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Quarterly Report from Alphavest | Q4 : 2019

Investors are breathing sighs of relief that corporate profits haven't waned as much as feared, giving new life to a stock-market rally that largely stalled since the summer. We are on track for some pretty amazing days up ahead.

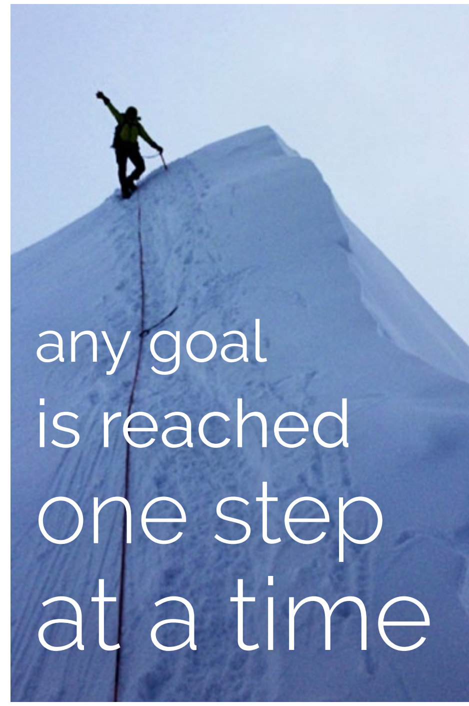
2019 is almost to a close and my question to you is this: Is your portfolio's performance in-line with the financial plans you have in place? If not, be sure to schedule a meeting and we'll look over your portfolio.

The U.S. economy appears to be in the later stages of this economic expansion, with slowing but still sustainable growth. Recession fears seem to be pushed to late 2020, if at all. This could be good news for investments.

So, what is driving the U.S. expansion? Consumers and government spending, according to a close look at a recent report on third-quarter economic output published by the Wall Street Journal.

Although earnings are on track to decline for the third consecutive quarter, **about 75% of the 342 companies in the S&P 500 that have posted results have beaten expectations,** according to FactSet. This is slightly above the five-year average of 72%.

Given this information and more, I believe there are further gains ahead, and while late-cycle market environments may prove more challenging, typically offering lower returns, more volatility and more risk, you can stay the course through this time with confidence.



Still, late-cycle conditions of slowing growth, lower returns, higher volatility and greater vulnerability to policy missteps require a more proactive and risk-focused investment strategy. Though U.S. fundamentals remain relatively healthy, the economic expansion is aging and slowing. With an active approach, it is possible to remain invested while limiting your portfolio's exposure in a potential decline.

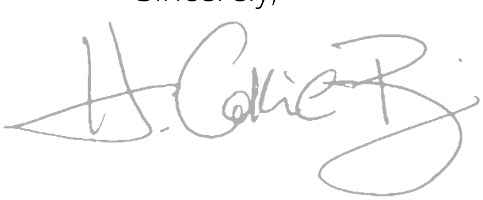
Our current portfolio management approach strategically involves **taking deliberate and measured steps to improve the quality and yield of portfolios while focusing on specific credit areas and maturities, alternative investments and high-quality large cap U.S. stocks.**

Our models and allocations are positioned to help withstand volatility yet continue to participate in gains. Even though more changes are likely to come as we follow a late-cycle tactical approach and as we respond to the maturing nature of the cycle, the economy looks strong.

Jobs remain abundant and hiring solid. Both of these indicate that while the labor market may have cooled some, it remains a source of strength for the U.S. economy.

Are *you* finishing 2019 strong?

