



THE  
PACIFIC  
FINANCIAL  
GROUP  
INC.

# Weekly Manager's Pulse

February 4, 2019

Enhanced by **RISKPRO**

## TPFG Manager Commentary:

Global stocks did well last week, with the S&P 500 up 1.62%, U.S. Small Caps up 1.17%, and Emerging Markets up 1.74%. January was the best performing month in 8 years. As expected, the Federal Reserve left rates unchanged last week. More surprising was the Fed's change to a dovish tone, and the market now expects fewer rate increases for 2019. This was matched overseas with China easing credit conditions, and Europe considering expanding fiscal policy. U.S. jobs data continues to be strong. Trade talks appear to be progressing, with China pledging to buy more U.S. soybeans.



### Economic Review\*

- Markit manufacturing PMI at 54.9
- ISM manufacturing PMI at 56.6
- Unemployment at 4.0%
- Average hourly earnings at 3.2% y/y
- Consumer sentiment at 91.2
- Consumer confidence at 120.0

### Strategic Partner: BNY Mellon

The BNY Investment Strategy & Solutions Group (ISSG) designs, develops and manages asset allocation strategies to help clients achieve their specific investment objectives. ISSG combines a multi-faceted approach to risk with a forward-looking, long term perspective on economics and markets to identify opportunities while harnessing the broad and deep expertise of a global network of specialized investment affiliates to deliver sophisticated investment solutions.



### Spotlight: BNY RiskPro® Alternative 0-15 Model Portfolio

The Model Portfolio is a dynamic, diversified multi-asset, fund of funds portfolio. The Model Portfolio attempts to minimize drawdown while delivering some modest capital appreciation and staying within the RiskPro Tolerance Range (a proprietary, volatility-based measure) of 0 to 15. The Model Portfolio is intended to provide an active sleeve of risk mitigation that is more economically robust, diversified, and adaptive -- when compared against a conventional bond portfolio -- through the use of inflation-hedging equities and diversifying alternatives strategies in addition to multiple fixed income strategies.

### BNY Mellon is available in these models:

- Managed Models: Managed (Conservative, Moderate Conservative, Moderate); Managed - Focused (Conservative), Managed featuring Meeder (Moderate Conservative, Moderate); Managed featuring TPF (Moderate Conservative)

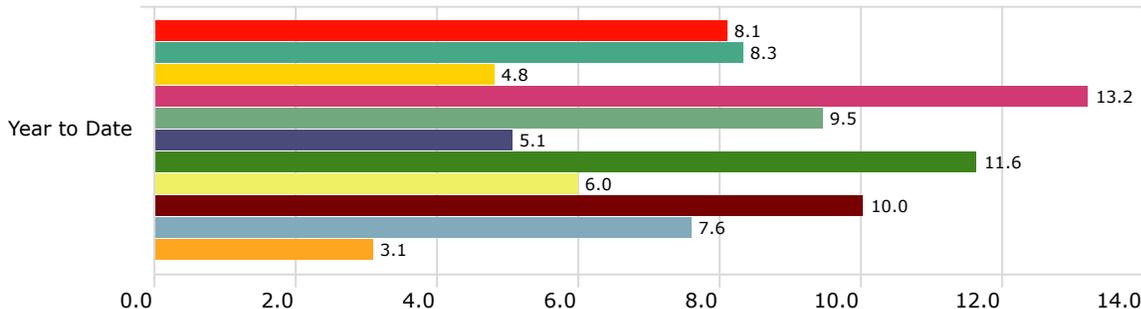
EPIC Models: BNY Alternative 0-15

### Trailing Returns

	1 Week	1 Month	3 Month	1 Year
S&P 500 TR USD	1.62	8.13	-0.68	-2.17
S&P MidCap 400 TR	1.30	10.83	-0.63	-4.37
S&P SmallCap 600 TR USD	1.17	10.58	-3.24	-1.77
MSCI ACWI NR USD	1.46	7.95	0.79	-7.37
MSCI EM NR USD	1.74	8.77	8.50	-13.82
BBgBarc US Agg Bond TR USD	0.53	0.81	3.19	2.27

### YTD S&P Sector Returns

- S&P 500 TR
- Consumer Discretionary
- Consumer Staples
- Energy
- Financials
- Health Care
- Industrials
- Materials
- Real Estate
- Technology
- Utilities





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## Disclosure

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Indices represent the broader market as relevant to the sector or market covered by the index. Indices are unmanaged and cannot be invested in directly. Indices do not consider the costs, fees, trading, or performance that an investor would otherwise experience when investing. Returns are not annualized for periods less than 1 year.

Returns data sourced from Morningstar Direct.

\* Sourced from JPMorgan Chase, publicly available at <https://am.jpmorgan.com/us/en/asset-management/gim/adv/insights/weekly-market-recap>

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