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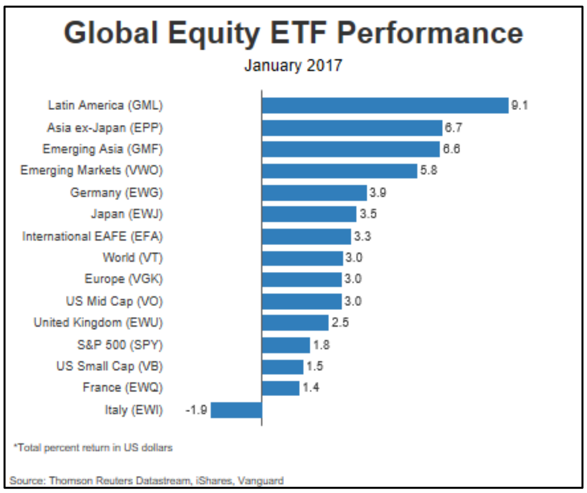
JANUARY 2017 CAPITAL MARKET REVIEW

January was a month of catch-up among many of the international markets that lagged towards the end of last year. Non-U.S. asset classes generally outpaced U.S. equities and bonds while precious metals posted the strongest returns.

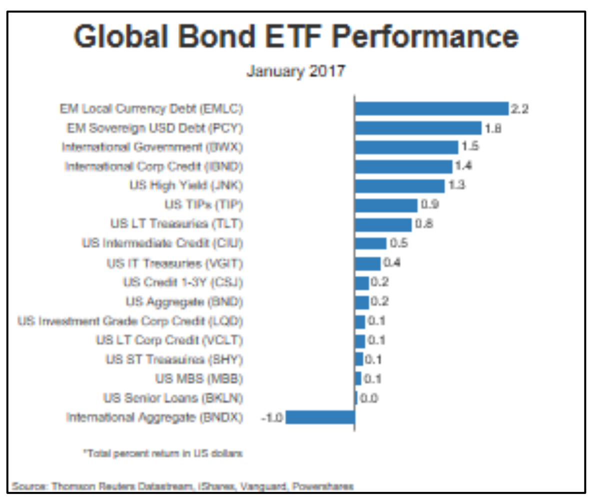
Equity Markets*



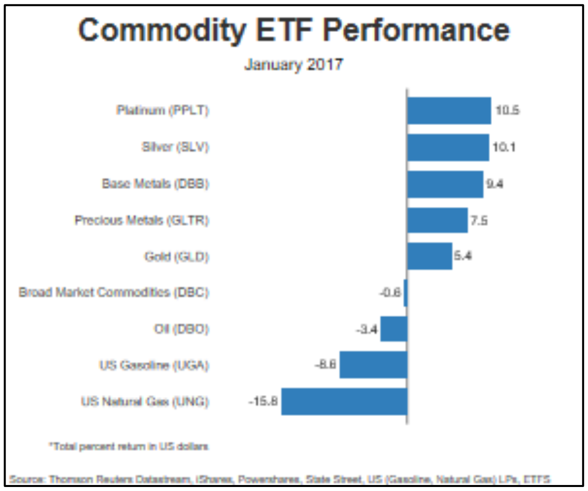
Many of the emerging equity markets delivered robust results with Latin America leading the way, climbing 9.1% for the month of January. Many of the larger international markets gained ground that had been lost in November and December of last year. U.S. equity results were positive and respectable, although not as strong as the rest of the world with the exception of France and Italy.

Bond Markets*

Bond markets generally were positive and the riskier parts of the asset class continued to advance. U.S. dollar denominated and local currency Emerging Market debt rose 2.2% and 1.8%, respectively while U.S. dollar denominated international bonds fell 1.0%, mainly due to weakness in the dollar.



Commodity Markets*



Investors witnessed another swing in commodity markets with Precious Metals strongly advancing while Energy prices fell. Platinum prices rose 10.5% followed by silver which climbed 10.1%. U.S. Natural Gas sold off the most, falling 15.8%.

**The returns cited in the above paragraphs reflect total return performance of exchange traded funds listed in the corresponding bar charts on this page.*

> *"U.S. asset classes fared well in the month of January; however, several international markets posted superior returns, reversing trends of late last year."*

PORTFOLIO POSITIONING

We continue to position portfolios towards the U.S. with lower exposure to international assets than our underlying benchmarks. We prefer the relative safety of U.S. assets but do have a more favorable view of Asia and the emerging markets as compared to European asset classes. In the U.S. stock market we have the strongest preference for small and mid-cap companies. We continue to hold higher cash positions in portfolios mainly at the expense of European equities and non-U.S. fixed income.

Our bond allocations also favor the U.S. over the rest of the world with sizable commitments to short-term corporate credit. We continue to be positioned with lower duration than the benchmark. We have modest exposure to developed international government bonds and corporate credit. We have no emerging market debt holdings at this time.

RISK OUTLOOK

A major risk continues to be the path of interest rates – not only in the U.S. but also in the rest of the world. Many investors consider President Trump's economic policies to be pro-growth and we agree that lifting unnecessary or antiquated regulatory requirements and increasing spending on infrastructure projects may well prove to be expansionary. Lowering corporate and individual taxes would also augment activity. The United States definitely needs new and higher paying jobs, yet few are focusing on the potential consequences of higher inflation. That is most likely because we have not witnessed a higher general price level for several years, if not decades. If inflation begins to accelerate, the Federal Reserve would likely be forced to raise the Federal Funds rate at a pace that may unnerve investors, pose a challenge for borrowers, and derail the upward movement in stock markets.