Sincerely,



The Bottom Line: YTD Alphavest 2019 Performance

MODEL PERFORMANCE MONTH ENDING 11/30/2019				
PORTFOLIOS / ALLOCATIONS	MONTH	3 MONTHS	YTD	1 YEAR
Tactical20 Growth80 (Aggressive)	3.40	6.39	22.09	8.26
Tactical30 Growth60 Income10 (Moderate Aggressive)	3.01	5.63	18.29	8.70
Tactical50 Growth35 Income15 (Moderate)	2.71	4.93	14.12	5.62
Tactical40 Growth20 Income40 (Moderate Conservative)	1.94	3.60	9.79	3.39
Tactical40 Growth10 Income50 (Conservative)	1.55	2.83	7.32	2.38
All Weather	3.40	5.58	19.98	13.41
STRATEGIES***	MONTH	3 MONTHS	YTD	1 YEAR
Tactical	2.85	4.75	9.99	2.01
Growth	3.54	6.81	26.44	13.70
Income	0.35	1.20	3.57	-1.17
MODELS	MONTH	3 MONTHS	YTD	1YEAR
Tactical - Dynamic (YTD since 8/14/2019)	2.89	5.66	5.90	N/A
Tactical - Relative Strength	1.98	3.83	10.56	5.20
Tactical - Economic	3.67	4.75	19.74	5.19
Growth - Managed Growth	4.10	8.02	27.75	15.73
Growth - Equity Income	2.97	5.59	22.48	11.66
Income	0.35	1.20	3.57	-1.17
BENCHMARK INDEXES*	MONTH	3 MONTHS	YTD	1YEAR
S&P 500	3.63	7.86	27.63	16.11
Dow Jones Industrial Average	3.99	6.68	22.20	11.68
Proshares Hedge Replication ETF (HDG)	0.91	3.40	8.39	5.28
SPDR Barclays Aggregate Bond ETF (AGG)	-0.03	-0.44	8.51	10.66
iShares S&P Aggressive Allocation (AOA)**	1.90	5.84	19.24	12.57
iShares S&P Moderate Aggressive Allocation (blend)**	1.46	4.21	16.57	11.98
iShares S&P Moderate Allocation (AOM)**	1.01	2.58	13.89	11.39
iShares S&P Moderate Conservative Allocation (blend)**	0.82	2.21	13.28	11.30
iShares S&P Conservative Allocation (AOK)**	0.63	1.83	12.66	11.21

* PERFORMANCE AND BENCHMARK INDEXES

All performance numbers (month, 3 months, YTD, 1 year) are shown net of our standard annual fees of 1.50% using our model portfolios. Your performance may differ due to many factors not limited to but including fee structure, investment timing, and portfolio allocation. We have found it difficult to find the appropriate benchmark for clients to compare our portfolios against since we are both tactical in nature and heavily diversified. In an effort to give you benchmarks, but to try not to focus on the wrong benchmark, we will provide several market indexes for your assessment.

The Hedge Fund Replication Index (the "HFRI"). The HFRI is designed to reflect hedge fund industry performance through an equally weighted composite of over 2000 constituent funds. (https://www.hedgefundresearch.com/)

The Barlcays Capital Aggregate Bond Index which used to be called the "Lehman Aggregate Bond Index," is a broad based index, maintained by Barclays Capital, which took over the index business of the now defunct Lehman Brothers, and is often used to represent investment grade bonds being traded in the United States. It reflects investment in a portfolio of all bond types, not just corporates. (https://ecommerce.barcap.com/indices/index.dxml)

The Standard & Poor's 500 (S&P 500®) is an unmanaged group of securities considered to be representative of the stock market in general. It has been widely regarded as the best single gauge of the large cap U.S. equities market since the index was first published in 1957. (http://www.standardandpoors.com)

The Dow Jones Industrial Average (DJIA) is a price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the Nasdaq. The DJIA was invented by Charles Dow back in 1896 and is considered the world's first stock market indicator. (http://www.djindexes.com/averages/)

**** The S&P Target Risk Index Series** is comprised of four multi-asset class indices, each corresponding to a particular risk level. The asset class mix is determined twice a year through a process designed to reflect the overall investment opportunity of the represented markets. Each index is fully investable, with varying levels of exposure to equities and fixed income through a family of exchange traded funds (ETFs). These indices are intended to represent stock-bond allocations across a risk spectrum from conservative to aggressive. The assigned risk level of the index (conservative, moderate, growth, and aggressive) depends on the allocation to fixed income. (http://us.spindices.com/documents/methodologies/methodology-sp-target-risk.pdf)

Indexes cannot be invested in directly, are unmanaged and do not incur management fees, costs or expenses. Asset allocation and diversification do not assure or guarantee better performance and cannot eliminate the risk of investment loss. Due to volatility within the markets mentioned, opinions are subject to change without notice. Information herein is derived from sources believed to be reliable; however, accuracy or completeness cannot be guaranteed. All economic and performance data is historical and not indicative of future results.

