

VIEWPOINT: A MARKET BOTTOM, VOLATILITY AHEAD

Our viewpoint is that equity markets likely bottomed the day after Christmas, 2018. At that point, multiple well-regarded sentiment indicators were flashing that the stock market had become massively oversold. Luxon Global published a market viewpoint on December 26th illustrating the extreme degree of fear and forecasting a significant rally following the extreme rapidity of December's decline. On December 27th, the S&P 500 was down roughly (2%) percent at 2:30pm, yet rallied in the late afternoon to finish up +0.5%. Such a dramatic intraday reversal has only happened in one prior trading session since 1984 (the furthest back intraday data extends). This massive reversal, along with the similarly dramatic two-week reversals in market breadth since, further solidifies the probability of a market bottom. In short, most sellers had sold by this point, exhausting downward momentum in the market.

Sentiment indicators provide an excellent source of guidance at market extremes. Following previous episodes of rapid declines in equity prices, markets were typically higher twelve months out and often to a significant degree. However, that ride is also typically very volatile. So, while we have a positive outlook for equities this year, we also think it is likely to be a bumpy move, especially in contrast to historically low volatility of recent years. Markets could also easily re-visit the lows of late December, prior to moving higher. This is not an unusual occurrence as part of the bottoming process. Properly structured bond allocations, along with options based hedged equity strategies, provide good defense against volatile equity market conditions.

2018 AND Q4 PERFORMANCE RECAP:

EQUITIES

After three quarters of outperformance, Luxon equities had a poor fourth quarter. The year to date return finished down (9.51%), slightly behind the MSCI All Country World Index at (9.42%).

Much of this reversion in the fourth quarter was due to exposure in small and mid-cap companies. Luxon equities gave up 142 basis points to the ACWI in December due to allocation differences vs. the benchmark, particularly in small cap. That erased our healthy excess return in equities for 2018 heading into the month. We remain constructive on small and mid-cap stocks, and expect them to recover their relative performance in 2019.

FIXED INCOME

Luxon bond returns for 2018 lagged the benchmark, the Barclay's Global Aggregate, on the quarter and year. While performance in our US bond funds kept up with the market, out international funds lagged due to both foreign currency exposure and security selection.

High credit quality was an advantage in the extremely volatile month of December. Luxon Global bonds performed a key defensive role during the fourth quarter and particularly during the month of December, contributing positive portfolio returns during a period of high equity market stress.

HEDGED EQUITY (FORMERLY ALTERNATIVES)

We are announcing a name change of the Luxon Global Alternatives portfolio to the Luxon Global Hedged Equity Portfolio. Hedged Equity is a particular bucket within the alternatives world, and we believe this is a more descriptive name for the portfolio which clearly conveys the underlying strategy.

The Luxon Hedged Equity Portfolio had a similar return profile to bonds for 2018. Our emphasis on option based, hedged equity strategies performed as expected during the fourth quarter, declining (5.69%), versus equity index declines ranging from (12)% to (20)%. The fourth quarter decline was the bulk of the entire (5.96)% 2018 decline. Full year results were held back by second quarter returns, particularly AQR Market Neutral.



PORTFOLIO CHANGES DURING Q4 2018

- We increased our allocation to option hedged equities in the alternatives portfolio. Other portfolios were unchanged.

ECONOMIC UPDATE

- Stock markets worldwide declined significantly in December. US Small Cap, US Mid Cap, and Emerging Market Equities all entered an official bear market (a 20% or greater top to bottom decline, or drawdown). The S&P 500 and MSCI All Country World Indices also plunged, but very narrowly avoided an official bear market, with maximum declines of (19.36%) and (19.30%) respectively. Markets recovered somewhat in the last days of the year, including a 1000+ point rally in the Dow, but still finished meaningfully down.
- The yield curve flattened considerably in the fourth quarter, as shown by the below chart. With US treasuries paying so little for taking on extra maturity and duration risk, we continue to favor shorter term bonds across the credit spectrum.

