

# MARCH 2026 STRATEGY REVIEW

(Market Data as of 03/31/2026)



## MARCH PRESSURED STOCKS AND BONDS WHILE COMMODITIES SURGED

March was shaped by a sharp escalation in US-Iran tensions, a surge in energy prices, and renewed concern that inflation could stay stickier than expected. The Federal Reserve again held rates steady, while higher oil prices and rising yields pressured traditional risk assets.

U.S. equities moved lower across the board. The S&P 500 Total Return Index fell 4.98% and the Nasdaq 100 declined 4.89% for the month. In fixed income, the Bloomberg U.S. Aggregate Bond Index fell 1.76%, U.S. corporate high yield lost 1.18%, and the 10-Year Treasury finished March at 4.32%.

Outside of stocks and bonds, leadership shifted decisively toward inflation-sensitive assets. Broad commodities, as measured by the S&P GSCI Index Spot, rose 21.98% in March, while the Bloomberg Dollar Spot Index gained 2.36%. Gold declined 11.23% as dollar strength and liquidity needs weighed on traditional safe havens.

## MANAGED INCOME STRATEGY

**Author: Kensington Asset Management PM Team**

	Mar 2026	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Kensington Managed Income Strategy (*Gross)	-1.38%	-0.24%	5.41%	5.71%	2.71%	4.80%	8.16%
Kensington Managed Income Strategy (**Net 3%)	-1.63%	-0.98%	2.30%	2.59%	-0.32%	1.70%	4.97%
Bloomberg US Agg Bond TR USD	-1.76%	-0.05%	4.35%	3.63%	0.31%	1.70%	2.95%

Inception date: 12/31/2007 (Returns exceeding one year are annualized.)

Managed Income Strategy returned -1.38% gross (-1.63% net) for the month of March. Most fixed income categories pulled back as geopolitical tensions and higher energy prices pushed yields higher, with the 10-Year Treasury finishing the month at 4.32%.

The Federal Reserve again held rates steady in March, and inflation concerns resurfaced as energy prices moved sharply higher. Against that backdrop, the Strategy maintained Risk-On positioning, holding its core allocation to US high yield corporates with satellite exposure to multisector bonds.

Despite the March pullback in high yield, the Strategy remains Risk-On at present. Further deterioration in the credit markets could lead to a repositioning if a Risk-Off threshold is reached.

## CREDIT OPPORTUNITIES STRATEGY

**Author: Kensington Asset Management PM Team**

	Mar 2026	YTD	1 Year	3 Year	Since Inception
Kensington Credit Opportunities Strategy (*Gross)	-0.99%	-0.30%	2.04%	5.22%	5.42%
Kensington Credit Opportunities Strategy (**Net 3%)	-1.24%	-1.03%	-0.97%	2.11%	2.30%
Bloomberg US Agg Bond TR USD	-1.76%	-0.05%	4.35%	3.63%	3.14%

Inception date: 08/31/2022 (Returns exceeding one year are annualized.)

Credit Opportunities Strategy returned -0.99% gross (-1.24% net) for March. As credit markets deteriorated during the month, the model-driven process reduced Risk-On stages, first removing investment grade corporate exposure and then significantly cutting high yield exposure as the selloff intensified.

By month-end, the Strategy had eliminated both high yield and investment grade corporate positions. The portfolio finished approximately two-thirds in U.S. Treasuries, with the balance in cash equivalents.

If volatility persists, Credit Opportunities may remain positioned away from high yield. If trends improve, the Strategy could begin adding credit exposure back into the portfolio.

## DYNAMIC ALLOCATION STRATEGY

**Author: Kensington Asset Management PM Team**

	March 2026	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Kensington Dynamic Allocation Strategy (*Gross)	0.18%	-0.92%	34.27%	16.60%	11.92%	17.40%	16.45%
Kensington Dynamic Allocation Strategy (**Net 3%)	-0.07%	-1.65%	30.31%	13.15%	8.62%	13.93%	13.01%
S&P 500 TR USD	-4.98%	-4.33%	17.80%	18.32%	12.06%	14.16%	12.76%

Inception date: 12/31/2014 (Returns exceeding one year are annualized.)

Dynamic Allocation Strategy returned 0.18% gross (-0.07% net) in March. Equity markets moved decisively lower during the month, with the S&P 500 Total Return Index down -4.98% and the Nasdaq 100 down 4.89% as investors reacted to rising geopolitical tension, energy-supply concerns, and renewed inflation pressure.

The relative weakness of the AI trade remained a theme in March, while leadership continued to skew toward energy, materials, and select industrials. Volatility also remained elevated, and the S&P 500 briefly broke below its 200-day moving average during the month.

The Strategy remained in a Risk-Off posture throughout March as volatility climbed. Following month-end, Dynamic Allocation reverted to a Risk-On stance as market conditions improved, and a more stable volatility backdrop could support that positioning into the start of the second quarter.

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## ACTIVE ADVANTAGE STRATEGY

**Author: Kensington Asset Management PM Team**

	Mar 2026	YTD	1 Year	3 Year	Since Inception
Kensington Active Advantage Strategy (*Gross)	-3.21%	-0.96%	14.96%	9.92%	5.11%
Kensington Active Advantage Strategy (**Net 3%)	-3.46%	-1.69%	11.57%	6.68%	2.00%
S&P 500 TR/Bloomberg US Agg Bond TR 50-50	-3.37%	-2.19%	11.00%	10.88%	4.70%

Inception date: 12/31/2021 (Returns exceeding one year are annualized.)