*** STRATEGIES

Our 3 main strategies are identified as "Tactical", "Growth", and "Income". Investments are distributed evenly within the major strategies, unless otherwise indicated.

Tactical

Tactical consists of 3 portfolio models weighted to suit risk allocations: Dynamic, Relative Strength, and Economic. Each model uses different, clearly defined decision processes to make trades. Tactical models tend to be more actively traded than our Growth and Income models.

Growth

The Growth strategy is equal weighted in the Managed Growth and Equity Income models (50% each).

Income

Income is a single portfolio model that invests 25% each in two bond funds: AlphaCentric Income Opportunities Fund (IOFIX) and PIMCO Income Fund (PIMIX); 20% in the First Trust Low Duration Strategic Focus ETF (LDSF). The remaining 30% is invested equally in: Real Estate Investment Trusts (USRT), Main Street Capital (MAIN), Utilities (RYU), Senior Loans (FTSL), Health Care (VHT), Preferred Stocks (FPE), Junk Bonds (FTHI), and Convertible Bonds (CWB).

Navigating the Global Crosscurrents

The investment landscape, while still positive, is growing more challenging as investors adjust to more typical late-stage expansion conditons.

Here are some points to consider as you examine where your portfolio is positioned and how you're feeling year to date about your returns and perhaps any fears you may have about the near-term future of stock and bond market performance.

Positives	Cautionary Signs/Areas to Watch
Fed dovish pivot	Aging business cycle
Positive corporate profit growth	Slowing global growth
Healthy consumer and business fundamentals	Trade policy missteps
High confidence	Higher volatility
Favorable financial conditions	Fading fiscal stimulus
Moderate inflation	Acceleration in wages and other business costs
Very few signs of imbalances—massive debt growth, overinvestment, capacity constraints	Geopolitical shocks
	Higher federal debt levels

Economic Outlook: Slowing, but Still Growing

The U.S. economy appears to be in the later stages of this economic expansion, with slowing but sustainable growth.

- Strong U.S. economic fundamentals include jobs, confidence and stable inflation.
- Continuing trade tensions are a concern, but impact should be manageable.
- Fiscal policy is giving a boost to GDP, but impact is fading.
- Fed policy is supportive, but capacity to stimulate is likely limited.
- Global outlook has weakened amid rising policy uncertainty.

City National Rochdale Forecasts		2018	2019e	2020e
GDP Growth		2.9%	1.75%-2.25%	1.65%-2.15%
Corporate Profit Growth		22%	2%-4%	3%-7%
Interest Rates	Fed Funds Rate	2.375%	1.75%	1.50%
	Treasury Note, 10-Yr.	2.69%	1.50%-2.00%	1.40%-1.90%

SOURCES: Bureau of Economic Analysis, Standard & Poor's, Bloomberg. As of September 2019.

Economic and Financial Indicators

City National Rochdale indicators are signaling slowing but sustainable growth ahead. Since January 2019, there has been no change in negative indicators but it will come as no surprise, both Geopolitical Risk and Political Environment remain negative.

Five indicators turned “Neutral” from “Positive” taking the Positive indicator “tally” from 15 of the 20 indicators tracked to a “tally” of 10, or 50% of the 20 indicators GREEN/Positive.

INDICATORS ARE FORWARD-LOOKING THREE TO SIX MONTHS

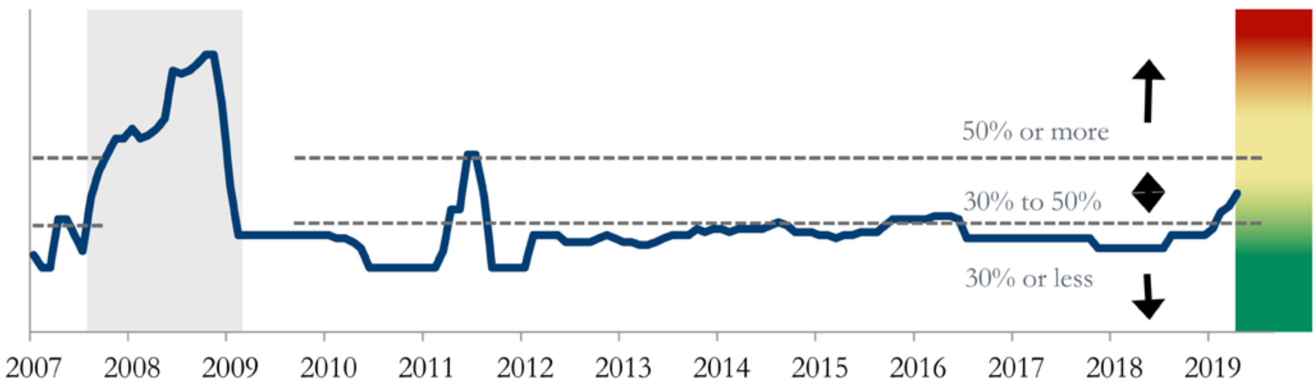
SOURCE: City National Rochdale. As of November 2019.