US Treasury Maturity/Yield Chart											
Date	1 Mo	3 Mo	6 Mo	1 Yr	2 Yr	3 Yr	5 Yr	7 Yr	10 Yr	20 Yr	30 Yr
10/1/2018	2.13	2.23	2.40	2.60	2.82	2.90	2.96	3.04	3.09	3.18	3.24
12/31/2018	2.44	2.45	2.56	2.63	2.48	2.46	2.51	2.59	2.69	2.87	3.02

- Job creation far surpassed expectations, with non-farm payrolls rising 312,000 vs. an expectation of 176,000. Particularly promising was a meaningful jump in real wage growth, which has been elusive for nearly a decade. Unemployment rose slightly to 3.9% as workers came off the sidelines to enter the workforce.



PORTFOLIO RETURNS		QTD	YTD	1 YEAR	3 YEAR	INCEPTION	INCEPTION DATE
ALL EQUITY	Luxon Global All Equity	-14.28%	-9.51%	-9.51%	6.51%	4.96%	12/31/14
	Luxon Global All Equity net 0.25%	-14.33%	-9.73%	-9.73%	6.25%	4.70%	12/31/14
	100% MSCI ACWI NR	-12.75%	-9.42%	-9.42%	6.60%	4.28%	12/31/14
	Luxon Global All Equity Blended Benchmark	-12.99%	-8.26%	-8.26%	7.08%	4.99%	12/31/14
80/20	Luxon Global 80-20	-11.53%	-7.61%	-7.61%	5.91%	4.57%	12/31/14
	Luxon Global 80-20 net 0.25%	-11.58%	-7.84%	-7.84%	5.64%	4.31%	12/31/14
	80% MSCI ACWI NR 20% BC Gbl Agg	-9.96%	-7.63%	-7.63%	5.93%	3.79%	12/31/14
	Luxon Global 80-20 Blended Benchmark	-10.18%	-6.07%	-6.07%	6.29%	4.53%	12/31/14
70/30	Luxon Global 70-30	-10.00%	-6.84%	-6.84%	5.65%	4.36%	12/31/14
	Luxon Global 70-30 net 0.25%	-10.05%	-7.07%	-7.07%	5.39%	4.10%	12/31/14
	70% MSCI ACWI NR 30% BC Gbl Agg	-8.57%	-6.76%	-6.76%	5.58%	3.52%	12/31/14
	Luxon Global 70-30 Blended Benchmark	-8.71%	-5.23%	-5.23%	5.86%	4.26%	12/31/14
60/40	Luxon Global 60-40	-8.61%	-6.19%	-6.19%	5.21%	4.06%	12/31/14
	Luxon Global 60-40 net	-8.67%	-6.42%	-6.42%	4.94%	3.80%	12/31/14
	60% MSCI ACWI NR 40% BC Gbl Agg	-7.17%	-5.92%	-5.92%	5.21%	3.23%	12/31/14
	Luxon Global 60-40 Blended Benchmark	-7.27%	-4.29%	-4.29%	5.40%	3.97%	12/31/14
50/50	Luxon Global 50-50	-7.12%	-5.46%	-5.46%	4.83%	3.84%	12/31/14
	Luxon Global 50-50 net 0.25%	-7.18%	-5.69%	-5.69%	4.57%	3.58%	12/31/14
	50% MSCI ACWI NR 50% BC Gbl Agg	-5.78%	-5.09%	-5.09%	4.82%	2.93%	12/31/14
	Luxon Global 50-50 Blended Benchmark	-5.83%	-3.39%	-3.39%	4.87%	3.62%	12/31/14
30/70	Luxon Global 30-70	-4.11%	-4.03%	-4.03%	3.92%	3.17%	12/31/14
	Luxon Global 30-70 net 0.25%	-4.17%	-4.27%	-4.27%	3.66%	2.91%	12/31/14
	30% MSCI ACWI NR 70% BC Gbl Agg	-2.99%	-3.48%	-3.48%	4.01%	2.28%	12/31/14
	Luxon Global 30-70 Blended Benchmark	-2.90%	-1.69%	-1.69%	3.87%	2.93%	12/31/14
ALL BOND	Luxon Global All Bond	0.45%	-2.12%	-2.12%	2.87%	2.08%	12/31/14
	Luxon Global All Bond net 0.25%	0.38%	-2.36%	-2.36%	2.61%	1.82%	12/31/14
	100% BC Gbl Agg	1.20%	-1.20%	-1.20%	2.70%	1.20%	12/31/14
	Luxon Global All Bond Blended Benchmark	1.59%	0.25%	0.25%	2.08%	1.62%	12/31/14
HEDGED EQUITY	Luxon Global Hedged Equity	-5.69%	-5.96%	-5.96%	-	-0.72%	5/31/17
	Luxon Global Hedged Equity net 0.25%	-5.75%	-6.19%	-6.19%	-	-0.97%	5/31/17
	Wilshire Focused Lqd Alt	-3.40%	-2.88%	-2.88%	-	-0.02%	5/31/17
70/00/30	Luxon Global 70-0-30 Alt Blend	-11.24%	-	-	-	-11.97%	1/31/18
	Luxon Global 70-0-30 Alt Blend net 0.25%	-11.29%	-	-	-	-12.17%	1/31/18
	70%ACWI 0%Gbl Agg 30%Wil Fcsd Alt	-9.95%	-	-	-	-11.30%	1/31/18
	Luxon Global 70-0-30 Blended Benchmark	-10.08%	-	-	-	-10.65%	1/31/18
60/20/20	Luxon Global 60-20-20 Alt Blend	-10.10%	-	-	-	-11.08%	1/31/18
	Luxon Global 60-20-20 Alt Blend net 0.25%	-10.16%	-	-	-	-11.28%	1/31/18
	60%ACWI 20%GblAgg 20%Wil Fcsd Alt	-8.09%	-	-	-	-9.83%	1/31/18
	Luxon Global 60-20-20 Blended Benchmark	-8.14%	-	-	-	-8.83%	1/31/18

