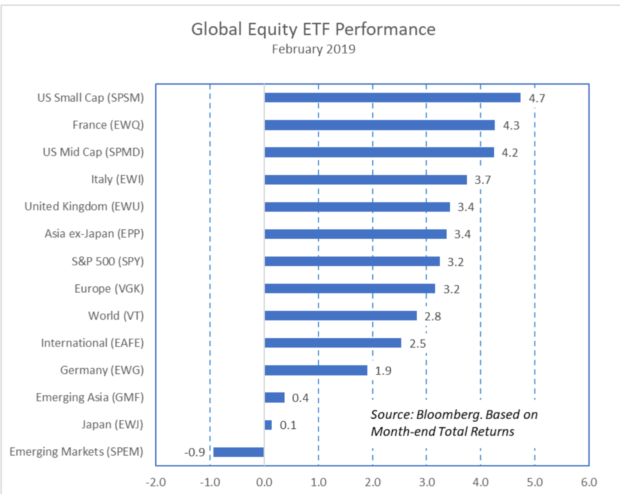
WCM | WILDE CAPITAL MANAGEMENT

FEBRUARY 2019 CAPITAL MARKET REVIEW

Global stock markets throughout much of the world built on January's gains while key segments of U.S. corporate credit markets rallied as well. While long-dated U.S. bonds and select non-dollar denominated debt contracted in February.



Equity Markets*

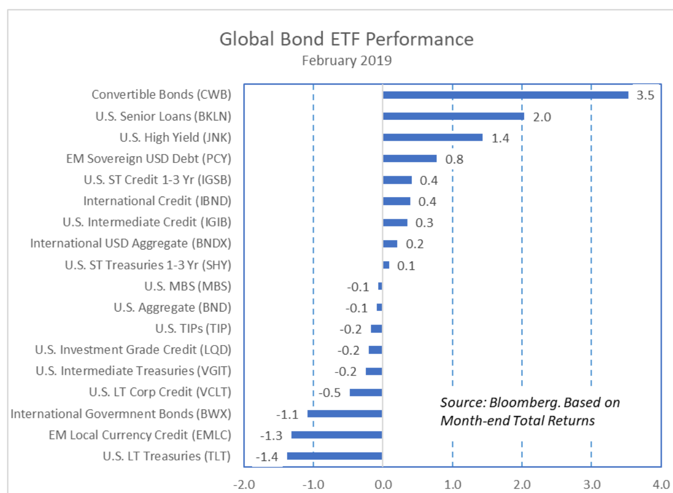
Global stocks rallied 2.8% in U.S. dollar terms building on January's impressive rebound. Growth-oriented segments in the U.S. market such as Small and Mid Cap companies were among the strongest performers while France, Italy and the U.K. also outperformed.

Broad emerging market equities underperformed, falling 0.9% in February. Broad developed equity markets outside of the U.S. also disappointed, lagging global equities overall during the month.

Bond Markets*

In February, bond markets struggled in both the U.S and non-dollar fixed income markets. However, there were some bright spots in U.S. credit segments such as convertible bonds, senior loans and high yield.

International bond performance was mixed with non-dollar based bonds falling in price in part, due to dollar strength – the U.S. dollar advanced 0.77% for the month. Dollar denominated Emerging Market Sovereign Debt and International Credit outperformed.