City National Rochdale, llc non-deposit investment products are: Not FDIC insured | Not bank guaranteed | May lose value

Recession Outlook: Risks Rising, But Late-Cycle Periods Can Last For a While

Historically, the average time between closing of the output gap and the onset of a recession has been 29 months.

PROBABILITY OF RECESSION IN THE NEXT 12 MONTHS



SOURCE: City National Rochdale. As of September 2019. Gray column represents recessionary period.

Economic Fundamentals Remain Healthy

The U.S. economy has strong fundamentals, with low unemployment, high confidence, modest inflation, and low recession risk.

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Near-Term Bear Market Risk Is Low

None of the conditions that traditionally trigger bear markets—rising commodity prices, aggressive Fed tightening, extreme valuations or recession—are present.

NEAR-TERM BEAR MARKET

Bear Markets	Market Peak	Return	Duration (Months)	Macro Environment			
				Recession	Commodity Spike	Aggressive Fed	Extreme Valuations
Crash of 1929 – Excessive leverage, irrational exuberance	September 1929	-86%	32				
1937 Fed Tightening – Premature policy tightening	March 1937	-60%	61				
Post-WWII Crash – Postwar demobilization, recession fears	May 1946	-30%	36				
Flash Crash of 1962 – Flash crash, Cuban Missile Crisis	December 1961	-28%	6				
Tech Crash of 1970 – Economic overheating, civil unrest	November 1968	-36%	17				
Stagflation – OPEC oil embargo	January 1973	-48%	20				
Volcker Tightening – Whip Inflation Now	November 1980	-27%	20				
1987 Crash – Program trading, overheating markets	August 1987	-34%	3				
Tech Bubble – Extreme valuations, dot-com boom/bust	March 2000	-49%	30				
Global Financial Crisis – Leverage/housing, Lehman collapse	October 2007	-57%	17				
Current Cycle	-	-	-				
Average		**-46%**	**24**	**80%**	**40%**	**40%**	**50%**

Bear markets outside recessions are rare.

SOURCE: J.P Morgan, FactSet.

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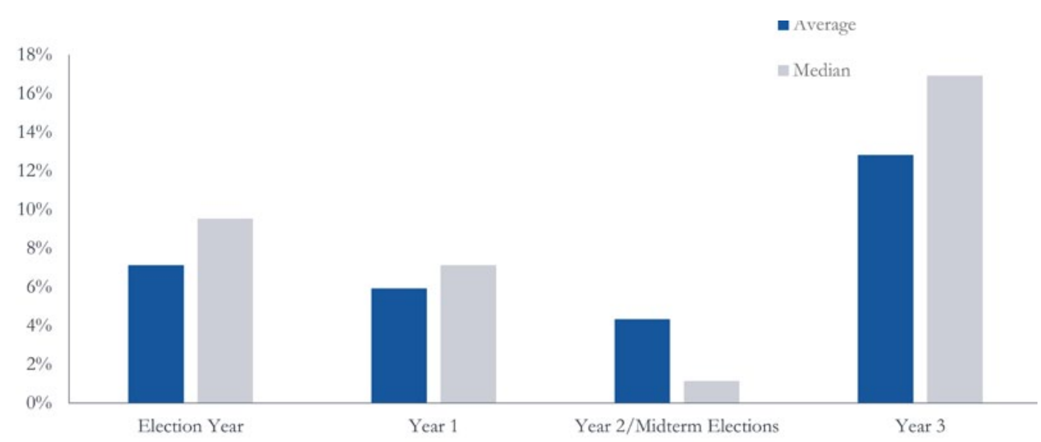
How will an election year affect our portfolios in 2020?

