

# Fixed Income Tax Exempt

## Investment Objective

The objective of the Fixed Income Tax Exempt composite is to emphasize investment grade only issues with an average quality rating of AA. The composite typically remains in line with the duration of the benchmark index while attempting to add value in sector allocation and issue selection.

## Firm Overview

<b>AUM<sup>1</sup></b>	\$3.10B
<b>Founded</b>	2003
<b>Ownership</b>	Private/Employee
<b>Based</b>	Cleveland
<b>Satellite</b>	Detroit

## Strategy Overview

<b>Inception Date</b>	7/31/2005
<b>Benchmark</b>	ML US Muni 1-10 Yr.
<b>Style Emphasis</b>	Municipal Only
<b>Duration Emphasis</b>	Intermediate
<b>Strategy Assets</b>	\$381.77M

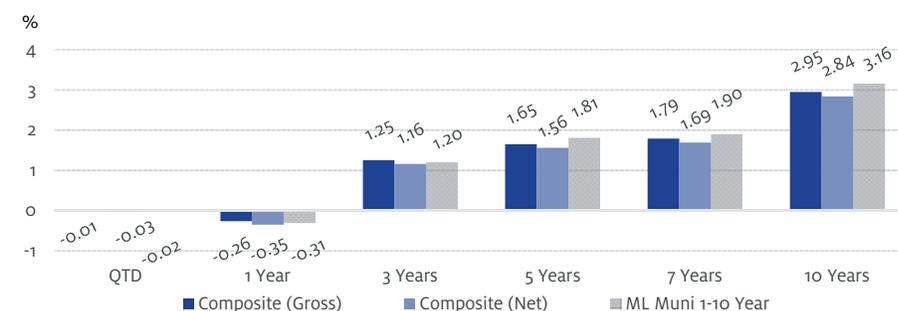
## Management Team

<b>James M. Bernard, CFA</b>	Portfolio Manager
<b>James G. Raimondo</b>	Portfolio Manager
<b>Jeremy J. Scacco</b>	Portfolio Manager

## Investment Strategy

The strategy emphasizes on investment grade only credits with a credit rating of "A" or better with an average credit quality rating of mid AA and a duration close to the duration of the benchmark. Portfolio construction include both single state and nationally diversified portfolios depending on the tax status of the client.

## Performance



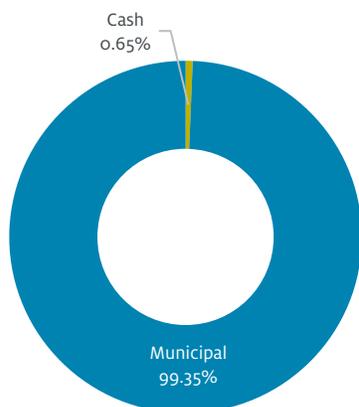
Periods less than one year are not annualized

Data as of 9/30/2018

## Strategy Characteristics<sup>2</sup>

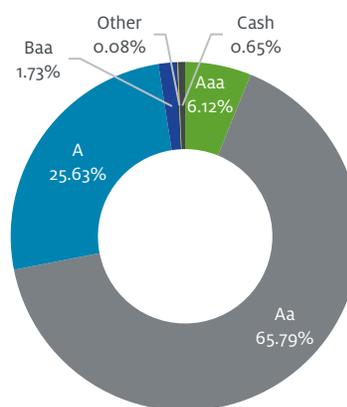
<b>Current Number of Bond Issues</b>	385
<b>Annual Turnover (LTM)</b>	3.62%
<b>Current Weighted Average Coupon</b>	4.75%
<b>Yield to Worst</b>	2.34%
<b>Average Maturity (Yrs)</b>	4.83
<b>Effective Duration (Yrs)</b>	4.05
<b>Average Quality Issue</b>	A A
<b>Convexity</b>	0.11

## Sector Allocation<sup>2</sup>



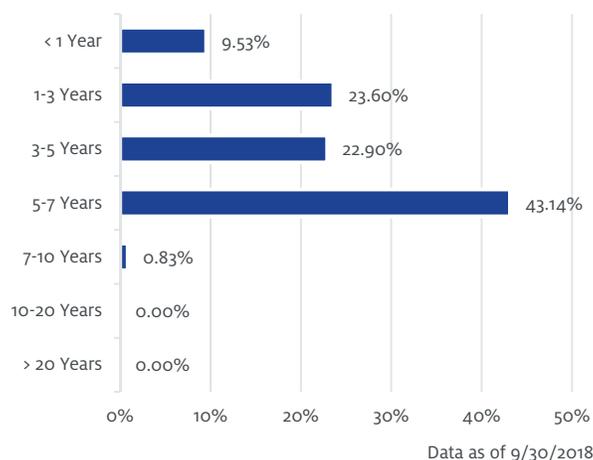
Data as of 9/30/2018

## Quality Allocation<sup>2</sup>



Data as of 9/30/2018

### Duration Allocation<sup>2</sup>



### The Adviser

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To obtain a GIPS® Compliant Presentation and/or a list of composite descriptions you may contact:

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The Fixed Income Tax Exempt composite was created on July 31, 2005 with an inception date of July 31, 2005. The composite seeks to provide a real return over a long period of time to commensurate with the risk profile of the portfolio for tax-exempt portfolios. The Fixed Income Tax Exempt composite pursues these objectives by investing primarily in income-producing municipal securities. The composite utilizes the Merrill Lynch Municipal 1-10 Year Index as the benchmark. The index does not include the effects of sales charges and cannot be invested in directly.

<sup>1</sup>To be consistent with Ancora's ADV filing, as required by the SEC for registered investment advisors, firm assets under management listed in this document reflect the values reported to the SEC. Ancora's GIPS® assets under management is \$2.80 billion as of September 30, 2018.

<sup>2</sup>Strategy Characteristics, Sector, Quality and Duration Allocation source: BondEdge

Investors should consider the strategy's investment objectives, risks and expenses carefully before investing. This and other important information about the strategy can be found in the strategy's GIPS compliant presentation. Please read the presentation carefully before investing. Valuations and returns are computed and stated in U.S. dollars. Gross returns are calculated gross of management and net of transaction costs. Net returns are calculated net of actual management fees and transaction costs. Both returns are calculated gross of all withholding taxes on foreign dividends. The composite results portrayed reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. The pooled investment vehicle in the composite calculates net of fees returns net of all expenses including management fees and transaction costs. Policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request. Ancora's investment advisory fees are described in Part 2A of its Form ADV. This document does not constitute the recommendation of Ancora to meet the investment needs of any individual client. It does not take into account any specific investment objectives, financial situations, or particular needs of any specific person who may receive this report. This report is not to be considered investment advice or a recommendation of any particular security, nor is it intended to provide personal investment advice. Investors should seek financial advice regarding the appropriateness of investing in any securities and other investments or investment strategies discussed in this report. The information provided in this report is for informational purposes only and is not an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction. Investors should note that income from such securities or other investments, if any, may fluctuate and that price or value of such securities and investments may rise or fall. Investments are not insured by the FDIC and are not guaranteed by Ancora. This material may not be reproduced, redistributed, retransmitted or disclosed, or referred to in any publication, in whole or in part, or in any form or manner, without the express written consent of Ancora's GIPS® Compliance Officer. Any unauthorized use or disclosure is prohibited. Receipt and review of this report constitutes your agreement not to redistribute, retransmit, or disclose to others the contents, opinions, conclusion, or information contained in this report. Past performance does not guarantee future results.

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