

# DYNAMIC ASSET ALLOCATION FUNDS

## SARATOGA MODERATELY AGGRESSIVE BALANCED ALLOCATION PORTFOLIO



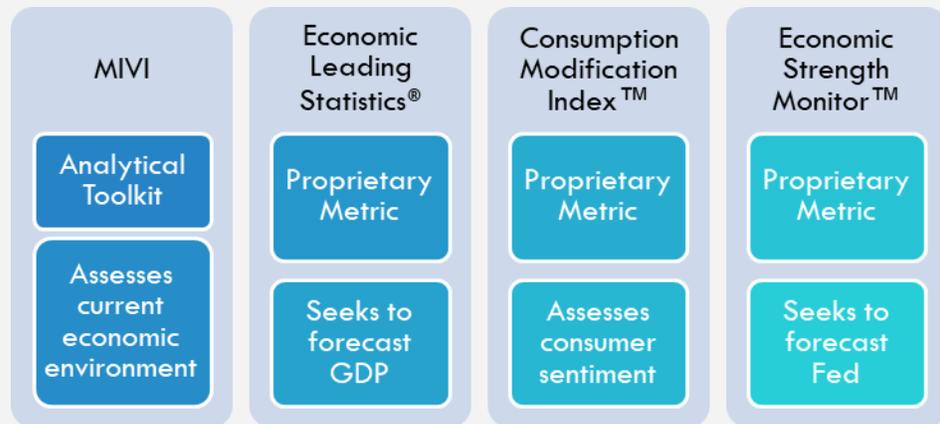
### PASSIVE OR ACTIVE MANAGEMENT?

Why not both? Saratoga Capital Management, LLC's ("SCM") dynamic asset allocation strategies use an active asset allocation overlay on top of a combination of active and passive underlying investment vehicles. We believe employing both active and passive strategies for different parts of the portfolio construction process gives clients a potential best-of-both-worlds solution.



### DECADES OF RESEARCH

SCM has been building allocation models and analyzing the economy and securities markets for decades. Our dynamic allocation process is buoyed by this research, and we believe our approach is unique in the industry. How do you build one of the longest allocation model track records in the industry? Research, research and more research. Below are the main tools we've built.



### FUND PERFORMANCE (CLASS I)

Average Annualized Investment Performance (periods ending 12/31/18)	1 Year	5 Years	10 Years	Inception (12/29/17)
Saratoga Mod. Aggressive Balanced	-7.51%	n/a	n/a	-7.47%
Morningstar 50-70% Equity Category <sup>1</sup>	-5.79%	3.67%	8.33%	-5.79%
Percentile Rank in Category <sup>1</sup>	Top-77%	n/a	n/a	n/a

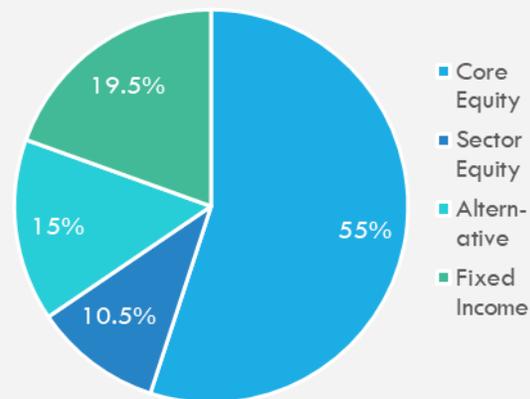
### FUND FACTS as of 12/31/18

Fund Symbol	SAMIX
Total Net Assets (\$Million)	\$0.3
Inception Date	12/29/17
Dividends Frequency	Annual
Capital Gains Frequency	Annual

### FUND TOP HOLDINGS<sup>2</sup> as of 11/30/18

Saratoga Large Cap Growth Fund	18.73%
Schwab US Large-Cap Value ETF	14.90%
Saratoga Mid Cap Fund	9.84%
iShares Core US Aggregate Bond ETF	7.36%
James Alpha Macro Fund	6.62%
Schwab US Small-Cap ETF	6.38%
Schwab International Equity ETF	4.87%
ProShares Inv. Grade Int. Rt. Hedge ETF	3.97%
Saratoga Health & Biotech Fund	2.84%
Vanguard Financials ETF	2.34%
<b>Total Top Holdings</b>	<b>77.85%</b>

### MODEL ALLOCATION as of 12/31/18



Performance noted above is net of (after) the Portfolio's expense ratio, which is 3.79%\* before expense reductions and/or reimbursements. Performance data quoted above is historical. Past performance does not guarantee future results and current performance may be lower or higher than the performance data quoted. The investment return and principal value of an investment will fluctuate, so that shares when redeemed, may be worth more or less than their original cost. The Fund's management has waived or is currently waiving a portion of its management fees; the performance shown reflects the waivers without which the performance would have been lower. A redemption fee of 2% will be levied on shares held 30 days or less, the performance data above does not reflect the deduction of the fee that would reduce the performance quoted. For more performance numbers current to the most recent month-end please call (800) 807-FUND.