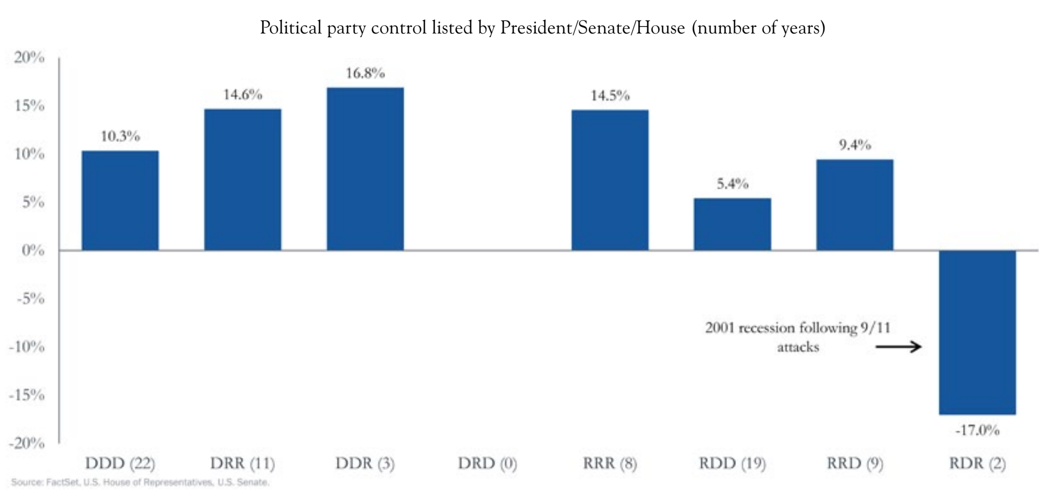
Fundamentals are More Important than Politics

- Over the long run, stocks have historically performed well regardless of any particular combination of political party control of government.
- Ultimately, the ability for companies to grow their earnings and dividends, and for valuations to be in a reasonable range, are much more influential driving forces behind stock prices.

S&P 500 PERFORMANCE OVER US ELECTION CYCLES (SINCE 1928)



ANNUAL S&P 500 RETURNS BY POLITICAL PARTY CONTROL (1945-2018)



SOURCE: Factset. As of December 2018.

Economic Fundamentals Appear To Be Solid

Economic experts City National Rochdale offer this summary on Economic Fundamentals:

The U.S. economy appears to have strong fundamentals, with low unemployment, modest inflation and little evidence of mounting excesses or imbalances.

CITY NATIONAL ROCHDALE U.S. ECONOMIC MONITOR

Indicator	Status	Level
Leading Indicators	Leading indexes have slowed but continue to signal a modest, sustainable economic expansion ahead.	5.5
Labor Market	Solid, steady job growth continues, and labor market indicators point to continued strength ahead. Signs of wage growth are building.	7.0
Consumer Spending	Improved consumer fundamentals, including continued job growth, solid real income gains, and elevated confidence, provide support for household spending. Tax cuts should boost disposable income.	7.0
Global Economic Growth	Downside risks to global growth have risen in the past six months, and the potential for upside surprises has receded.	4.5
Monetary Policy	Policymakers have signaled they are now focused on the risk of overtightening and ending the expansion prematurely.	6.0
Fiscal Policy	Fiscal policy tailwind for the economy is fading.	6.0
Consumer Sentiment	Confidence across a number of measures remains high, though expectations on future conditions have weakened.	7.0
Credit Availability/Demand	Borrowing terms and increased availability remain largely favorable. With household debt trending lower relative to incomes and debt servicing costs at a record low, higher borrowing costs won't be a major drag.	6.5
Geopolitical Risks/Contagion	Trade policy missteps, European political and financial system stability, and other unforeseen circumstances have the potential to disrupt markets and shake confidence.	3.5
Business Investment	Weaker global backdrop, trade tensions and heightened policy uncertainty are weighing on sentiment and capital spending plans.	5.5
Service Sector	Survey measures have moderated but continue to point to the sector continuing to expand at a moderate rate, stabilizing and supporting overall GDP growth.	6.5
Manufacturing Sector	Outlook is struggling against a slowing global backdrop, stronger dollar and continued trade tensions.	4.5
Housing	A solid labor market, rising incomes and the Fed's dovish pivot support demand and residential construction; however, gains are likely to be moderate and face headwinds from low supply and tight capacity restraints.	5.5
Inflation	While a tightening job market may increase wage and price pressures somewhat further in the coming year, the structural forces that have kept inflation subdued remain in place.	6.5
Energy	Weakening global demand should keep overall price increases in check.	6.5
Total Score		5.9