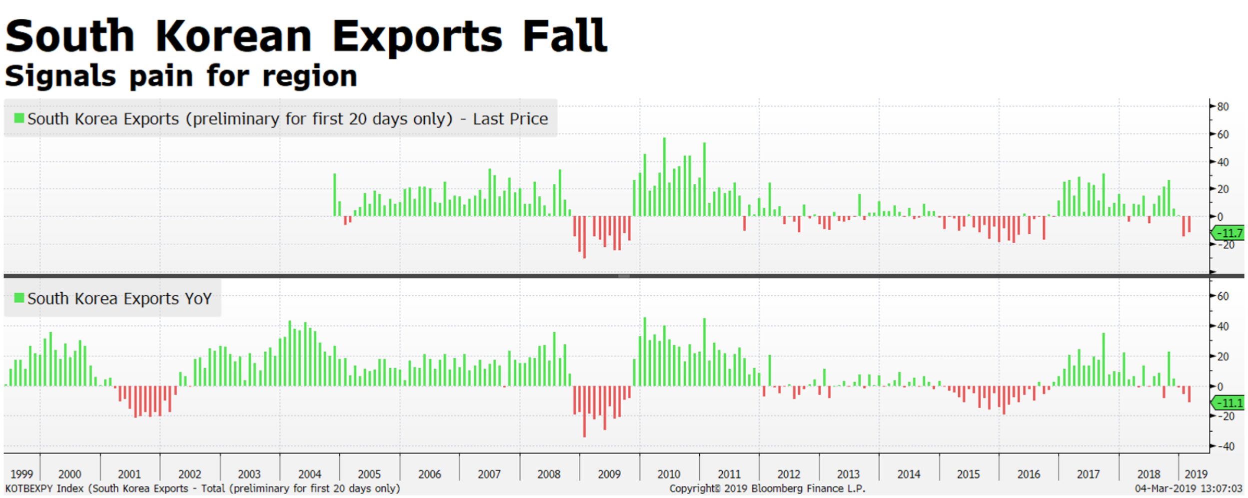


**The returns cited reflect total return performance of exchange traded funds listed in the corresponding bar charts*

Wilde Capital Management, 60 Morris Turnpike, Summit, New Jersey, 07901 (866) 894-5332
www.wildecapitalmgmt.com contact@wildecapitalmgmt.com

Key Barometer for Asia continues to be weak…

South Korean exports contracted over 11% over the past year marking the second consecutive month at negative levels. Many view this economic data series as an early indicator of global trade. South Korea is an export powerhouse with trading relationships throughout the world and region particularly China and Japan. What is critical in our view, is how long this trend persists—the contraction in Korean trade could turn out to be intermittent, fluctuating with periods of expansion as was the case in 2012-2013 or it could signal a more prolonged contraction with recessionary conditions that occurred during several periods of the past 20 years. Chinese economic growth will be a key factor and some see reflationary monetary policies gaining traction later this year and it appears that purchasing managers indices may be stabilizing, albeit below expansionary levels.



Source: South Korean Ministry of Trade, Industry and Energy

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."*

WILDE CAPITAL MANAGEMENT, 60 MORRIS TURNPIKE, SUMMIT, NEW JERSEY, 07901 (866) 894-5332
WWW.WILDECAPITALMGMT.COM CONTACT@WILDECAPITALMGMT.COM

PORTFOLIO POSITIONING

In terms of overall positioning, we remain 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 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 with China appear to be progressing but the outcome remains an unknown.
- China is adopting expansionary fiscal and monetary policies in order to address decelerating economic growth. Chinese debt levels have reached 260% of GDP and there may be limits to policy intervention in the future.
- Earnings in the U.S. are troughing and the key will be how the rest of the year plays out. Currently, consensus expectations are predicting a re-acceleration in the second half of this year.
- European equities are rallying so far this year but are trailing the U.S. The ECB recently lowered growth forecasts for the region and may need to re-embark on further monetary stimulus.
- 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 MARCH

Week 1

- 3/1 U.S.: Univ. of Mich. Sentiment Surveys
- 3/4 Eurozone: Sentix Investor Confidence
- 3/4 Japan: Nikkei Composite PMI
- 3/4 China: Caixin Composite PMI
- 3/5 U.S.: Markit Composite PMI
- 3/5 U.K.: Markit/CIPS Composite PMI
- 3/6 U.S.: Federal Reserve Releases Beige Book
- 3/7 Eurozone: Q4 GDP
- 3/7 Eurozone: ECB Policy Rate Decisions
- 3/7 Japan: Q4 GDP

Week 2

- 3/8 U.S.: Payroll Surveys
- 3/8 China: Price Index Surveys
- 3/12-3/13 U.S.: Price Index Surveys
- 3/14 Japan: BOJ Policy Rate Decisions

Week 3

- 3/19 U.S.: Housing Surveys
- 3/19 Eurozone: ZEW Expectations Survey
- 3/20 U.S.: FOMC Rate Decision
- 3/20 U.K.: Price Index Surveys
- 3/21 U.S.: Conf. Board Leading Indicators
- 3/21 U.K.: BOE Policy Rate Decisions
- 3/21 Eurozone: ECB Publishes Economic Bulletin
- 3/21-3/25 Japan: Price Index Surveys

Weeks 4 & 5

- 3/26 U.S.: Conf. Board Confidence Surveys
- 3/28 U.S.: Q4 GDP
- 3/28 U.K.: GfK Consumer Confidence
- 3/28 Eurozone: EC Confidence Surveys
- 3/29 U.S.: Univ. of Mich. Sentiment Surveys
- 3/29 U.K.: Q4 GDP
- 3/29 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.