

TPFG Manager Commentary:

It was a rough week for most equities as trade tensions continued to increase. The S&P 500 fell -2.58%, led down by the Energy sector at -4.4%. Emerging Markets did well, returning 1.24% for the week. President Trump announced potential new tariffs on Mexico, and concerns on global economic growth continued. The 10-year Treasury dropped to 2.15%, its lowest level since September 2017, inverting the 3 month - 10 year Treasury curve. Inflation expectations have fallen, with core PCE rising only 1.6%. The market is currently pricing in 2-3 rate cuts through the end of 2020. The Federal Reserve Bank of Chicago will hold a conference this week, potentially providing clues to a policy change.



Economic Review*

- 1Q19 GDP revised down to 3.1% q/q saar
- FHFA house price index +5.0% y/y
- Case-Shiller house price index +2.7% y/y
- Consumer confidence rose to 134.1
- PCE rose 1.5% y/y
- Core PCE rose 1.6% y/y

Strategic Partner: MFS Investment Management

MFS' investment approach has three core elements: integrated research, global collaboration and active risk management. For more than 90 years, MFS has actively managed investments — around the globe, across asset classes and through a myriad of economic and market environments. Founded on integrated research, fortified by collaborative thinking and supported by active risk management, our investment platform drives information flow and effective decision making.

Spotlight: RiskPro® PFG 30+ (PFSMX)

This Fund principally invests in mutual funds and ETFs managed by MFS. The Fund is also designed to overemphasize sectors and capitalization bands that are economically advantaged in an effort to capture a wide variety of market opportunities.

The fund is globally diversified across equities. Currently, domestic exposure is at 60% and international exposure is at 35%, roughly in line with its benchmark. There is a significant overweight to Growth over Value, plus a small overweight to Europe vs Asia. Year-to-date the fund has done well, with growth positions across U.S. large-, mid-, and small-caps adding to returns. The fund does use a small commodity position for diversification. During the year, we switched some of the mutual fund positions to ETFs in order to lower expenses.

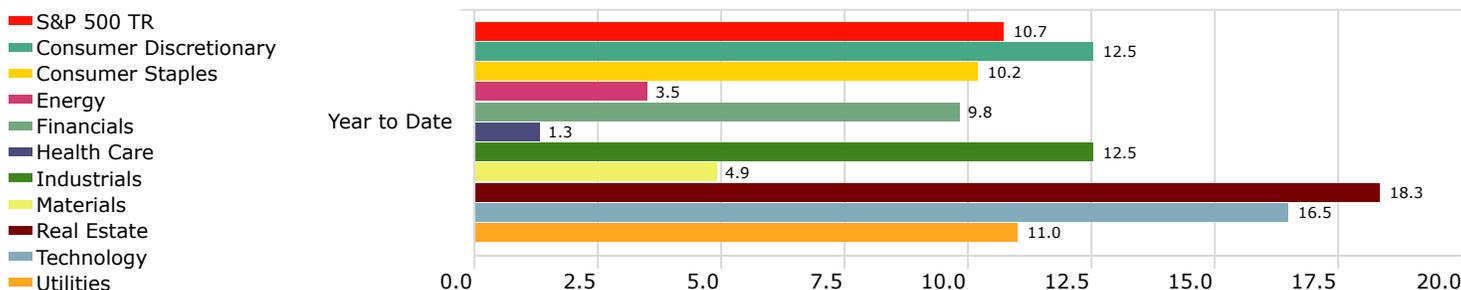
MFS is available in these models:

- Managed: Moderate, Moderate Aggressive
- Managed – Focused: Moderate, Moderate Aggressive, Aggressive

Trailing Returns

	1 Week	1 Month	3 Month	1 Year
S&P 500 TR USD	-2.58	-6.35	-0.67	3.78
S&P MidCap 400 TR	-2.76	-7.97	-4.82	-5.44
S&P SmallCap 600 TR USD	-3.10	-8.73	-8.35	-10.47
MSCI ACWI NR USD	-1.89	-5.93	-1.53	-1.29
MSCI EM NR USD	1.24	-7.26	-4.51	-8.70
BBgBarc US Agg Bond TR USD	0.92	1.78	3.76	6.40

YTD S&P Sector Returns





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Weekly Manager's Pulse

June 3, 2019

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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