

MG SECTOR

Adaptive Sector Rotation for Modern Markets

MG Sector Overview

MG Sector is designed to help investors adapt to today's fast-changing markets by dynamically identifying which areas of the market are leading the way.

MG Sector is a machine-learning-driven strategy designed to dynamically allocate capital to U.S. equity sectors demonstrating the strongest relative opportunity — while avoiding those exhibiting deterioration.

Built for modern markets. Designed to adapt.

MG Sector is like a GPS for your portfolio — continually redirecting you toward where the market is moving, instead of leaving you stuck in traffic.



MG SECTOR IS DESIGNED TO SOLVE THE STRUCTURAL WEAKNESSES OF TRADITIONAL SECTOR ROTATION.

Traditional sector rotation struggles because sector compositions have materially changed, global revenue exposure weakens domestic macro sensitivity, sector-macro relationships shift over time, and economic cycle timing is inherently uncertain.

MG Sector addresses these challenges directly.

- It uses a machine-learning model trained and cross-validated out-of-sample to avoid overfitting to outdated relationships.
- It incorporates rolling-window adaptation so the model evolves with changing short-term regimes.
- It applies a behavioural-finance foundation targeting sector mean reversion rather than relying on macro forecasts.
- It relies on signals that demonstrate stationarity and monotonicity — characteristics that support systematic robustness.

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Investment Process & Strategy Structure

WHY MG SECTOR:

MG Sector is built to help your portfolio stay aligned with changing market conditions through a dynamic, systematic approach to sector allocation. By combining a transparent process with institutional-level liquidity and a disciplined biweekly refresh cycle, MG Sector seeks to capture opportunities created by shifting investor behavior—so you're not relying on static allocations in an ever-evolving market environment.

INVESTMENT PROCESS

- 1 **Universe Construction**
Only U.S. sector ETFs with continuous liquidity monitoring.
- 2 **ML Model Development**
Machine-learning model trained using rolling windows to reduce overfitting and adapt to regime changes.
- 3 **Scoring Framework**
Signals transformed into standardized cross-sectional sector scores.
- 4 **Portfolio Construction**
 - Weighted by signal strength
 - Biweekly rebalancing schedule

RISK PROFILE

MG Sector is classified as Higher Risk / Potentially Higher Reward due to concentrated allocation and tactical exposure shifts.



NON-EMOTIONAL. METHODICAL. MATHEMATICAL.

