



Income Cash Yield SMA

TPFG's Income Cash Yield SMA Portfolio is a multi-asset class portfolio designed for investors seeking income from their investment portfolio. Total return is a secondary objective, with a goal of competing with the Barclays U.S. Govt/Credit 1-5 YR Index.

Q1 2017 Market Update

After a sharp move in yields in late 2016, fixed income investors experienced a period of relatively low volatility during the first quarter, as investors await further details on fiscal policy from the new administration. Intermediate and long term Treasury yields were range bond and finished close to where they started, while short term rates shifted higher after a Fed rate hike in March. Overall, broad bond indexes finished in positive territory, with the Barclays U.S. Govt/Credit 1-5 YR Index returning 0.57%, supported by modest credit spread compression. Credit sectors, both investment grade and high yield, and instruments with a higher correlation to equities, such as convertible bonds and preferred securities, were among the best performers.

Q1 2017 Portfolio Highlights

Diversification benefited the portfolio as all positions contributed positive total return this past quarter. Overall, the strategy was up 1.21% for the quarter and 3.33% over the last year, outpacing the Barclays U.S. Govt/Credit 1-5 YR Index for both time periods.

- Exposure to preferred securities and a multi-sector bond manager were the top contributors to performance over the quarter.
- A market neutral position and intermediate bond managers with exposure to non-agency MBS also contributed to performance.
- The current weighted average trailing 12 month yield is 3.78%.
- The portfolio is constructed with modest interest rate risk, with a current duration of 2.67, in-line with the Barclays U.S. Govt/Credit 1-5 YR Index.

The portfolio has done an excellent job of providing a generous income stream to shareholders with low risk. We appreciate your consideration of this Portfolio, and look forward to answering additional questions that you may have.

Very truly yours,

Eric Neufeld, CFA, Portfolio Manager
The Pacific Financial Group, Inc.



