



Monthly Investment Commentary

June 2019

Economic & Market Overview

First down month for equities in 2019:

Stocks were under heavy pressure in May as a ramp-up in trade tensions dimmed the outlook for global economies. The breakdown in trade talks with China and unexpected plans to add tariffs on goods from Mexico set off a rush towards safe haven assets, sending U.S. stocks to their worst May performance in nine years. Risk-off sentiment prevailed across global markets, with foreign developed and emerging market equities also moving solidly lower for the month.

What worked in May?

With the exception of the Real Estate sector, which benefited from falling rates, there were no places to hide in May. More defensive Healthcare and Utilities sectors were better cushioned against the declines while the more trade sensitive Technology, Materials, and Industrials sectors underperformed. The Energy sector performed the worst, posting double-digit declines for the month, due to a big sell-off in crude oil. Investors had a slight preference for larger capitalization and growth-oriented stocks.

MRM NET COMPOSITE PORTFOLIO RESULTS (As of 05/31/2019)

| MRM PLATFORMS VS. BENCHMARK | YTD | 1-YEAR | 3 Years Annualized | 5 Years Annualized |
|--|----------------|----------------|--------------------|--------------------|
| Dynamic Overlay | +2.09% | -0.06% | +8.09% | +3.58% |
| <i>Morningstar Average Tactical Return</i> | +5.04% | -2.60% | +4.70% | +2.30% |
| All Equity | +3.29% | +3.08% | +16.21% | +11.04% |
| <i>S&P 500 Total Return</i> | +10.74% | +3.78% | +11.72% | +9.66% |
| Dynamic International | +0.17% | -11.21% | -0.00% | -3.82% |
| <i>MSCIEAFE with dividends</i> | +8.05% | -5.26% | +6.35% | +1.76% |
| Global Strategies | +1.59% | -4.72% | +5.69% | +4.59% |
| <i>(50%) S&P / (50%) MSCIEAFE</i> | +9.40% | -0.74% | +9.10% | +6.00% |
| Tax-Advantaged Income* | +12.38% | +2.55% | NA | NA |
| <i>Dow Jones US Select Dividend Total Return</i> | +5.95% | -0.39% | 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.

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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