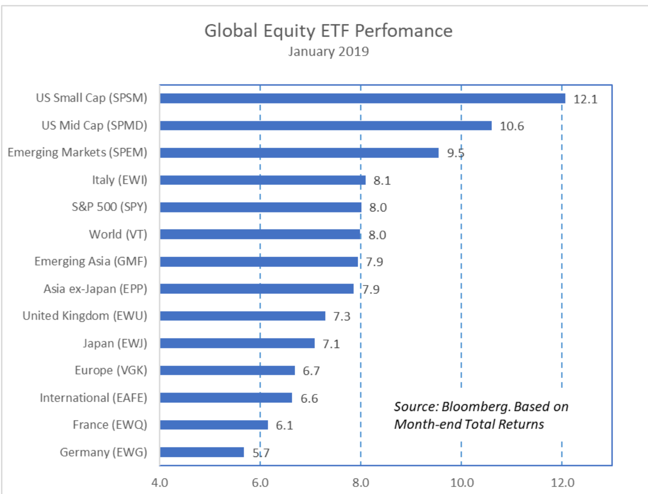
JANUARY 2019 CAPITAL MARKET REVIEW

Stock and bond markets throughout much of the world rebounded after ending 2018 with one of the worst routs in recent memory. Several key U.S. market segments posted strong returns including Small and Mid Cap companies, Convertible and High Yield Bonds, as well as Emerging Market Debt.



Equity Markets*

Global stocks rebounded by an impressive 8% in U.S. dollar terms to begin the year after a weak conclusion to 2018. Generally, growth-oriented segments such as U.S. Small and Mid Cap companies as well as Emerging Markets outperformed.

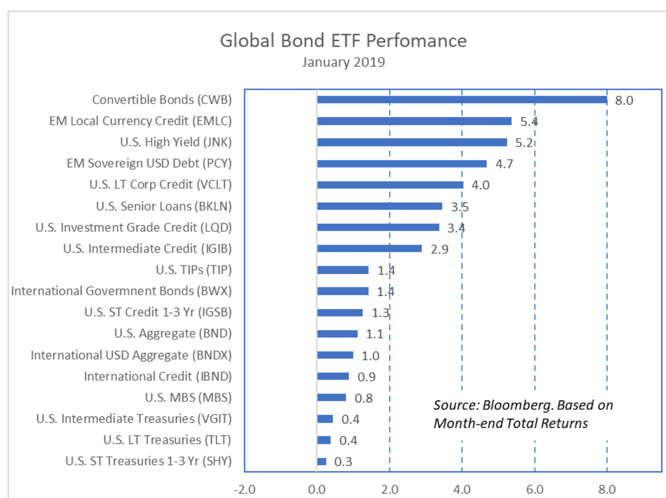
Returns throughout the rest of the world were positive, but overall, several key regions underperformed the global benchmark. The sole exception was Italian equities, which posted modest excess returns. European markets continued to disappoint, notably France and Germany.

Bond Markets*

In January, U.S credit markets and Emerging Market Local Currency and U.S. Dollar-based debt led global fixed income markets. U.S. Convertible Bonds were the clear leader, posting an 8.0% total return.

International bond performance was mixed with government bonds modestly outperforming the U.S. aggregate bond market while the international aggregate slightly lagged.

The U.S. dollar posted a decline of 1.26% for the month.



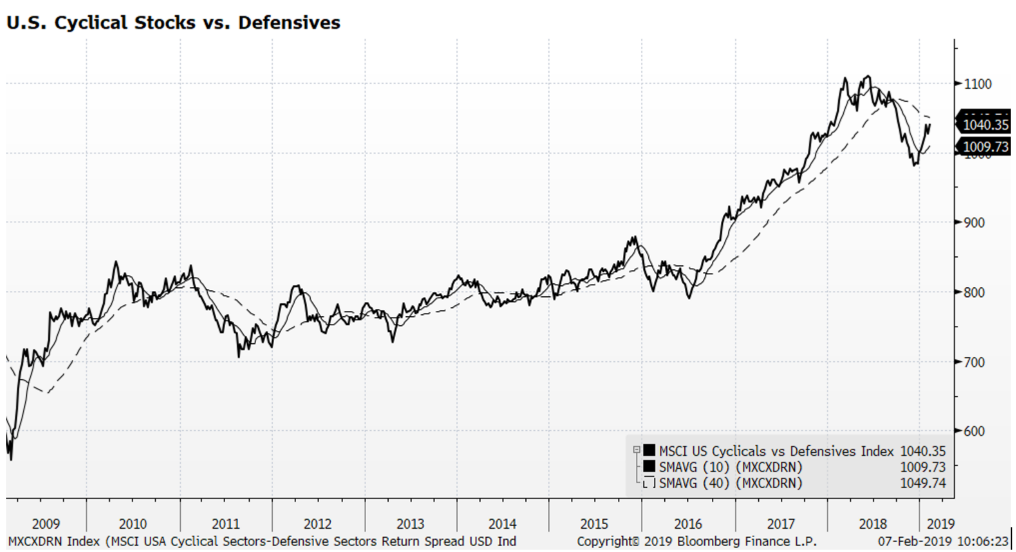
**The returns cited reflect total return performance of exchange traded funds listed in the corresponding bar charts*

WILDE CAPITAL MANAGEMENT

Cyclical Stocks Rebounding in the U.S.

