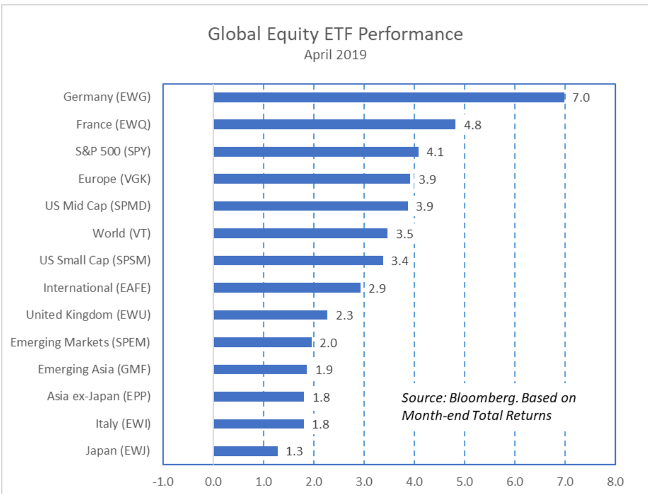
WILDE CAPITAL MANAGEMENT

APRIL 2019 CAPITAL MARKET REVIEW

Global stock markets continued to add to this year's gains. Key European equity markets and U.S. Large and Mid Cap equities outperformed. U.S. and international fixed income markets overall were flat – U.S. Convertibles, Bank Loans and High Yield delivered the strongest performance.



Equity Markets*

Global stocks had another strong month rallying 3.5% in U.S. dollar terms. German and French equities led, advancing 7.0% and 4.8% respectively. U.S. Large and Mid cap companies outperformed as well climbing 4.1% and 3.9% in April. Small companies in the U.S. modestly underperformed.

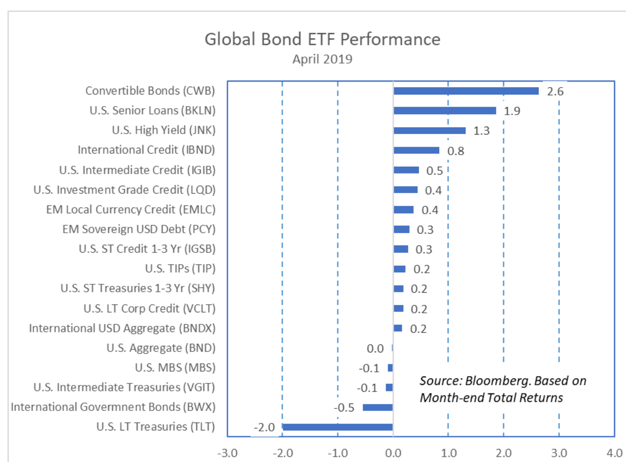
Underperformance of the United Kingdom, Emerging Markets, Developed Asia, Italy and Japan served as headwinds for the total return of the EAFE markets.

Bond Markets*

Overall performance in U.S. and international fixed income was essentially flat in April. However, there was strong performance in U.S. Convertibles, Bank Loans and High Yield that gained 2.6%, 1.9% and 1.3%, respectively.

International bond performance was mixed – government bonds fell 0.5% while corporate credit and Emerging Market local currency bonds gained by 0.8% and 0.4%, respectively.

The U.S. dollar posted a modest gain of 0.1% for the month as measured by the Bloomberg Dollar Spot Index.



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

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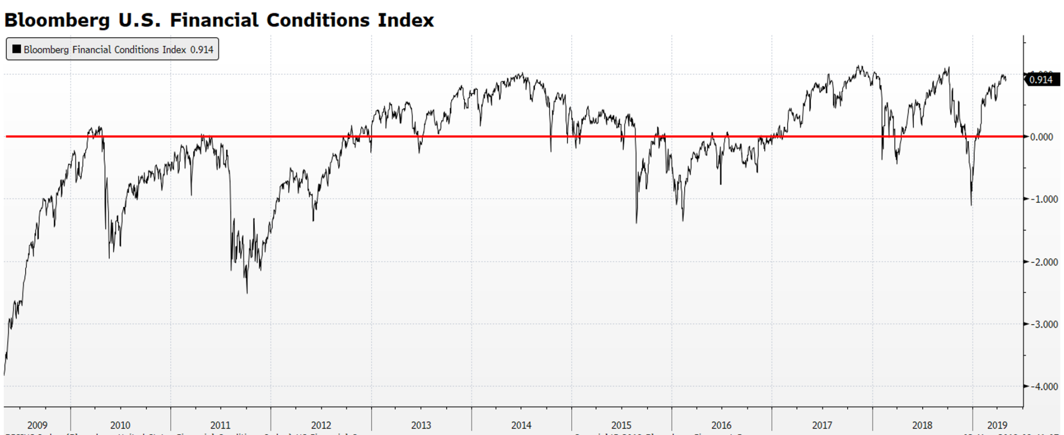
U.S. Financial Conditions Supportive

