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LOSS AVERSE INVESTING

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TACTICAL TOTAL RETURN STRATEGY

MONTHLY UPDATE JANUARY 2019

The Tactical Total Return (TTR) strategy seeks to outperform the S&P 500 Index in two distinct ways. First, the strategy invests in the S&P 500, the NASDAQ, EAFE, the Russell 2000 and an Alpha Sleeve of our best individual stocks (We are a tactical manager that is also a great stock picker). This diversification allows us to outperform in rising markets. The other distinct way is for us to significantly distance our performance in down markets, when the trend of the market changes, we apply inverse ETFs on each of the different indices completely taking out the downside losses, which can be very significant. Our scientific approach to applying the brakes has been researched over 50 years of market data and back-tested with a GIPs audit over 15 years. We are very confident in the strategy's ability to outperform with all the tools and discipline we have developed. This strategy is truly unique amongst tactical strategies.

The S&P 500 return in the 4th quarter was -13.5%, TTR significantly outperformed during the 4th quarter, but still declined -9.54% as the strategy becomes defensive when the market begins to fall, but not before.

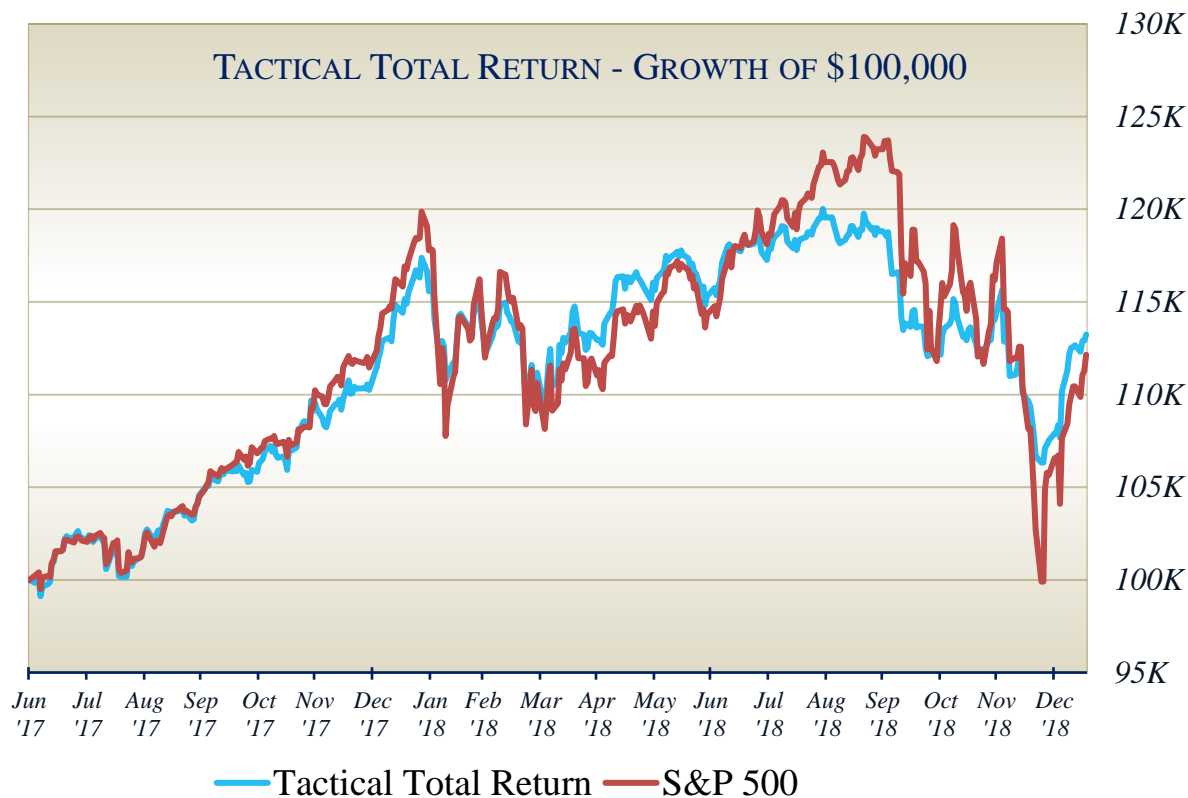
The strategy has earned a 4-Star rating while most tactical managers and risk managers have not performed as well during the last 10-year bull market. TTR is different as it is rules based on technicals and adds a significant benefit by adding select stock ideas to the portfolio as we undercover unique situations.