The MSCI USA Cyclical Sectors – Defensive Sectors Index measures the performance differential of cyclical sectors such as Information Technology and Consumer Discretionary versus traditional defensive sectors such as Utilities and Consumer Staples. After suffering one of the worst corrections since 2011, the index appears to have begun to recover. It is no secret that risk assets have rallied strongly so far this year, but if the rebound in this index can be sustained, broader gains in the U.S. equity market and other riskier assets should continue.

The index corrections that we experienced earlier in the decade were related to concerns about global growth. In the 2010-2013 period, the volatility centered mainly on the viability of the Eurozone and economic stress in Portugal, Ireland, Italy, Greece and Spain, commonly referred to as the PIIGS. There are still challenges in the region as Italy appears headed towards recession while Germany and France are facing headwinds as well. The beginning of 2016 also marked a period of heightened index volatility due to Chinese growth concerns. Similar issues in these key segments of the global economy persist, but the U.S. Federal Reserve is now perceived to be more accommodative after setting a hawkish and restrictive tone in the Fall of 2018.



See the WCM website for more market commentary or contact us with any questions.

> *"Stock and bond markets throughout much of the world rebounded after a weak ending to 2018. Several key U.S. market segments posted strong returns including Small and Mid Cap equities, Convertible and High Yield Bonds, as well as Emerging Market Debt."*

PORTFOLIO POSITIONING

In terms of overall positioning, we re-instated our overweight to U.S. equities and fixed income. Within U.S. equities, we are significantly overweight across the market cap spectrum versus our benchmark. We are significantly underweight non-U.S. equities; however, we do have a sizeable position in Emerging Asia. Our overweight to U.S. is primarily funded from non-U.S. stocks and bonds. Within fixed income, we are overweight in the U.S. with a preference for mortgages and corporate credit. We do not have any current exposure to non-U.S. fixed income. Our portfolios maintain lower duration than the benchmark. Our cash position is now lower than our benchmark.

RISK OUTLOOK

Economic activity generally remains positive in the U.S. although the pace is slowing. The rest of the world is less attractive as European growth appears to be deteriorating while China's economy has been decelerating. The following are key risks we are monitoring:

- The ongoing trade negotiations, particularly with China, are a source of uncertainty that could impact the global economy and further rattle markets. As President Trump's March 1st deadline for higher tariffs approaches, the key will be signs that discussions are progressing rather than stalemating.
- So far, Q4 earnings season in the U.S. has been positive although analysts have been adjusting their 2019 forecasts downward. A key factor will be how analyst expectations develop for the second half of this year.
- European equities continue to disappoint, as sluggish economic activity, Italian debt, Brexit negotiations, and budget-related issues remain major hurdles.
- Highly indebted emerging economies, particularly in Latin America, may continue to face headwinds due to the combination of a strong U.S. dollar and higher interest rates.

KEY EVENTS IN FEBRUARY

Week 1

- 2/1 U.S.: Payroll Surveys
- 2/1 U.S.: Univ. of Mich. Sentiment Surveys
- 2/2 China: Caixin Composite PMI
- 2/4 U.S.: Q4 GDP
- 2/4 Eurozone: Sentix Investor Confidence
- 2/4 Japan: Nikkei Composite PMI
- 2/5 U.S.: Markit Composite PMI
- 2/5 U.K.: Markit/CIPS Composite PMI
- 2/5 Eurozone: Markit Composite PMI
- 2/7 U.K.: BOE Policy Rate Decisions
- 2/7 Eurozone: ECB publishes economic bulletin
- 2/7 Eurozone: EC publishes economic forecasts
- 2/7 Japan: Leading Indicators

Week 2

- 2/11 U.K.: Q4 GDP
- 2/13 U.S.: Price Index Surveys
- 2/13 U.K.: Price Index Surveys
- 2/13 Japan: Q4 GDP
- 2/14 U.S.: Price Index Surveys
- 2/14 Eurozone: Q4 GDP
- 2/14 China: Price Index Surveys

Week 3

- 2/19 Eurozone: ZEW Expectations Survey
- 2/20 U.S.: Housing Surveys
- 2/21 U.S.: Conf. Board Leading Indicators

Week 4

- 2/21-2/24 Japan: Price Index Surveys
- 2/26 U.S.: Conf. Board Confidence Surveys
- 2/27 U.K.: GfK Consumer Confidence
- 2/27 Eurozone: EC Confidence Surveys
- 2/28 U.S.: Q4 GDP
- 2/28 Japan: Housing Surveys

WCM | WILDE CAPITAL MANAGEMENT

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.