar-year returns



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026*
Strategy	**−6.4**	**+3.6**	**+26.9**	**+4.2**	**+27.0**	**+44.4**	**+24.6**	**+19.5**	**+36.5**	**+15.1**	**+28.4**	**+31.4**
S&P 500	+3.1	+12.0	+21.7	−4.6	+31.2	+18.3	+28.7	−18.2	+26.2	+24.9	+17.7	+10.1

Returns by regime

REGIME	STRATEGY	S&P 500	EDGE
Recovery	**+3.4%**	+2.1%	+1.3
Expansion	**+26.9%**	+15.8%	+11.1
Easing	**+23.0%**	+22.6%	+0.5
Squeeze	**+14.5%**	−4.2%	+18.7

Annualised; edge in percentage points.

When it mattered

2022 Moved to T-bills as the Squeeze set in
+19.5% vs −18.2% S&P 500

2018 Sidestepped the late-year sell-off
+4.2% vs −4.6% S&P 500

2020 Cash in the crash, growth in the rebound
+44.4% vs +18.3% S&P 500

Speak to us about Alpha Cycle US

Schedule a consultation

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Simulated, hypothetical results, Jan 2015 – Jul 2026, from month-end values after 0.10% trading costs with dividends reinvested; before management fees and taxes. Benchmark: SPY, dividend-adjusted. Sharpe ratio does not deduct a risk-free rate. Regime returns are annualised over the months spent in each regime. 2026* = Jan–Jul.

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