Active Advantage Strategy returned -3.21% gross (-3.46% net) for March, versus -3.37% for its 50/50 benchmark blend. The Strategy remained fully invested throughout the month, with the portfolio positioned roughly 50% in fixed income and 50% in equities.

The fixed income allocation remained high yield-centric, with satellite exposure to emerging market bonds and multisector holdings. Within equities, the portfolio stayed diversified across core, growth, and high dividend or minimum volatility exposures.

As risk assets sold off, international holdings and US investment grade bonds lagged on the fixed income side, while high dividend equities experienced the shallowest drawdown within the equity sleeve. After month-end, the model indicated an increase in exposure to growth equities, trimming some fixed income positions and shifting the overall mix closer to a 60/40 balance between equities and fixed income.

## DEFENDER STRATEGY

**Author: Elio Chiarelli, PhD, AIF - Lead Portfolio Manager, Liquid Strategies**

	Mar 2026	YTD	1 Year	Since Inception
Kensington Defender Strategy (*Gross)	-4.07%	5.77%	20.67%	10.87%
Kensington Defender Strategy (**Net 3%)	-4.32%	4.99%	17.11%	7.60%
Morningstar Global 60/40 NR USD	-5.60%	-2.02%	13.78%	11.45%

Inception date: 05/31/2023 (Returns exceeding one year are annualized.)

Defender Strategy returned -4.07% gross (-4.32% net) in March, versus -5.60% for the Morningstar Global 60/40 NR USD Index. March was defined by a sharp rise in geopolitical uncertainty, inflation concerns, and shifting expectations for Federal Reserve policy. Equities and bonds both declined, while broad commodities surged 21.98%, the Bloomberg Dollar Spot Index rose 2.36%, and gold fell 11.23%.

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Against that backdrop, commodities, especially energy-related exposure, were meaningful contributors and partially offset weakness in global equities and fixed income. Gold detracted during the month, but it continued to play a diversification role within the portfolio. Equity exposures, particularly international and emerging markets, were a source of pressure in line with the broader market decline.

Importantly, the Strategy reduced risk mid-month as volatility accelerated, which helped mitigate drawdowns during the most unstable stretch of the quarter. Defender continues to lean on a flexible, momentum-driven framework, maintaining a slightly defensive posture while remaining positioned to adjust if conditions improve.

## HEDGED PREMIUM INCOME STRATEGY

**Author: Shawn Gibson - CIO, Lead Portfolio Manager, Liquid Strategies**

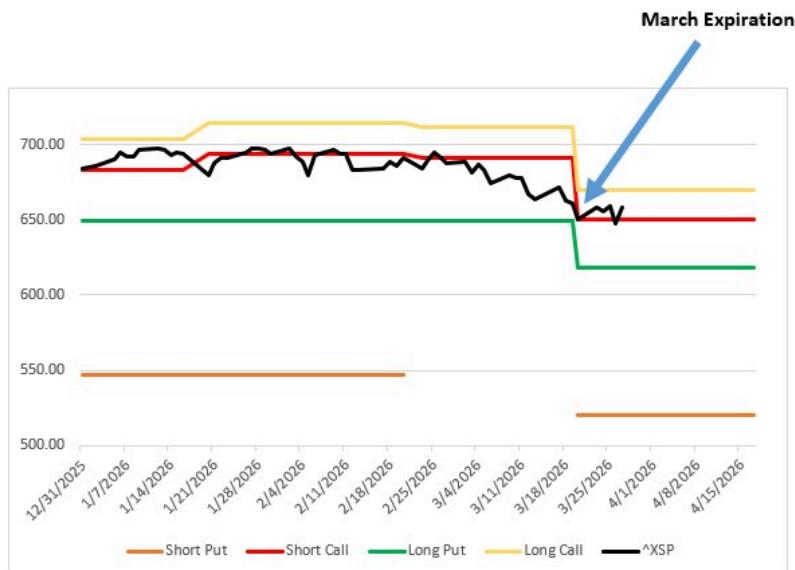
	Mar 2026	YTD	1 Year	Since Inception
Hedged Premium Income Strategy (*Gross)	-4.48%	-3.22%	11.45%	9.21%
Hedged Premium Income Strategy (**Net 3%)	-4.73%	-3.93%	8.15%	5.98%
S&P 500 TR USD	-4.98%	-4.33%	17.80%	12.59%

Inception date: 10/31/2023 (Returns exceeding one year are annualized.)

Hedged Premium Income Strategy returned -4.48% gross (-4.73% net) in March, while the S&P 500 Total Return Index declined -4.98%. Volatility increased meaningfully during the month as the market reacted to the Iran conflict and its potential inflationary spillover.

The Strategy entered March with the downside buffer 5.61% below the Index, but with that hedge set to expire on March 20 there was only a limited window for the protection to pay off. The Index fell to the top end of the buffer at expiration before the structure was reset lower into a new 3-month buffer providing protection from -5% to -20%.

A positive offset is that the premium collected from selling the new income-producing call spread moved higher, helping fund the higher cost of downside protection. The reset also establishes a hedge for the next three months in a period where volatility may remain elevated, while the long call continues to offer participation in the event of a sharp rebound.



Disclosures on next page

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[Managed Income Strategy](#) | [Credit Opportunities Strategy](#) | [Dynamic Allocation Strategy](#) | [Active Advantage Strategy](#) | [Defender Strategy](#)

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