Disclosure

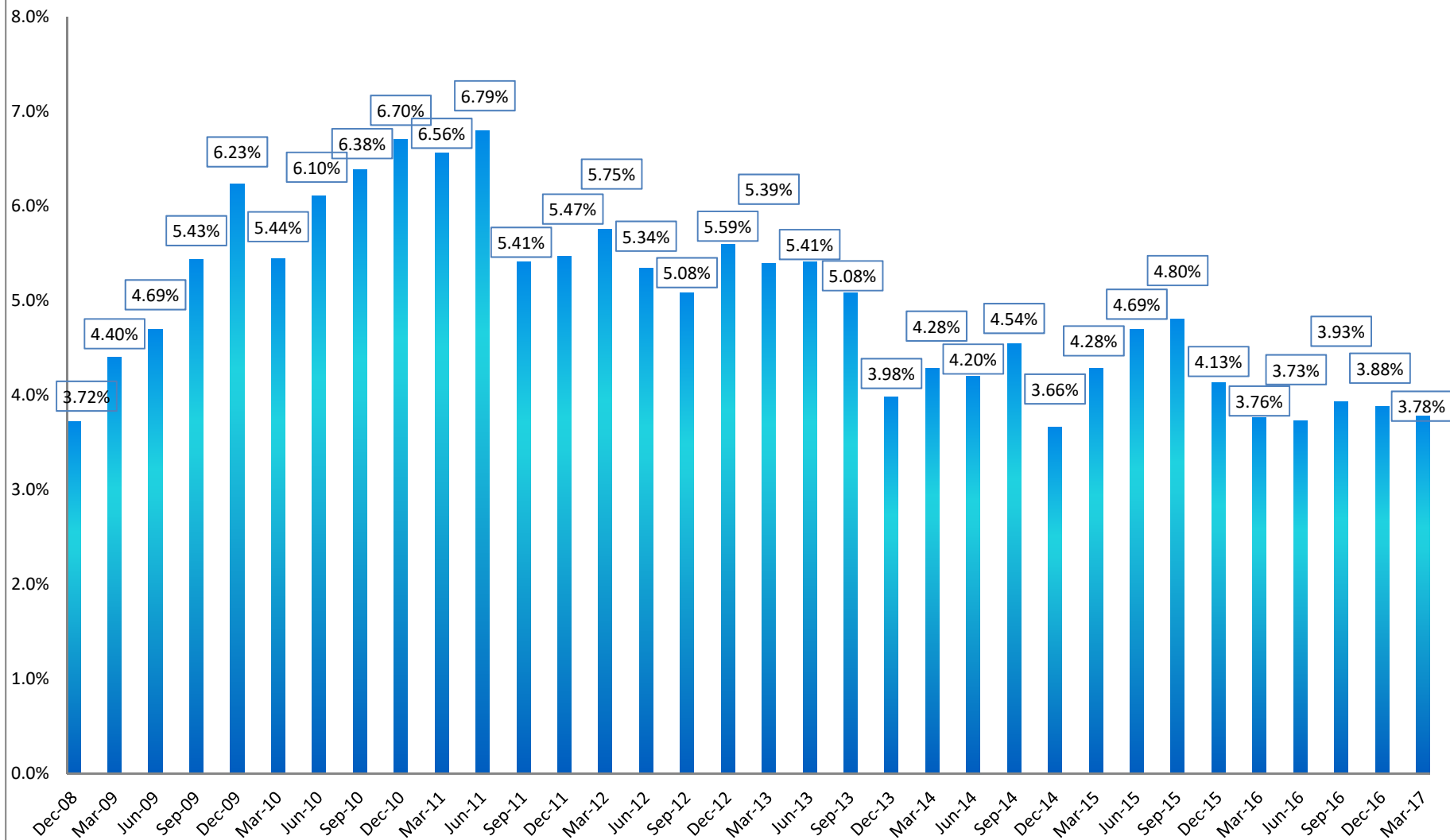
Returns Source: Morningstar Direct

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Returns quoted are net of management fees only and they do not reflect income taxes that the investor would have incurred. Performance for this portfolio is based upon a composite of client portfolios that have elected this investment strategy. The composite contains all accounts that have selected this strategy that meet the following requirements: all accounts must have been invested for at least a full month, and TPFG has full discretionary investment authority. All accounts that do not contain investment restrictions that significantly impair TPFG's ability to manage the assets according to the applicable strategy and are considered discretionary. Portfolios below the stated minimum account value for the composite are excluded on a monthly basis. For this portfolio, the current beginning of period minimum account value is \$50,000. Additional