The stock sleeve has been very helpful this year as we purchased a significant position in Celgene which spiked up significantly from a merger deal with Bristol Myers.

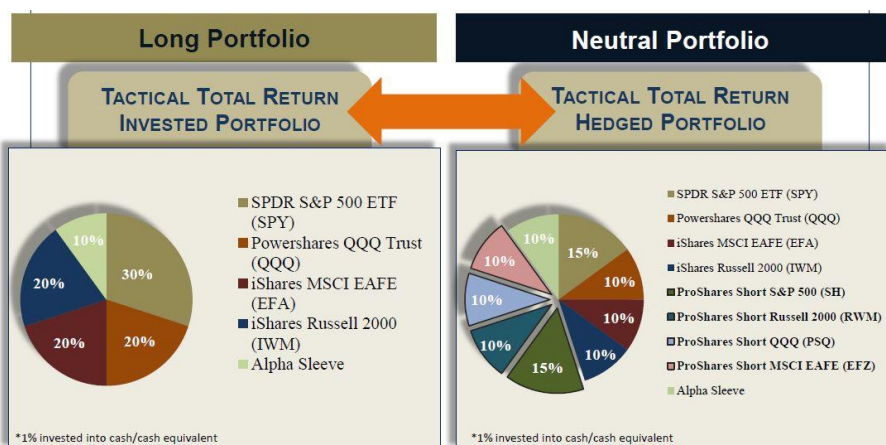
As the market rises, we expect to beat the market, and when the market falls, our strategy may have a little bit of downside, but puts the brakes on very early in the market decline as the trend of the market turns negative. This point is so important to remember that we protect the downside, as the last two bear markets declined over -50% from high to low. The decline in the market from the high in September 2018 to the bottom in December was over a -20% decline or technically a bear market. We are either in the early stages of a bear market, bouncing off the low and perhaps headed lower at some point, or this was one of the shortest bear markets in history and as history goes would be vulnerable to another bear market in the next couple of years. There is no reason an investor should ever allow these types of bear markets to evaporate their savings.

We believe TTR is a good portfolio for either rising, falling or volatile markets.

CURRENT ALPHA SLEEVE HOLDINGS	%
Annaly Capital (NLY)	4.0
Nokia (NOK)	3.5
Newell Brands (NWL)	2.0
AT&T (T)	2.0
Catalyst Biosciences (CBIO)	1.0
Total	12.5



PERFORMANCE* JANUARY 18, 2019 (NET OF FEES)	
	TACTICAL TOTAL RETURN
YTD	4.97%
	S&P 500
YTD	5.24%



Risk Considerations:

Past performance is not a guarantee of future results.

Performance results are presented in U.S. dollars and are Net of any actual fees and reflect the reinvestment of dividends and capital gains. Actual fees may vary based on, among other factors, account size and custodial relationship. Model results are before the deduction of advisory fees, brokerage or other commissions, and any other expenses that a client would have paid or actually paid. *Annual returns are compounded over the specified period. No current or prospective client should assume future performance of any specific investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Changes in investment strategies, contributions or withdrawals may cause the performance results of your portfolio to differ materially from the reported composite performance. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client's investment portfolio. Historical performance results for market indices generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment-management fee, the incurrence of which would have the effect of decreasing historical performance results. Economic factors, market conditions, and investment strategies will affect the performance of any portfolio and there are no assurances that it will match or outperform any particular benchmark or index. The model portfolio will have materially different volatility than the given index. Portfolios in the composite utilize inverse index products. Inverse ETFs are considered risky. The use of inverse strategies by a fund increases the risk to the fund and magnifies gains or losses on the investment. You could incur significant losses even if the long-term performance of the underlying index showed a gain or loss. Most inverse ETFs "reset" daily. Due to the effect of compounding, their performance over longer periods of time can differ significantly from the performance of their underlying index or benchmark during the same period of time. Exchange traded funds (ETFs) are offered by prospectus only. Investors should consider a fund's investment objective, risks, charges, and expenses carefully before investing. The prospectus, which contains this and other important information, is available from your Financial Advisor and should be read carefully before investing. The investment return and principal value of an investment will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. ETFs trade like stocks and may trade for less than their net asset value. The composite was created 9/30/2001. Additional information is available upon request.