Morgan Stanley

The *PowerScore* Portfolios

The Tholl Pearson Group at Morgan Stanley

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Morgan Stanley National Strategic Partners – Portfolio Management
Named to the Forbes Best-In-State Wealth Management Teams 2025 Ranking
Source: Forbes.com (Awarded Jan 2025) Data compiled by SHOOK Research LLC based on time period from 3/31/23–3/31/24.
Awards Disclosures

http://www.morganstanleyFA.com/thollpearsongroup

Power Your Portfolio

If you're like many investors, you realize that managing your investment portfolio requires time, experience and knowledge that you may not possess. That's why so many investors participate in mutual funds or other invest vehicles managed by professionals who assume responsibility for day-to-day invest decisions.

The questions is this: Which of the thousands of investment managers competing for your business should you choose?

At the Tholl Pearson Group, (TPG) we believe we offer an approach to investing that sets us apart from other managers available to you. That approach is called ***PowerScore***.

The Power of a Repeatable Process

PowerScore is the proprietary methodology we've developed over 35 years of market fluctuations and experience managing the assets of wealthy families and major institutions. We believe that capital markets are an arena of competition for capital. Those that win in the competition for capital enhance shareholder value, while those that lose in the competition for capital reduce shareholder value.

To track investor capital flow, we have developed a methodology that assigns a numeric ***PowerScore*** to every security and market segment we follow. Our process is completely quantitative and repeatable since it involves no intuitive predictions of how markets might perform in the future. Instead, based upon the current ***PowerScore*** ranking, we allocate to where capital is flowing right now.

How PowerScore Works

Using data from our special application linkage to Bloomberg, we examine the trailing returns of a variety of listed securities over various timeframes – say, one month, three months and six months. We place greater emphasis on intermediate-term returns and employ a mathematical formula to assign each security a numeric ***PowerScore***.

We believe that the higher the ***PowerScore***, the more successful the security is in attracting capital from investors. Conversely, we believe that securities with a lower, or negative ***PowerScore***, are losing in the competition to attract investor capital.

The ***PowerScore*** Equity Strategies

In our ***PS20*** equity strategy, we select 20 global companies that are the most heavily weighted in their respective sector. The sector weightings are targeted to be proximate to the sector weightings of the S&P 500. ***PS20*** is *strategic* in allocation and is the #1 PowerScore equity strategy choice for more tax sensitive investors.

In ***PS Rotation***, we consider the ***PS20*** securities, and then we overweight the highest PowerScore ranked companies, while we underweight the lower PowerScore ranked companies. We also overweight the highest PowerScore ranked Style of companies, Growth or Value. ***PS Rotation*** is *tactical* in allocation and is the #1 PowerScore equity strategy choice for non-tax sensitive investors.

Allocation	Security	PS Rotation	Sector	Style	PowerScore
5.00%	TSLA	Tesla Inc	Consumer Discretionary	Growth	479
9.00%	AVGO	Broadcom Inc	Information Technology	Growth	337
9.00%	AMZN	Amazon.com Inc	Consumer Discretionary	Growth	208
7.00%	TSM	Taiwan Semiconductor	Information Technology	Growth	191
4.50%	JPM	JPMorgan Chase & Co	Financial Services	Value	188
9.00%	GOOGL	Alphabet Inc	Communication Services	Growth	167
9.00%	META	Meta Platforms Inc	Communication Services	Growth	164
4.00%	V	Visa Inc	Financial Services	Value	159
4.00%	WMT	Walmart Inc	Consumer Staple	Value	139
7.00%	NVDA	NVIDIA Corp	Information Technology	Growth	101
18.00%	SCHG	Schwab U.S. Large-Cap Growth E	Growth Index ETF	Growth	93
0.00%	QQQ	Invesco QQQ Trust Series 1	Growth Index ETF	Growth	79
0.00%	COST	Costco Wholesale Corp	Consumer Staple	Value	59
6.00%	MSFT	Microsoft Corp	Information Technology	Growth	40
0.00%	RSP	Invesco S&P 500 Equal Weight E	Value Index ETF	Value	40
0.00%	VTV	Vanguard Value ETF	Value Index ETF	Value	38
0.00%	BRK/B	Berkshire Hathaway Inc	Financial Services	Value	17
1.50%	UNH	UnitedHealth Group Inc	Health Care	Value	-31
0.00%	XOM	Exxon Mobil Corp	Energy	Value	-38
4.00%	AAPL	Apple Inc	Information Technology	Growth	-42
1.50%	JNJ	Johnson & Johnson	Health Care	Value	-65
1.50%	LLY	Eli Lilly & Co	Health Care	Value	-98

Sample holdings and PowerScore rankings consist of the top issues in each sector within the model portfolio as of January 23, 2025. These sample holdings are for informational purposes only and should not be deemed to be a recommendation to purchase or sell the securities mentioned. There are no guarantees that any securities mentioned will be held in a client's account. It should not be assumed that the securities transactions or holdings discussed were or will be profitable. Data are indicative only as of the given date. Holdings will fluctuate, and no assurance can be given that an actual portfolio will be able to obtain the same attributes.

PowerScore Tactical Risk Profile Portfolio Allocations

*Risk Profile 1 – **PowerScore Conservative Tactical**: 20% PS Rotation, 7% Gold, 73% Low Vol Bond*

- *Equity: 0-20%, Alternative: 0-7%, Bond: 73-100%*

*Risk Profile 2 – **PowerScore Conservative Moderate Tactical**: 40% PS Rotation, 10% Gold, 50% Low Vol Bond*

- *Equity: 20-40%, Alternative: 0-15%, Bond: 45-80%*

*Risk Profile 3 – **PowerScore Moderate Tactical**: 60% PS Rotation, 10% Gold, 30% Low Vol Bond*

- *Equity: 40-60%, Alternative: 0-20%, Bond: 20-60%*

*Risk Profile 4 – **PowerScore Retirement Tactical**: 80% PS Rotation, 10% Gold, 10% Low Vol Bond*

- *Equity: 60-80%, Alternative: 0-20%, Bond: 0-40%*

Risk Profile 5 – PowerScore Aggressive Tactical: 90% PS Rotation, 10% Gold, 0% Low Vol Bond

- *Equity: 70-90%, Alternative: 0-20%, Bond: 0-30%*

Disclosures

Please contact your Financial Advisor for a complete listing of all transactions that occurred during the last twelve months.

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Disclosures

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There are numerous other factors related to the markets in general or to the implementation of any specific strategy that cannot be fully accounted for in the preparation of hypothetical risk results and all of which can adversely affect tactual performance.

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For index, indicator and survey definitions referenced in this report please visit the following: https://www.morganstanley.com/wealth-investmentsolutions/wmir-definitions

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CRC 4165825 01/2025