composite exclusion reasons include; accounts with pending or processed cash flows greater than 10% of the beginning period market value, accounts that have been traded by the client during the month, accounts held at custodians that do not have an institutional trading platform to facilitate bulk trading, accounts in the process of closing/liquidating and accounts that do not pay a management fee. Actual returns for individual client accounts may vary and do not necessarily coincide exactly with the returns for the composite. Past performance is no guarantee of future returns. Investing in any security involves a risk of loss.

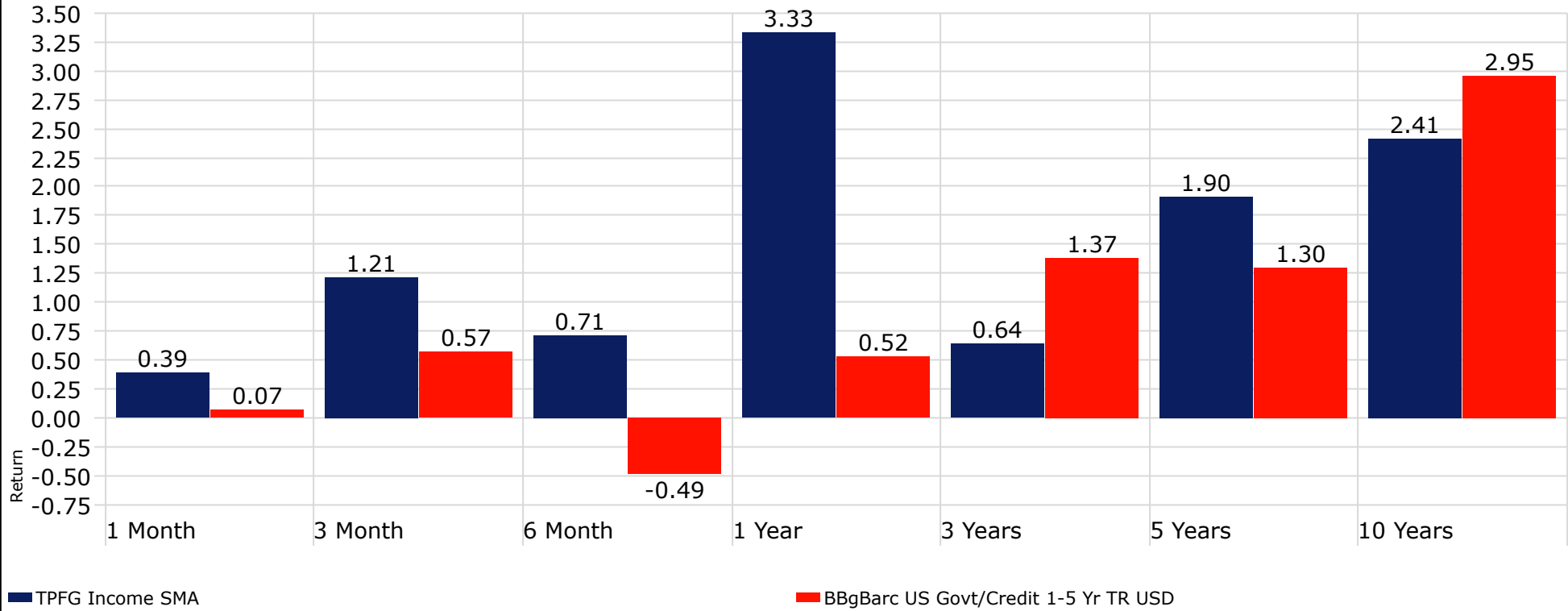
The Barclays Capital Intermediate Government Credit Index includes intermediate term obligations of the US Treasury; Government-Related issues such as agency, sovereign, supranational, and local authority debt; and Corporate Securities that have a remaining maturity of greater than one year and less than ten years.