# THE SARATOGA DYNAMIC ALLOCATION PROCESS

## SARATOGA CAPITAL MANAGEMENT, LLC

SCM was founded in 1994 with the goal of bringing institutional investment advantages to retail investors. Saratoga has been building asset allocation models since 1994, employing the dynamic allocation method described below. Saratoga's asset allocation strategies are buoyed by decades of proprietary economic and market research.

## INVESTMENT STRATEGY

At SCM we believe that asset allocation strategies should change when the economy experiences major changes. As the economy moves between phases such as full-growth, slow-growth, recession and emerging, Saratoga considers changes to its asset allocation strategies. This brand of asset allocation is referred to as Dynamic Asset Allocation. Dynamic Asset Allocation recognizes that the overall economy is fluid, and is comprised of numerous economic sectors. SCM regularly evaluates how individual economic sectors are affecting the general economy in order to develop our asset allocation parameters. After these parameters are established, Saratoga combines them with a range of investor preferences to develop our set of asset allocation models.

## THE THREE MAIN TYPES OF ASSET ALLOCATION

Now that you've learned a bit about SCM's style of asset allocation, following is a quick overview of how our brand of allocation differs from those you might commonly find elsewhere, and why we think that's important.

**Strategic Asset Allocation:** Many Target Date Funds use strategic allocation strategies. Generally speaking, these strategies ignore the economic environment and choose to invest with one allocation regardless of whether the economy is growing or contracting. We believe that with the proper tools you can get a solid idea of which stage of the economic cycle you're in, and that allocating for that stage may provide better performance.

**Tactical Asset Allocation:** Many Hedge Funds use tactical allocation strategies. If the economy is doing well, they might put their entire portfolio in stocks, or if the economy is doing poorly, they might take stocks entirely out of the portfolio. While this strategy can certainly pay-off if you get your bets right, we believe that jumping entirely in and out of major asset classes can lead to having all of your eggs in one basket, potentially defeating the purpose of asset allocating in the first place.

### Strategic Asset Allocation

Many Target Date Funds use this approach.

Agnostic to the economic environment.

Maintains exposure to main asset classes.

### Dynamic Asset Allocation

Saratoga Asset Allocation Portfolios use this approach.

Changes with the economic environment.

Maintains exposure to main asset classes.

### Tactical Asset Allocation

Many Hedge Funds use this approach.

Changes with the economic environment.

Can move entirely in or out of main asset classes.

Mutual Funds involve risk, including possible loss of principal. The fund invests in mutual funds and ETFs as a primary strategy, so the fund's investment performance and risks are directly related to the performance and risks of those underlying funds. **Investors should carefully consider the investment objectives, risks, charges and expenses of the Saratoga Funds. This and other information about the Saratoga Funds is contained in the prospectus, which can be obtained by calling (800) 807-FUND and should be read carefully before investing.** The Saratoga Advantage Trust's Funds are distributed by Northern Lights Distributors, LLC. 2019 © Saratoga Capital Management, LLC; All Rights Reserved. Saratoga Capital Management, LLC is not affiliated with Northern Lights Distributors, LLC, member FINRA/SIPC. 5092-NLD-1/24/2019

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*\*Pursuant to an operating expense limitation agreement between the Manager and the Portfolio, the Manager has agreed to waive its fees and/or absorb expenses of the Portfolio to ensure that Total Annual Portfolio Operating Expenses (excluding front end and contingent deferred sales loads, leverage, interest and tax expenses, dividends and interest on short positions, brokerage commissions, expenses incurred in connection with any merger, reorganization or liquidation, extraordinary or non-routine expenses and Acquired Fund Fees and Expenses) for the Portfolio do not exceed 0.79% of the Portfolio's average net assets for Class I shares, through December 31, 2019. Expenses for the Morningstar Category include only other mutual funds in the category.*

*<sup>1</sup>The Morningstar 50-70% Equity Allocation Category is provided to compare the Fund against a benchmark consisting of funds with similar investment objectives. Investors cannot invest directly in the category. Funds in allocation categories seek to provide both income and capital appreciation by investing in multiple asset classes, including stocks, bonds, and cash. These portfolios are dominated by domestic holdings and have equity exposures between 50% and 70%. 2019 © Morningstar, All Rights Reserved.*

*<sup>2</sup>Top non-cash holdings are shown as a % of total net assets. Information about the Fund's holdings should not be considered investment advice. There is no guarantee that the Fund will continue to hold any one particular security or stay invested in one particular sector. Holdings are subject to change at any time.*