

TPFG Manager Commentary:

Concerns on the spread of COVID-19 sent the S&P 500 to its fastest correction in history, falling over 10% from its peak just a week earlier. Energy was the worst performing sector, as WTI oil prices fell to \$44.76 per barrel. U.S. Treasury yields also hit an all-time low, with the 10-year at 1.13%, as investors sought safe assets. Volatility will likely continue, but there were bright spots in U.S. economic data. Consumer confidence remains elevated at 130.7, matched by an increase in consumer spending of 0.2% m/m in January. Personal income also rose a healthy 0.6% in January and capital goods orders rose 1.1% m/m, both beating expectations. Futures markets are currently pricing in a rate cut at the next FOMC Fed meeting in March.



Economic Review*

- Consumer confidence at 130.7
- Consumer sentiment at 101.0
- Durable goods at -0.2% m/m
- PCE rose 1.7% y/y
- Core PCE rose 1.6% y/y
- 2nd estimate of 4Q19 GDP at 2.1% q/q saar

Strategic Partner: J.P. Morgan

J.P. Morgan is a global leader in asset and wealth management services. The Asset & Wealth Management line of business serves institutional, ultra-high net worth, high net worth and individual clients through its Asset Management and Wealth Management businesses. With client assets of \$1.7 trillion, we are one of the largest asset and wealth managers in the world. (Assets as of March 31, 2018.)

Spotlight: RiskPro® Dynamic 20-30 (PFJDX)



Pacific Financial serves as the asset allocation strategist for this Fund by primarily investing in mutual funds and ETFs managed by J.P. Morgan. Pacific Financial uses a multi-cap approach to pursue capital appreciation through a blend of equity and fixed income securities. The strategy also incorporates a wide variety of sectors and styles to dynamically manage risk while optimizing return. In addition, it seeks to limit the maximum range of total returns to a gain or loss of less than 30%, over a forward-looking rolling twelve month period through the use of RiskPro®.

The Fund has a moderate aggressive global allocation, dynamically managed to take advantage of opportunities across asset classes. The Fund recently reduced exposure to interest rate sensitive sectors, such as core bonds and real estate. Proceeds were deployed across U.S. small-caps, international equities, and securitized credit. Bond positions have done well year to date, particularly core bond holdings. Equities mostly detracted, though Large Growth and Hedged Equity did well against a Moderate Aggressive benchmark. Small caps and Value holdings detracted from performance.

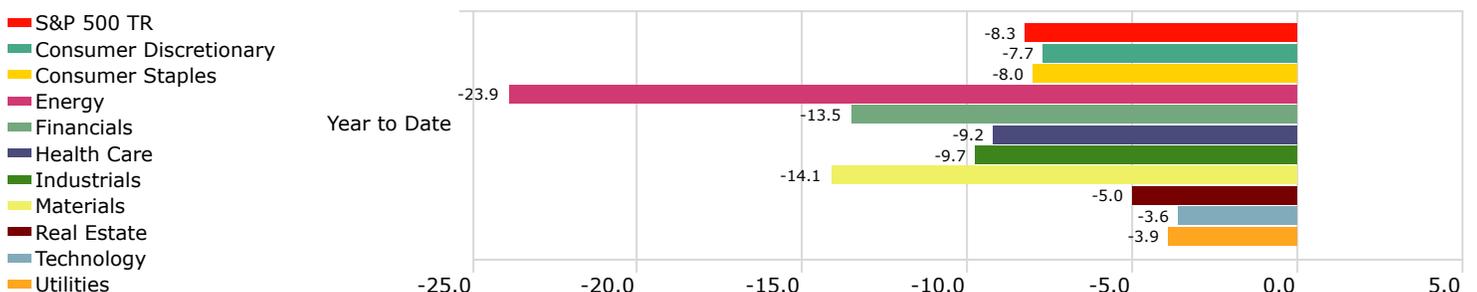
J.P. Morgan is available in these models:

- Managed: Moderate, Moderate Aggressive
- Managed – Focused: Moderate Conservative, Moderate, Moderate Aggressive
- Managed featuring Loring Ward: Moderate, Moderate Aggressive

Trailing Returns

	1 Week	1 Month	3 Month	1 Year
S&P 500 TR USD	-11.44	-9.63	-5.86	8.19
S&P MidCap 400 TR	-12.92	-11.62	-10.29	-3.39
S&P SmallCap 600 TR USD	-12.33	-12.48	-11.16	-7.68
MSCI ACWI NR USD	-10.42	-9.49	-6.34	3.89
MSCI EM NR USD	-7.23	-8.66	-3.91	-1.88
BBgBarc US Agg Bond TR USD	1.26	2.30	3.69	11.68

YTD S&P Sector Returns





Weekly Manager's Pulse

March 2, 2020

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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