TPFG INCOME SEPARATELY MANAGED ACCOUNT
HISTORICAL MORNINGSTAR 12 MONTHS YIELD BASED ON ALLOCATION OF PORTFOLIO AT SPECIFIED DATES (QUARTERLY)



Returns

As of Date: 3/31/2017 Calculation Benchmark: BBgBarc US Govt/Credit 1-5 Yr TR USD



Trailing Returns

Data Point: Return Calculation Benchmark: BBgBarc US Govt/Credit 1-5 Yr TR USD

	1 Month	3 Month	6 Month	1 Year	3 Years	5 Years	10 Years
TPFG Income SMA	0.39	1.21	0.71	3.33	0.64	1.90	2.41
BBgBarc US Govt/Credit 1-5 Yr TR USD	0.07	0.57	-0.49	0.52	1.37	1.30	2.95

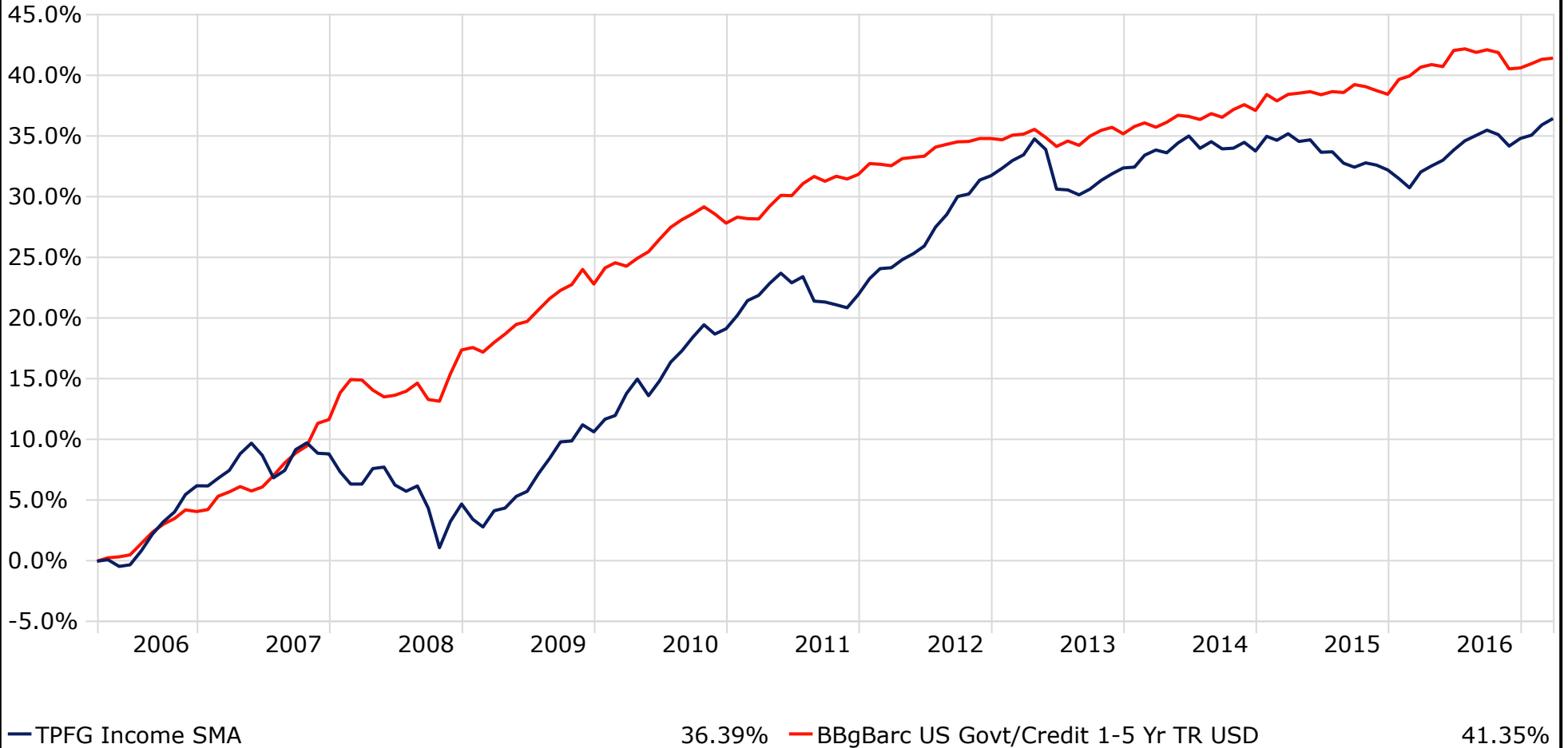
Calendar Year Returns

Data Point: Return Calculation Benchmark: BBgBarc US Govt/Credit 1-5 Yr TR USD

	YTD	2016	2015	2014	2013	2012
TPFG Income SMA	1.21	1.96	-1.17	1.05	0.49	8.01
BBgBarc US Govt/Credit 1-5 Yr TR USD	0.57	1.56	0.97	1.42	0.28	2.24

