



# Monthly Investment Commentary

November 2024

## Primary Concern

October was a volatile month for markets, with equities moving lower after a strong rally during the first nine months of the year. Growth risks remained the primary concern for investors, despite signs of resilience, particularly in the US economy. Uncertainty was also heightened by the upcoming US election and the potential implications of a policy shift on inflation and interest rates.

### MRM NET COMPOSITE PORTFOLIO RESULTS (As of 10/31/2024)

MRM PLATFORMS VS. BENCHMARK	YTD	1-YEAR	3 Years Annualized	5 Years Annualized
<b>Dynamic Overlay</b>	<b>+17.38%</b>	<b>+34.61%</b>	<b>+4.53%</b>	<b>+8.96%</b>
<i>Morningstar Average Tactical Return (fixed &amp; equities)</i>	+9.07%	+19.91%	+1.27%	+5.85%
<b>All Equity</b>	<b>+25.06%</b>	<b>+44.74%</b>	<b>+0.23%</b>	<b>+6.89%</b>
<i>S&amp;P 500 Total Return</i>	+20.97%	+38.02%	+9.08%	+15.27%
<b>Dynamic International</b>	<b>+12.61%</b>	<b>+29.67%</b>	<b>+2.04%</b>	<b>+5.91%</b>
<i>MSCI EAFE with dividends</i>	+7.34%	+23.58%	+3.22%	+6.76%
<b>Tax-Advantaged Income</b>	<b>+27.28%</b>	<b>+43.10%</b>	<b>+13.91%</b>	<b>+13.89%</b>
<i>Dow Jones US Select Dividend</i>	+14.59%	+28.55%	+4.41%	+5.67%

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

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

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### Developed Markets

Developed market equities posted a negative return of 2.0%. Growth stocks outperformed their value counterparts but fell 1.8% on the month. Small caps retraced by 2.7%, as slowing economic momentum continued to weigh on the segment. Japanese stocks were the top performer despite concerns that the need for tighter policy and a stronger yen could impact export-oriented companies, as well as political uncertainty created by recent election results. Emerging markets declined by 4.3%, pressured by a strong US dollar (USD), profit taking in India and volatility in Chinese equity indexes due to uncertainty over the efficacy of the support measures announced in September. In fixed income markets, the resilience of the US economy and uncertainty surrounding potential post-election policy changes prompted a more gradual re-pricing of the anticipated Federal Reserve (Fed) rate cuts.

### Equities

The S&P 500 Index fell 0.9% in October, despite stronger economic data. The September labor market report exceeded expectations, with nonfarm payrolls rising by 254,000 (versus expected 140,000). The unemployment

rate fell to 4.1%, and wage growth picked up to 4% year-over-year. The first estimate of US third quarter GDP growth came in at a healthy 2.8% quarter-on-quarter annualized, confirming that the economy continues to grow at an above trend pace. Third quarter earnings season began with strong results from the banking sector.

### Europe

In Europe, there was more evidence of a weakening economic backdrop, with Germany at the epicenter. Recent VDA data indicated continued declines in industrial and car production, with the manufacturing PMI output index remaining firmly in contractionary territory. This weakness in activity was reflected in the European equity market, which posted a decline of 3.2%.

### MRM's View

Recession risks remained a key concern in October. However, our base case of a soft-landing scenario with falling inflation and rates is still in place. If this environment materializes, it could create opportunities across various asset classes. Equities may remain supported, but returns could shift from the concentration in Big Tech to other sectors and stocks. We remain bullish for now.

Source: JPMorgan

#### MRM model holdings as of September 30, 2024

MRM Tax-Advantaged Income		MRM Dynamic Overlay – ETFs		MRM All Domestic Equity	
CATERPILLAR INC DEL	4.90%	ISHARES MSCI ACWI INDEX FUND	2.00%	APPLE INC COM	5.00%
CHEVRON CORP NEW	4.90%	VANECK VECTORS ETF TR	5.00%	AMAZON COM INC	10.00%
CLEARWAY ENERGY INC CL C	4.90%	ISHARES DJ US AEROSPACE & DEFENSE	3.00%	CATERPILLAR INC DEL	5.00%
EATON CORP PLC SHARES	4.90%	ISHARES S&P 500 VALUE INDEX FUND	10.00%	DELTA AIR LINES INC DEL NEW	5.00%
GARMIN LTD ORD	4.90%	ISHARES S&P 100 INDEX FUND	12.00%	ALPHABET INC CAP STK CL C	7.00%
INTERNATIONAL BUSINESS MACHS	4.90%	POWERSHARES QQQ TRUST, SERIES 1	7.00%	INTERNATIONAL BUSINESS MACHS	10.00%
IRON MTN INC NEW COM	4.90%	INVESTCO ETF TR S&P 500 E	5.00%	J P MORGAN CHASE & CO	5.00%
KINDER MORGAN INC DEL COM	4.90%	SPDR S&P 500 TRUST	40.00%	LILLY ELI & CO	5.00%
COCA COLA CO	4.90%	VANGUARD GROWTH INDEX FUND	10.00%	META PLATFORMS INC CL A	5.00%
LILLY ELI & CO	4.90%	SPDR S&P HOMEBUILDERS ETF	5.00%	MICROSOFT CORP	6.00%
ALTRIA GROUP INC	4.90%	FDIC CASH NOT COVERED BY SIPC	1.00%	NVIDIA CORP	5.00%
MERCK & CO INC	4.90%			PAYPAL HLDGS INC	5.00%
NEW YORK CMNTY BANCORP INC COM	4.90%			QUALCOMM INC	5.00%
REALTY INCOME CORP	5.90%			SCHWAB CHARLES CORP NEW	5.00%
PEPSICO INC	4.90%			SHAKE SHACK INC CL A	5.00%
PHILIP MORRIS INTL INC COM	4.90%			SKECHERS U S A INC CL A	5.00%
PPL CORP	4.90%			UBER TECHNOLOGIES INC COM	5.00%
TARGET CORP	4.90%			FDIC CASH NOT COVERED BY SIPC	2.00%
VERIZON COMMUNICATIONS INC	4.90%				
EXXON MOBIL CORP	4.90%				
FDIC CASH NOT COVERED BY SIPC	1.00%				
		MRM Dynamic International			
		WISDOMTREE INDIA EARNINGS FUND	13.00%		
		ISHARES MSCI CANADA INDEX FUND	15.00%		
		ISHARES MSCI NETHERLANDS	10.00%		
		ISHARES MSCI TAIWAN INDEX FUND	10.00%		
		ISHARES S&P INDIA NIFTY 50 INDEX	23.00%		
		SPDR S&P 500 TRUST	28.00%		
		FDIC CASH NOT COVERED BY SIPC	1.00%		

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### IMPORTANT DISCLOSURES

MRM Group, Inc. ("MRM") is a state-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%
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

Effective Nov. 1, 2016 the Dynamic Overlay benchmark was changed to Morningstar's Tactical Allocation. The benchmark was applied retroactively to the beginning of the performance period, January 1, 2008. This change had the net effect of placing the Dynamic Overlay Model Portfolio in a more favorable light than would otherwise have been the case if we used the blended benchmark described below. Although this change had a favorable impact on the comparative effect on the model's performance but we believe the change in benchmark more appropriately aligns with our Dynamic Overlay Strategy in that it is designed a tactical allocation rather than a static blended benchmark of 75% S&P 500 Index Total Return and 25% MSCI EAFE. 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 September 30, 2024. 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.

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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***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 (314) 628-1100. 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.**