Positive 6.0 to 10	Improving outlook, confluence of positive indicators, recession probability low	Neutral 4.0 to 5.9	Steady but sluggish growth, mixed economic signals	Negative 0 to 3.9	Weak economic growth, decelerating trends, recession a distinct possibility

SOURCE: City National Rochdale. As of November 2019.

If you have opted for our Aggressive, Moderate or Model Moderate Aggressive Models, you may be a perfect candidate for our **"All Weather" Model portfolio.**

This portfolio will offer you the flexibility to take your portfolio's allocation all the way down to a Conservative Model should our indicators turn negative. Then you can move it all the way back up again to our Aggressive Model, when appropriate/markets dictate . . . and invest in every model in between, along the way. Up almost 17% YTD, this model is ideal for IRAs and those investors willing to be aggressively invested yet desire to de-risk fully to a conservative model, say, in a bear market environment.

Let's chat to see if All Weather is good fit for you!

Unsure of your Risk Tolerance Group?

We have a new and improved sophisticated yet simple tool.
Click here to have your Risk Tolerance updated.

Resources:

Alpha-Track™

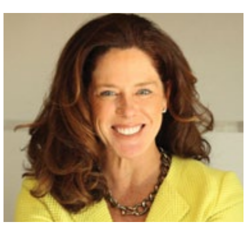
No longer do investors have to rely on outdated financial plans that reflect their financial situation at a particular point in the past. Spending, saving, and markets are constantly changing and so is your financial outlook. Alpha-Track™ tracks and monitors your financial outlook on a daily basis. **Available to clients only*

Check out our Resources page at **Alphavest.com** and explore the many ways in which we are empowering investors.

A Snapshot of What's There:

Perfect Day Connect. Liberate your life, relationships, and business in just 21-days with the PerfectDay Connect e-course.

FINRA Advisor Background check. FINRA reports that only a small percentage of investors check their advisor's record before making a switch. We run background checks on our employees, our childcare providers—why not run one, it's FREE—on the person who manages your money? Rest assured our record is spotless **(click here for Cokie's U4)**. The important feature of the report is that it will indicate "NO DISCLOSURES," which means no fraud or investor complaints.



Cokie Berenyi has been in financial services and serving the needs of individual and institutional clients and entrepreneurs since 1996. She is the founder of Alphavest, an industry pioneer that is right-sizing Wall Street one client at a time. She also is the author of *Perfect Day* and *The Liberated Investor*.

Index Definitions

The **Standard & Poor's 500 Index (S&P 500)** is a market capitalization-weighted index of 500 common stocks chosen for market size, liquidity, and industry group representation to represent U.S. equity performance.

MSCI Emerging Markets Asia Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the Asian emerging markets.

The **MSCI EAFE Index (Europe, Australasia, Far East)** is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. & Canada. As of June 2007, the MSCI EAFE Index consisted of the following 21 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.

The **MSCI Europe Index** is a free float-adjusted market capitalization index that is designed to measure developed market equity performance in Europe. As of September 2002, the MSCI Europe Index consisted of the following 16 developed market country indices: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

The **MSCI World** is a market cap weighted stock market index of 1,655[1] stocks from companies throughout the world. The components can be found here.[2] It is maintained by MSCI, formerly Morgan Stanley Capital International, and is used as a common benchmark for 'world' or 'global' stock funds intended to represent a broad cross-section of global markets.

The **Michigan Consumer Sentiment Index (MCSI)** is a monthly survey of U.S. consumer confidence levels conducted by the University of Michigan. It is based on telephone surveys that gather information on consumer expectations regarding the overall economy.

The **Barclays Aggregate Bond Index** is composed of U.S. government, mortgage-backed, asset-backed, and corporate fixed income securities with maturities of one year or more.