Investment Growth

Time Period: 4/1/2006 to 3/31/2017



Portfolio Statistics

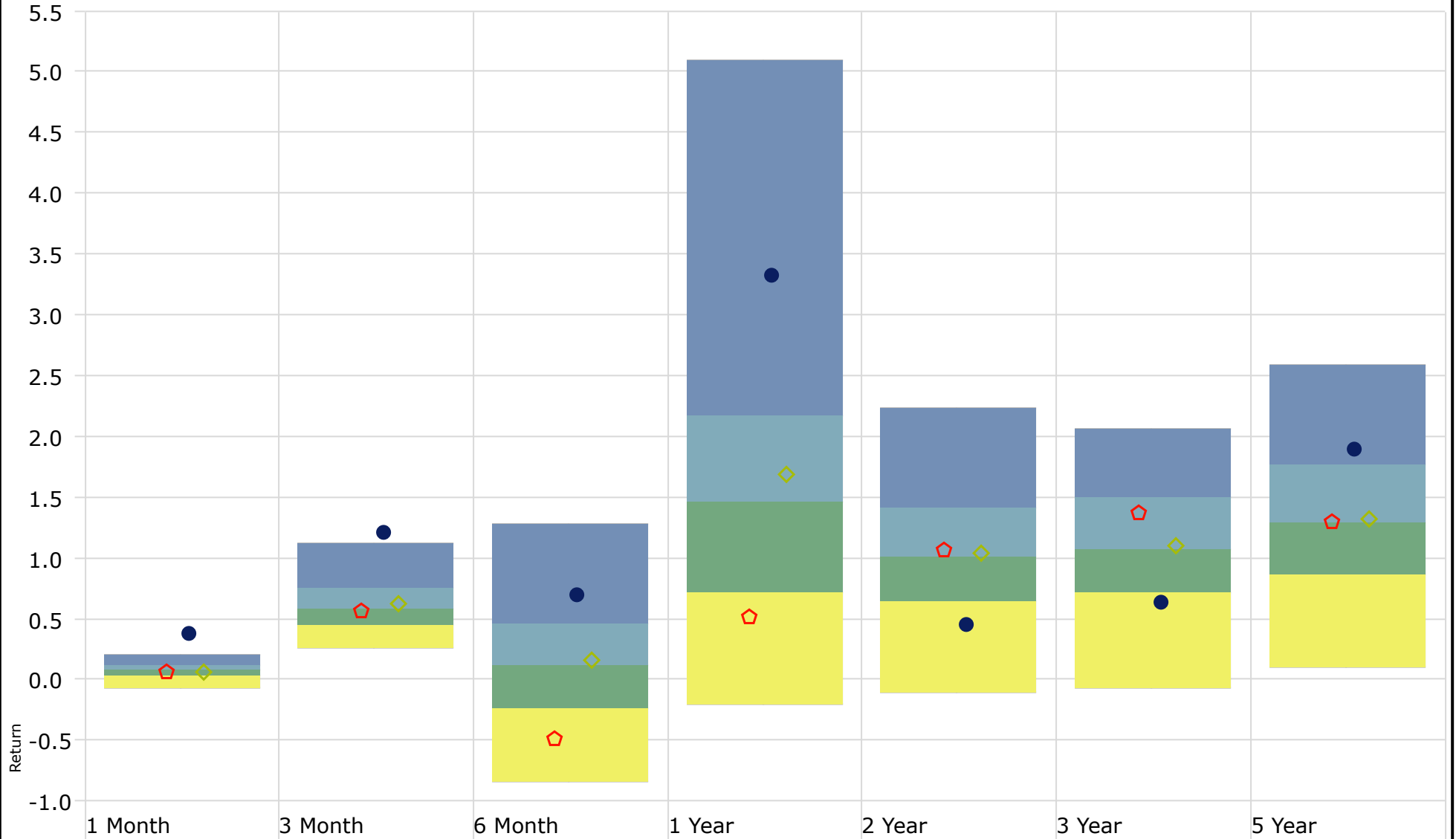
Time Period: 4/1/2006 to 3/31/2017 Calculation Benchmark: BBgBarc US Govt/Credit 1-5 Yr TR USD

	Return	Cumulative Return	Std Dev	Downside Deviation	Alpha	Beta	R2	Sharpe Ratio (arith)	Tracking Error
TPGF Income SMA	2.86	36.39	2.88	2.36	0.58	0.59	12.80	0.64	2.82
BBgBarc US Govt/Credit 1-5 Yr TR USD	3.20	41.35	1.80	0.00	0.00	1.00	100.00	1.21	0.00

Performance Relative to Peer Group - Annualized

Peer Group (5-95%): Funds - U.S. - Short-Term Bond Calculation Benchmark: BBgBarc US Govt/Credit 1-5 Yr TR USD

