



Monthly Investment Commentary

January 2018

2018...Great Expectations

Improving global economic growth and solid corporate earnings should drive equity markets higher in 2018. Geopolitical issues present risks, but the largest negative may be a rise in inflation. Overall, we expect 2018 to be good for stock markets, but with higher volatility.

The U.S. economy has picked up steam; with back-to-back quarters of 3%+ growth and the Atlanta Fed's *GDPNow* showing an estimated 3.2% growth in the current quarter. Additionally, the employment picture is healthy, with claims near record lows, according to the Department of Labor. Further, business and consumer confidence is booming, both the manufacturing and services Institute for Supply Management's indexes show robust growth, with Leading Economic Indicators continuing to rise. Housing is also picking up again, with housing starts rising nearly 14% last month (Census Bureau), and existing housing inventory is down over 10% year-over year (National Association of Realtors).

MRM NET COMPOSITE PORTFOLIO RESULTS (As of 12/31/2017)

MRM PLATFORMS VS. BENCHMARK	YTD	1-YEAR	3 Years Annualized	5 Years Annualized
Dynamic Overlay	+16.97%	+16.97%	+4.02%	+8.70%
<i>Morningstar Average Tactical Return</i>	+12.82%	+12.82%	+4.28%	+5.41%
All Equity	+29.15%	+29.15%	+10.82%	+14.26%
<i>S&P 500 Total Return</i>	+21.83%	+21.83%	+11.41%	+15.79%
Dynamic International	+17.32%	+17.32%	+3.25%	+2.40%
<i>MSCIEAFE with dividends</i>	+25.62%	+25.62%	+8.30%	+8.39%
Global Strategies	+22.78%	+22.78%	+8.35%	+10.19%
<i>(50%) S&P / (50%) MSCIEAFE</i>	+23.73%	+23.73%	+9.41%	+12.55%
Tax-Advantaged Income*	+2.70%	NA	NA	NA
<i>Dow Jones US Select Dividend Total Return</i>	+9.68%	NA	NA	NA

MRM Group claims compliance with the Global Investment Standards (GIPS®). Returns are net of fees. For more information visit www.mrminv.com

*** Tax-Advantaged Income composite started 06/01/2017.**

IMPORTANT DISCLOSURES

MRM Group, Inc. ("MRM") is an SEC registered investment advisor and an independent management firm that is not affiliated with any parent organization. Using quantitative selection methods, each MRM strategy searches within a well-defined universe of securities, using consistent investment criteria to identify attractive investments and create diversified portfolios. MRM seeks to provide long-term capital growth.

STRATEGY	BENCHMARK	VEHICLES	CASH HOLDINGS <i>(When Potential Investments Look Unattractive)</i>
Dynamic Overlay	Morningstar Tactical Allocation	Domestic Securities	Up to 70%
All Domestic Equity	S&P 500 Total Return	Domestic Securities/ADR's	Up to 60%
Dynamic International	MSCI EAFE Gross	Exchange-Traded Funds (ETF's)/Other Securities	Up to 25%
Global Strategies	50% S&P 500 Total Return/ 50% MSCI EAFE Gross	Exchange-Traded Funds (ETF's)/Other Securities	Up to 50%
Tax-Advantaged Income	Dow Jones US Select Dividend Index	Domestic Securities	Up to 4%

The portfolios do NOT use inverse or leveraged ETFs. Universe vehicles may change, from time to time, when approved by the principal of MRM Asset Allocation Group at its sole discretion.

BENCHMARK NOTES

Morningstar's Tactical Allocation Category averages returns for the peer group based on the return of each fund within the group, for the period shown. The S&P 500 Index with dividends is an unmanaged composite of 500 large-capitalization companies whose data is obtained from the Standard & Poor's website. S&P 500 is a registered trademark of McGraw-Hill, Inc. The MSCI EAFE Gross Index is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada, with data from the MSCI website using price with reinvestment of dividends. The performance of blended benchmarks is shown for comparison because MRM uses securities which track indices related to these products. The Dow Jones US Select Dividend Index comprises 100 stocks and aims to represent the U.S.'s leading stocks by dividend yield. An investment cannot be made directly into an index.

DISCLOSURES

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Valuations are computed and performance is reported in U.S. dollars. Client performance may differ based upon the structure of a particular investment program. For example, some programs are structured as wrap fee programs in which trading costs and brokerage commissions are included in one all-inclusive wrapped fee. As such, these costs may be higher than if the client were to pay trading costs and brokerage commissions separately. The standard management fee is 2.0%. Deviation from the model's diversified structure may result in different risk, return, and diversification characteristics and would therefore not be representative of the models.

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