The **Barclays High Yield Municipal Index** covers the high yield portion of the U.S.-dollar-denominated long-term tax-exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds.

The **Bloomberg Barclays U.S. Treasury Index** is an unmanaged index of prices of U.S. Treasury bonds with maturities of one to 30 years.

The **Bloomberg Barclays U.S. Corporate Bond Index** is an unmanaged market-value-weighted index of investment-grade corporate fixed-rate debt issues with maturities of one year or more.

The **Bloomberg Barclays U.S. Corporate High Yield Index** is an unmanaged, U.S.-dollar-denominated, nonconvertible, non-investment-grade debt index. The index consists of domestic and corporate bonds rated Ba and below with a minimum outstanding amount of $150 million.

The **Bloomberg Barclays Emerging Markets USD Aggregate Index** tracks total returns for external-currency-denominated debt instruments of the emerging markets. Countries covered are Argentina, Brazil, Bulgaria, Ecuador, Mexico, Morocco, Nigeria, Panama, Peru, the Philippines, Poland, Russia, and Venezuela.

The **Bloomberg Barclays U.S. Agency Bond Index** is a rules-based, market-value-weighted index engineered to measure investment-grade agency securities publicly issued by U.S. government agencies. Mortgage-backed securities are excluded.

S&P Leveraged Loan Indexes(S&P LL indexes) are capitalization-weighted syndicated loan indexes based upon market weightings, spreads, and interest payments. The **S&P/LSTA Leveraged Loan 100 Index (LL100)** dates back to 2002 and is a daily tradable index for the U.S. market that seeks to mirror the market-weighted performance of the largest institutional leveraged loans, as determined by criteria. Its ticker on Bloomberg is SPBDLLB.

The **Dow Jones Select Dividend Index** seeks to represent the top 100 U.S. stocks by dividend yield. The index is derived from the Dow Jones U.S. Index and generally consists of 100 dividend-paying stocks that have five-year non-negative Dividend Growth, five-year Dividend Payout Ratio of 60% or less, and three-month average daily trading volume of at least 200,000 shares.

The **Bloomberg Commodity Total Return Index**, formerly known as **Dow Jones-UBS Commodity Index Total Return (DJUBSTR),** is composed of futures contracts and reflects the returns on a fully collateralized investment in the BCOM. This combines the returns of the BCOM with the returns on cash collateral invested in 13-week (three-month) U.S. Treasury Bills.

The **Corporate Emerging Market Bond Index (CEMBI)** is J.P. Morgan's index of U.S.-dollar-denominated debt issued by emerging market corporations.

The **Standard & Poor's Small Cap 600 Index (S&P 600)** measures the small-cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable.

Nasdaq 100 Index is an index composed of the 100 largest, most actively traded U.S. companies listed on the Nasdaq stock exchange.

The **U.S. Treasury 10-year Note** is a debt obligation issued by the United States government that matures in 10 years. A 10-year Treasury Note pays interest at a fixed rate once every six months and pays the face value to the holder at maturity.

The **Shanghai Stock Exchange (SSE)** composite is a market composite made up of all the A shares and B shares that trade on the Shanghai Stock Exchange.

Brent Crude is a major trading classification of sweet light crude oil that serves as a major benchmark price for purchases of oil worldwide. This grade is described as light because of its relatively low density, and sweet because of its sulfur content.

Employment Index: U.S. jobs with the exception of farmwork, unincorporated self-employment, and employment by private households, the military, and intelligence agencies.

A **consumer price index (CPI)** measures changes in the price level of a market basket of consumer goods and services purchased by households. The CPI is a statistical estimate constructed using the prices of a sample of representative items whose prices are collected periodically.

The **"core" PCE price index** is defined as personal consumption expenditures (PCE), prices excluding food and energy prices. The core PCE price index measures the prices paid by consumers for goods and services without the volatility caused by movements in food and energy prices to reveal underlying inflation.

The **S&P/Case-Shiller Home Price Indexes** are a group of indexes that track changes in home prices throughout the United States. The indexes are based on a constant level of data on properties that have undergone at least two arm's length transactions.