Bloomberg maintains a series of global and regional financial conditions indices that combine several key fixed income and equity market metrics such as interest rate spreads and volatility. Taken together, this data gives an indication of how benign or strained conditions are in the capital markets. Currently, the reading in the U.S. is positive, indicating a benign environment for risk asset classes. It is important to recognize this indicator can maintain long periods of positive or negative readings but, when it begins to move in a downward direction, capital markets become stressed. U.S. financial conditions could continue to remain in a positive state due to favorable economic trends – low inflation, accommodative monetary policy, strong productivity gains, high labor participation and robust GDP growth. Nevertheless, this series of indicators bears monitoring.



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

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PORTFOLIO POSITIONING

In terms of overall positioning, we remain overweight to U.S. equities and fixed income. Within U.S. equities, we are overweight Large Cap, Mid and Small Cap stocks 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. At the policy level, we are targeting low or no 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

The U.S. is exhibiting favorable economic trends – low inflation, accommodative monetary policy, strong productivity gains, high labor participation and robust GDP growth. Meanwhile, China's economy is positively responding to fiscal and monetary stimulus. The rest of the world is less attractive as European growth appears to be stagnating. 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. It appears an agreement with China is forming that will include an enforcement mechanism to protect intellectual property. A key element of this mechanism is a multi-step appeal process for trade disputes. The ultimate agreement and the timeline are still uncertain.
- Q4 earnings season in the U.S. was positive, although analysts have been adjusting their 2019 forecasts downward. Currently, analysts are predicting a 0.4% expansion in earnings in the first quarter relative to 2018 which is a meaningful improvement from earlier in the year. Company guidance is also being lifted for the balance of the year.
- European equities have rebounded but still lag U.S. equities year-to-date. Sluggish economic activity, Italian debt, Brexit negotiations, and budget-related issues remain major hurdles for the economy and the Euro.
- 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. However, the prospects unfolding in Brazil are encouraging as pension reform momentum is building.

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KEY EVENTS IN MAY

Week 1

- 5/1 U.S.: FOMC Rate Decision
- 5/2 U.K.: BOE Policy Rates
- 5/3 U.S.: Payroll Surveys
- 5/3 U.S.: Markit Composite PMI
- 5/3 Eurozone: Price Index Surveys
- 5/3 U.K.: Markit/CIPS Composite PMI
- 5/5 China: Caixin Composite PMI
- 5/6 Eurozone: Markit Composite PMI
- 5/6 Eurozone: Sentix Investor Confidence
- 5/6 Japan: Nikkei Composite PMI

Week 2

- 5/8 China: Price Index Surveys
- 5/9-5/10 U.S.: Price Index Surveys
- 5/10 U.K.: Q1 GDP
- 5/14 Eurozone: ZEW Expectations Survey

Week 3

- 5/16 U.S.: Housing Surveys
- 5/17 U.S.: Conf. Board Leading Indicators
- 5/17 Eurozone: Consumer Price Index
- 5/19 Japan: Q1 GDP
- 5/20 Eurozone: OECD Economic Outlook
- 5/21 Eurozone: EC Consumer Confidence

Weeks 4 & 5

- 5/22 U.S.: FOMC Meeting Minutes
- 5/22 U.K.: Price Index Surveys
- 5/23 Japan: Consumer Price Index
- 5/27 Japan: Leading Indicators
- 5/28 U.S.: Conf. Board Confidence Surveys
- 5/28 Eurozone: EC Confidence Surveys
- 5/30 U.S.: Q1 GDP
- 5/30 U.K.: GfK Consumer Confidence
- 5/31 U.S.: Univ. of Mich. Sentiment Surveys
- 5/31 Japan: Housing Surveys

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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.

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