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile

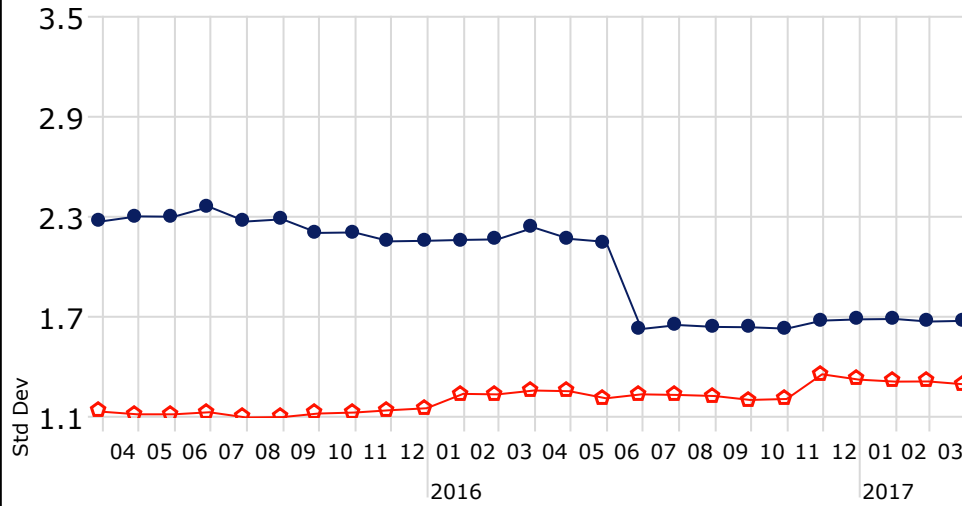


● TPGF Income SMA

Standard Deviation

Time Period: 4/1/2012 to 3/31/2017

Rolling Window: 3 Years 1 Month shift



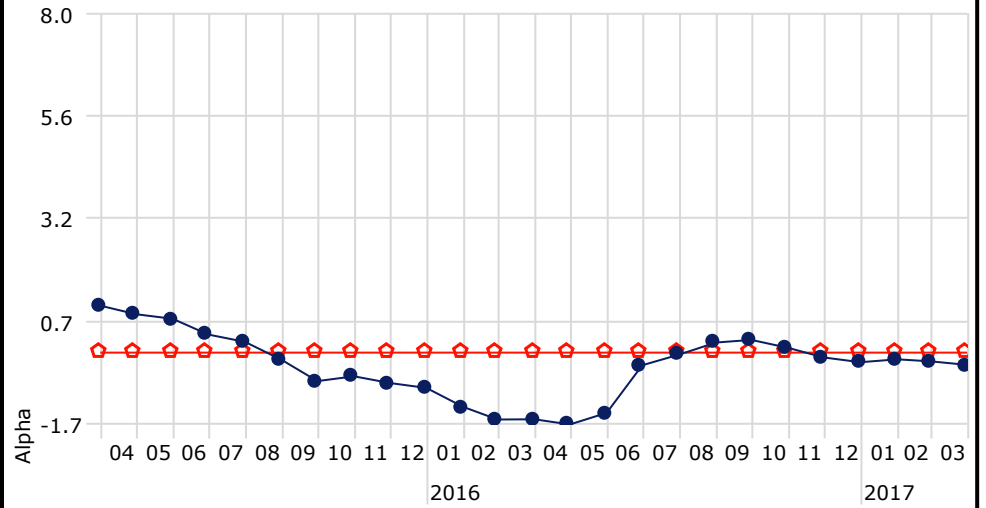
—TPGF Income SMA

—BBgBarc US Govt/Credit 1-5 Yr TR USD

Alpha

Time Period: 4/1/2012 to 3/31/2017

Rolling Window: 3 Years 1 Month shift



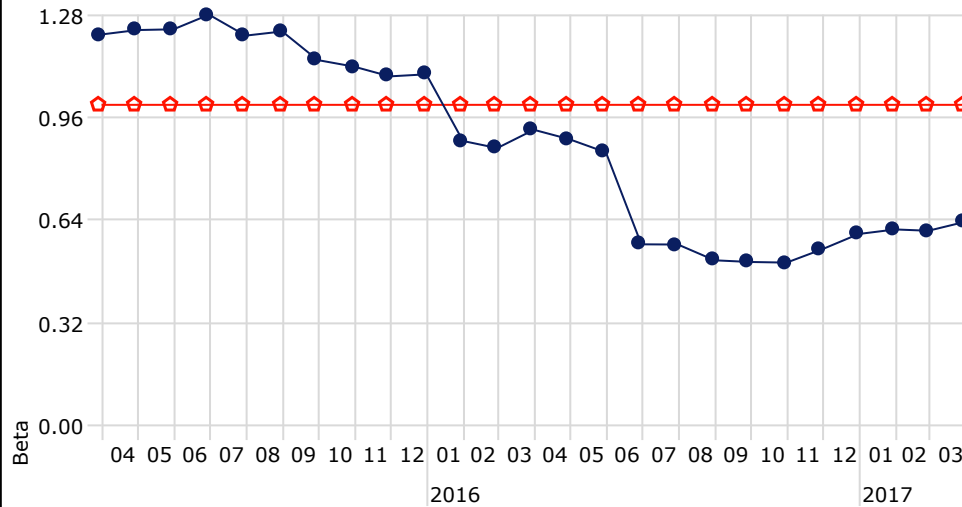
—TPGF Income SMA

—BBgBarc US Govt/Credit 1-5 Yr TR USD

Beta

Time Period: 4/1/2012 to 3/31/2017

Rolling Window: 3 Years 1 Month shift