Higher borrowing costs will likely find their way into other parts of the world which could dampen global economic growth, particularly in Europe and Japan where economic activity is sluggish, demographic trends are deteriorating, and structural problems are deep. There is still concern that asset bubbles are forming in Chinese property, credit, and even some of the more eclectic markets such as art and calligraphy. All of these factors pose risks for global capital markets.

KEY EVENTS IN FEBRUARY

Week 1

- 2/1 Eurozone Markit Mfg Final PMI
- 2/1 U.S. MBA Mortgage Surveys
- 2/1 U.S. ISM Mfg PMI
- 2/1 U.S. Fed Funds Target Rate
- 2/2-2/3 U.S. Employment Surveys
- 2/7 Japan Leading Indicator

Week 2

- 2/10 U.K. Output Surveys
- 2/13 China Price Index Surveys
- 2/14 U.K. Price Index Surveys
- 2/14 Eurozone Industrial Production

Week 3

- 2/15 U.S. CPI
- 2/16 U.S. Housing Surveys

Week 4

- 2/22 Eurozone Inflation
- 2/24 U.S. Univ. of Michigan Consumer Sentiment
- 2/27 Eurozone Sentiment Surveys
- 2/27 Eurozone Consumer Confidence
- 2/28 U.S. Consumer Confidence

DISCLOSURES

Wilde Capital Management, LLC is a registered investment adviser. Information presented is for educational purposes only and does not intend to make an offer or solicitation for the sale or purchase of any specific securities, investments, or investment strategies. Investments involve risk and, unless otherwise stated, are not guaranteed. Be sure to first consult with a qualified financial adviser and/or tax professional before implementing any strategy discussed herein. Past performance is not indicative of future performance.

It is important to remember that there are risks inherent in any investment and that there is no assurance that any money manager, fund, asset class, style, index or strategy will provide positive performance over time.

Diversification and strategic asset allocation do not guarantee a profit nor protect against a loss in declining markets. All investments are subject to risk, including the loss of principal.

The information contained herein is based upon the data available as of the date of this document and is subject to change at any time without notice.

Portfolios that invest in fixed income securities are subject to several general risks, including interest rate risk, credit risk, the risk of issuer default, liquidity risk and market risk. These risks can affect a security's price and yield to varying degrees, depending upon the nature of the instrument, and may occur from fluctuations in interest rates, a change to an issuer's individual situation or industry, or events in the financial markets. In general, a bond's yield is inversely related to its price. Bonds can lose their value as interest rates rise and an investor can lose principal. If sold prior to maturity, fixed income securities are subject to gains/losses based on the level of interest rates, market conditions and the credit quality of the issuer.

Foreign investments are subject to risks not ordinarily associated with domestic investments, such as currency, economic and political risks, and may follow different accounting standards than domestic investments. Investments in emerging or developing markets involve exposure to economic structures that are generally less diverse and mature, and to political systems that can be expected to have less stability than those of more developed countries. These securities may be less liquid and more volatile than investments in U.S. and longer-established non-U.S. markets.

An investment in small/mid-capitalization companies involves greater risk and price volatility than an investment in securities of larger capitalization, more established companies. Such securities may have limited marketability and the firms may have more limited product lines, markets and financial resources than larger, more established companies.

Portfolios that invest in real estate investment trusts (REITs) are subject to many of the risks associated with direct real estate ownership and, as such, may be adversely affected by declines in real estate values and general and local economic conditions.
Portfolios that invest a significant portion of assets in one sector, issuer, geographical area or industry, or in related industries, may involve greater risks, including greater potential for volatility, than more diversified portfolios.

Important Disclosures: Exchange-Traded Funds

Exchange-traded funds (ETFs) are investment vehicles that are legally classified as open-end investment companies or unit investment trusts (UITs), but differ from traditional open-end investment companies or UITs. ETF shares are bought and sold at market price (not net asset value) and are not individually redeemed from the fund. This can result in the fund trading at a premium or discount to its net asset value, which will affect an investor's value. Shares of certain ETFs have no or limited voting rights. ETFs are subject to risks similar to those of stocks.

ETFs included in portfolios may charge additional fees and expenses in addition to the advisory fee charged for the Selected Portfolio. These additional fees and expenses are disclosed in the respective fund/note prospectus. For complete details, please refer to the prospectus.

For additional information regarding advisory fees, please refer to the Fee Summary and/or Fee Detail pages (if included with this report) and the program sponsor's/each co-sponsor's Form ADV Part 2, Wrap Fee Brochure or other disclosure documents, which may be obtained through your advisor.

Certain ETFs have elected to be treated as partnerships for federal, state and local income tax purposes. Accordingly, investors in such ETFs will be taxed as a beneficial owner of an interest in a partnership. Tax information for such ETFs will be reported to investors on an IRS schedule K-1. Investors should consult with their tax advisors in determining the tax consequences of any investment, including the application of state, local or other tax laws and the possible effects of changes in federal or other tax laws.