



Monthly Investment Commentary

January 2020

An Unloved Bull Market Could Run in 2020

Global equity investors spent much of 2019 worried that the equity bull market would come to an end. Money market deposits hit all-time highs during the year. And the bull market continued nearly unabated, despite investors pulling a significant amount of money out of global equities on fears about the economic outlook and unresolved political issues. While many investors remain anxious, we see ample reason for higher prices for global equities in 2020.

MRM NET COMPOSITE PORTFOLIO RESULTS (As of 12/31/2019)

MRM PLATFORMS VS. BENCHMARK	YTD	1-YEAR	3 Years Annualized	5 Years Annualized
Dynamic Overlay	+16.29%	+16.29%	+10.57%	+5.40%
<i>Morningstar Average Tactical Return</i>	+14.41%	+14.41%	+6.39%	+3.98%
All Equity	+18.33%	+18.33%	+19.24%	+12.30%
<i>S&P 500 Total Return</i>	+31.49%	+31.49%	+15.27%	+11.70%
Dynamic International	+10.29%	+10.29%	+2.66%	+0.30%
<i>MSCIEAFE with dividends</i>	+22.66%	+22.66%	+10.11%	+6.18%
Global Strategies	+14.76%	+14.76%	+10.94%	+7.18%
<i>(50%) S&P / (50%) MSCIEAFE</i>	+27.08%	+27.08%	+12.75%	+9.08%
Tax-Advantaged Income*	+32.39%	+32.39%	NA	NA
<i>Dow Jones US Select Dividend Total Return</i>	+23.11%	+23.11%	NA	NA

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

Please contact MRM Group to obtain a Compliant Presentation and/or MRM's list of Composite descriptions.

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

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A Recession in 2020 is Unlikely

For one, the global economy remains fundamentally sound. We see few signs that the global economy is headed toward recession. Although the expansion has been one of the longest on record, age alone does not lead to contraction. Economic data in Fall 2019 showed softening in the manufacturing sector partly tied to trade issues. However, the global economy has changed and is now much more based on services, even in emerging markets, than on manufacturing, and this makes the economy more stable.

Coping with Uncertainties

Many people anticipated a volatile year in 2019. As the year unfolded, recessionary fears continued to bubble up amid continued Brexit delays, an unresolved US-China trade war and numerous other tensions around the world. Yet, economic data remained generally sound and global stock markets powered ahead. We think it's important to focus on hard data, and not just headlines. We see few signs the global economy is headed toward recession. Despite persistent trade uncertainty and a contentious political environment, the world's largest economy, the United States, remains on steady footing.

Global Opportunities & Cautions

Global investors are facing extraordinary economic, political and financial market conditions that risk sending the world into a perilous period. In particular, we are closely watching several key areas of concern, including: (1) rising geopolitical risks and trade tensions; (2) rising populism and political polarization; (3) unrestrained deficit spending in the developed world; (4) underappreciated inflation pressures in the United States; and (5) low policy rates driving investors into riskier assets and thus leading to overvaluations in some parts of the market.

MRM's View

There are now acute and contentious clashes over which economic and political paradigms will dominate the next generation: from capitalism to socialism, and from democracy to authoritarianism. The changing power structures between the world's largest players increase the potential for a geopolitical event, in a range of theaters from trade to military, that could disrupt financial markets. However, as long as the Federal Reserve expands their balance sheet (as they are doing it aggressively now) the equities prices will continue to climb higher. We remain bullish.

MRM model holdings as of December 31, 2019

Source: Templeton

MRM Global Strategies

APPLE INC COM	5.00%
BROADCOM LTD SHS	5.00%
BOEING CO	5.00%
ALIBABA GROUP HLDG LTD	5.00%
BANK OF AMERICA CORPORATION	6.00%
DISNEY WALT CO DISNEY	5.00%
ISHARES MSCI EMERGING MARKETS	5.00%
ISHARES MSCI EAFE MIN VOLATILITY	5.00%
ISHARES MSCI NEW ZEALAND INVEST	5.00%
ISHARES MSCI NETHERLANDS INVEST	10.00%
FACEBOOK INC CL A	5.00%
ALPHABET INC CAP STK CL C	6.00%
INTUITIVE SURGICAL INC NEW	7.00%
J P MORGAN CHASE & CO	5.00%
LOCKHEED MARTIN CORP	5.00%
MICROSOFT CORP	4.00%
SPDR S&P 500 TRUST	5.00%
UNITEDHEALTH GROUP	5.00%
FDIC CASH NOT COVERED BY SIPC	2.00%

MRM Dynamic Overlay – ETFs

ISHARES MSCI EMERGING MARKETS	15.00%
ISHARES MSCI EAFE INDEX FUND	5.00%
FIRST TRUST TECH ALPHADEX	5.00%
ISHARES DOW JONES US AEROSPACE	10.00%
ISHARES DOW JONES US HOME CONST	5.00%
ISHARES S&P 100 INDEX FUND	9.00%
POWERSHARES QQQ TRUST, SERIES 1	5.00%
INVESCO S&P 500 LOW VOLATILITY	5.00%
SPDR S&P 500 TRUST	13.00%
VANGUARD GROWTH INDEX FUND	5.00%
CONSUMER STAPLES SELECT SECTOR	5.00%
HEALTH CARE SELECT SECTOR SPDR	12.00%
CONSUMER DISCRETIONARY SELECT	5.00%
FDIC CASH NOT COVERED BY SIPC	1.00%

MRM All Domestic Equity

APPLE INC COM	5.00%
BROADCOM LTD SHS	5.00%
BOEING CO	5.00%
ALIBABA GROUP HLDG LTD	5.00%
BANK OF AMERICA CORP	6.00%
CENTENE CORP DEL	5.00%
DISNEY WALT CO DISNEY	5.00%
FACEBOOK INC CL A	5.00%
ALPHABET INC CAP STK CL C	6.00%
INTUITIVE SURGICAL INC NEW	7.00%
J P MORGAN CHASE & CO	5.00%
LOCKHEED MARTIN CORP	5.00%
MERCK & CO INC	5.00%
MICROSOFT CORP	4.00%
NIKE INC CL B	5.00%
NVIDIA CORP	5.00%
PEPSICO INC	5.00%
UNITEDHEALTH GROUP	5.00%
VISA INC.	5.00%
FDIC CASH NOT COVERED BY SIPC	2.00%

MRM Dynamic International

ISHARES MSCI EMERGING MARKETS INDEX FUND	10.00%
ISHARES MSCI EAFE INDEX FUND	5.00%
ISHARES MSCI NETHERLANDS INV	25.00%
ISHARES MSCI TAIWAN INDEX FUND	18.00%
SPDR S&P 500 TRUST	20.00%

ISHARES MSCI NEW ZEALAND INV	10.00%
ISHARES MSCI SWITZERLAND INDEX	10.00%
FDIC CASH NOT COVERED BY SIPC	2.00%

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 (When Potential Investments Look Unattractive)
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

MRM Group claims compliance with the Global Investment Performance Standards (GIPS®). MRM has been independently verified for the periods January 1, 2008 through December 31, 2019. The verification report is available upon request. Verification assesses whether (1) MRM has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) MRM's policies and procedures are designed to calculate the present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

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If you wish to modify or impose reasonable restrictions concerning the management of your account, or if your financial situation, investment objectives, or risk tolerance have changed, please contact your MRM Group investment advisor representative or contact the Manager at (800) 233-1944. We will contact you at least annually to determine if your investment goals, objectives, and risk tolerance have changed.

All MRM platforms are suitable for long term investing. Please read the fact sheets and disclosures for each platform carefully before investing.