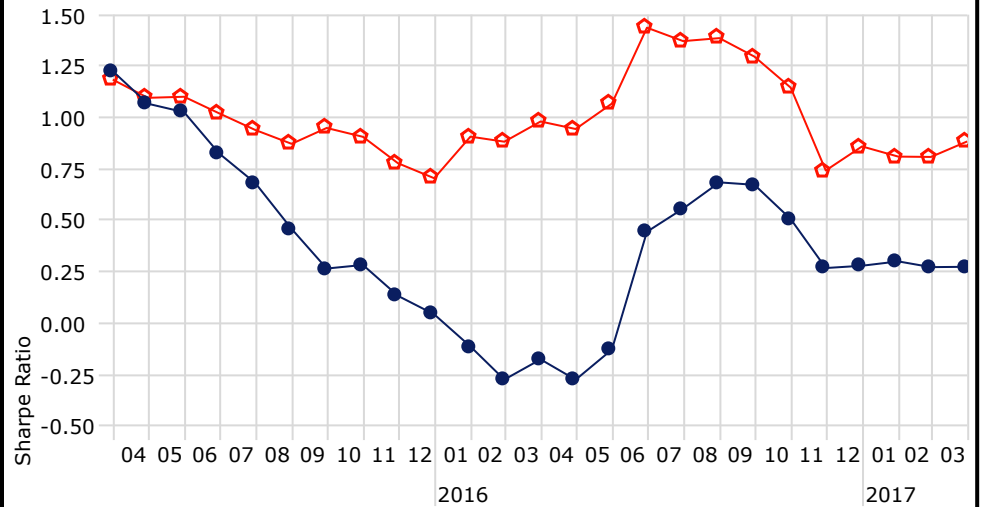
—TPGF Income SMA

—BBgBarc US Govt/Credit 1-5 Yr TR USD

Sharpe Ratio

Time Period: 4/1/2012 to 3/31/2017

Rolling Window: 3 Years 1 Month shift



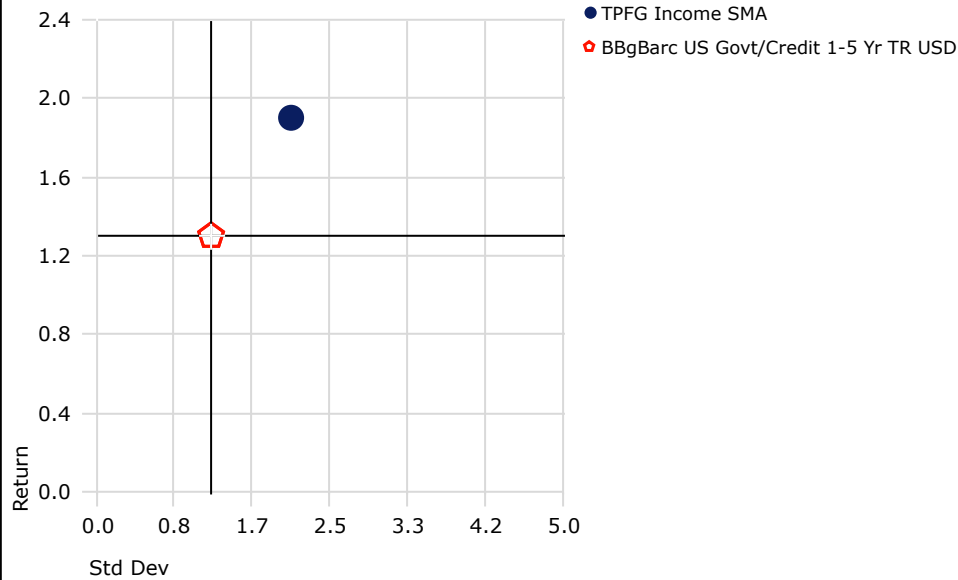
—TPGF Income SMA

—BBgBarc US Govt/Credit 1-5 Yr TR USD

Risk-Reward

Time Period: 4/1/2012 to 3/31/2017

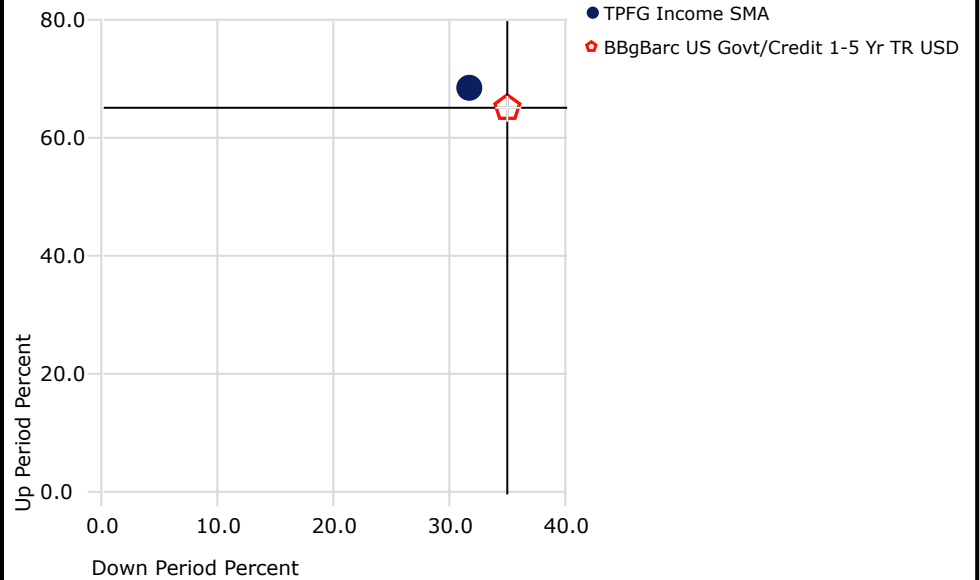
Calculation Benchmark: BBgBarc US Govt/Credit 1-5 Yr TR USD



Up Period % vs. Down Period %

Time Period: 4/1/2012 to 3/31/2017

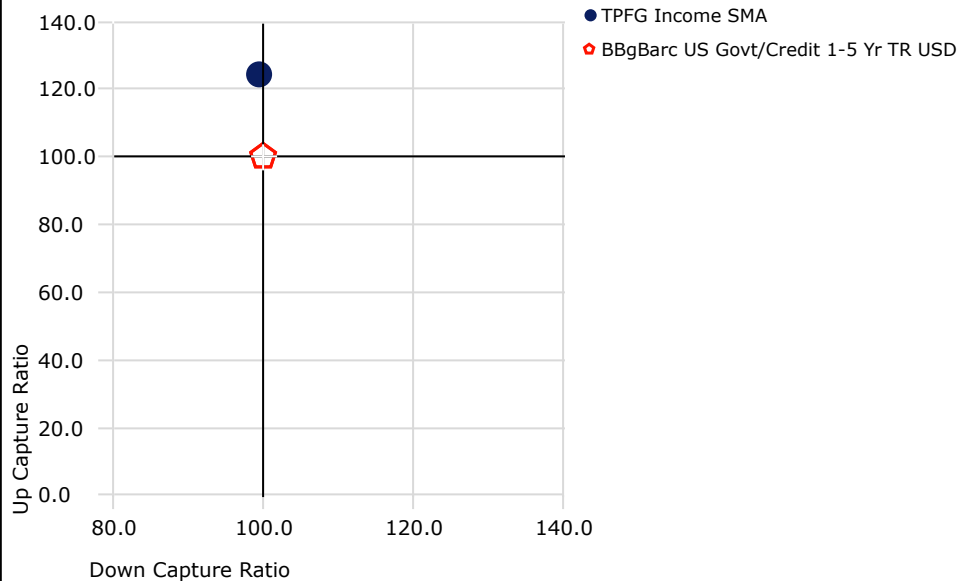
Calculation Benchmark: BBgBarc US Govt/Credit 1-5 Yr TR USD



Up/Down Capture Ratio

Time Period: 4/1/2012 to 3/31/2017

Calculation Benchmark: BBgBarc US Govt/Credit 1-5 Yr TR USD



Drawdown

Time Period: 4/1/2012 to 3/31/2017 Calculation Benchmark: BBgBarc US Govt/Credit 1-5 Yr TR USD

	Max Drawdown	Max # of Periods	Max Drawdown Peak Date	Max Drawdown Valley Date
TPFG Income SMA	-3.41	4.00	5/1/2013	8/31/2013
BBgBarc US Govt/Credit 1-5 Yr TR USD	-1.16	4.00	8/1/2016	11/30/2016

Correlation Matrix

Time Period: 4/1/2012 to 3/31/2017

	1	2
1 TPGF Income SMA	1.00	
2 BBgBarc US Govt/Credit 1-5 Yr TR USD	0.52	1.00