The **ISM Manufacturing Index** is based on surveys of more than 300 manufacturing firms by the Institute for Supply Management (ISM). The ISM Manufacturing Index monitors employment, production, inventories, new orders and supplier deliveries. A composite diffusion index monitors conditions in national manufacturing and is based on the data from these surveys.

The **ISM Non-Manufacturing Index** is an index based on surveys of more than 400 non-manufacturing firms' purchasing and supply executives, within 60 sectors across the nation, by the Institute of Supply Management (ISM). The ISM Non-Manufacturing Index tracks economic data, like the **ISM Non-Manufacturing Business Activity Index**. A composite diffusion index is created based on the data from these surveys, that monitors economic conditions of the nation.

Indices are unmanaged, and one cannot invest directly in an index. Index returns do not reflect a deduction for fees or expenses.

Important Disclosures

The information presented does not involve the rendering of personalized investment, financial, legal, or tax advice. This presentation is not an offer to buy or sell, or a solicitation of any offer to buy or sell, any of the securities mentioned herein.

Certain statements contained herein may constitute projections, forecasts, and other forward-looking statements, which do not reflect actual results and are based primarily upon a hypothetical set of assumptions applied to certain historical financial information.Certain information has been provided by third-party sources, and, although believed to be reliable, it has not been independently verified and its accuracy or completeness cannot be guaranteed.

Any opinions, projections, forecasts, and forward-looking statements presented herein are valid as of the date of this document and are subject to change.

There are inherent risks with fixed income investing. These risks may include interest rate, call, credit, market, inflation,government policy, liquidity, or junk bond. When interest rates rise, bond prices fall. This risk is heightened with investments in longer duration fixed income securities and during periods when prevailing interest rates are low or negative.

There are inherent risks with equity investing. These risks include, but are not limited to, stock market, manager, or investment style. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

Investing in international markets carries risks such as currency fluctuation, regulatory risks, and economic and political instability. Emerging markets involve heightened risks related to the same factors, as well as increased volatility, lower trading volume, and less liquidity. Emerging markets can have greater custodial and operational risks, and less developed legal and accounting systems than developed markets.

Concentrating assets in the real estate sector or REITs may disproportionately subject a portfolio to the risks of that industry, including the loss of value because of adverse developments affecting the real estate industry and real property values. Investments in REITs may be subject to increased price volatility and liquidity risk; concentration risk is high.

Investments in below-investment-grade debt securities, which are usually called "high yield" or "junk bonds," are typically in weaker financial health. Such securities can be harder to value and sell, and their prices can be more volatile than more highly rated securities. While these securities generally have higher rates of interest, they also involve greater risk of default than do securities of a higher-quality rating.

The yields and market values of municipal securities may be more affected by changes in tax rates and policies than similar income-bearing taxable securities. Certain investors' incomes may be subject to the Federal Alternative Minimum Tax (AMT), and taxable gains are also possible.

Investments in the municipal securities of a particular state or territory may be subject to the risk that changes in the economic conditions of that state or territory will negatively impact performance. These events may include severe financial difficulties and continued budget deficits, economic or political policy changes, tax base erosion, state constitutional limits on tax increases, and changes in the credit ratings.

Yield to Worst—The lower of the yield to maturity or the yield to call. It is essentially the lowest potential rate of return for a bond, excluding delinquency or default.

Investments in emerging markets bonds may be substantially more volatile, and substantially less liquid, than the bonds of governments, government agencies, and government-owned corporations located in more developed foreign markets. Emerging markets bonds can have greater custodial and operational risks, and less developed legal and accounting systems than developed markets.

Investments in commodities can be very volatile, and direct investment in these markets can be very risky, especially for inexperienced investors.

Returns include the reinvestment of interest and dividends.

All investing is subject to risk, including the possible loss of the money you invest. As with any investment strategy, there is no guarantee that investment objectives will be met, and investors may lose money. Diversification may not protect against market risk or loss. Past performance is no guarantee of future performance.

Please see the Offering Memorandum for more complete information regarding the Fund's investment objectives, risks, fees and other expenses.

Alternative investments are speculative, entail substantial risks, offer limited or no liquidity and are not suitable for allinvestors. These investments have limited transparency to the funds' investments and may involve leverage which magnifies both losses and gains, including the risk of loss of the entire investment. Alternative investments have varying, and lengthy lockup provisions.

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