Past performance is not indicative of future results. See disclosure for relevant Benchmark information. Returns are annualized for periods of 1 year or greater.

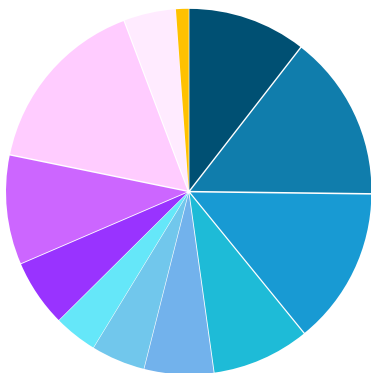
PORTFOLIO WEIGHTS

		ALL EQUITY	80/20	70-30	60-40	50-50	30-70	ALL BOND	HEDGED EQUITY	60-20-20	70-00-30
TICKER EQUITY FUND NAME											
AUEIX	AQR LARGE CAP DEFENSIVE STYLE I	4	4	3	3	3	3	0	0	3	3
APHKX	ARTISAN INTERNATIONAL VALUE INSTL	6	5	4	4	3	3	0	0	4	4
DODFX	DODGE & COX INTERNATIONAL STOCK	6	4	4	3	3	0	0	0	3	4
JVLIX	JHANCOCK DISCIPLINED VALUE I	7	6	5	5	4	3	0	0	5	5
JVMIX	JHANCOCK DISCIPLINED VALUE MID CAP I	6	3	0	0	0	3	0	0	0	0
GICIX	GOLDMAN SACHS INTL SM CP INSGHTS INSTL	5	4	4	3	3	3	0	0	3	4
GOGIX	JHANCOCK INTERNATIONAL GROWTH I	10	7	7	6	5	0	0	0	6	7
VSEIX	JPMORGAN SMALL CAP EQUITY I	5	4	3	3	4	0	0	0	3	3
JMUEX	JPMORGAN US EQUITY L	6	6	6	4	4	3	0	0	4	6
POGRX	PRIMECAP ODYSSEY GROWTH	7	6	5	5	4	3	0	0	5	5
PCBIX	PRINCIPAL MIDCAP INSTITUTIONAL	3	3	3	4	3	0	0	0	4	3
RPTIX	T. ROWE PRICE MID-CAP GROWTH I	3	3	3	0	0	0	0	0	0	3
TQAIX	T. ROWE PRICE QM US SMALL-CAP GR EQ I	4	3	3	3	0	0	0	0	3	3
VEU	VANGUARD FTSE ALL-WLD EX-US ETF	10	7	7	6	3	3	0	0	6	7
VUG	VANGUARD GROWTH ETF	7	6	5	4	4	3	0	0	4	5
VOE	VANGUARD MID-CAP VALUE ETF	3	3	3	3	3	0	0	0	3	3
VTV	VANGUARD VALUE ETF	7	6	5	4	4	3	0	0	4	5
EQUITY SUBTOTAL %		99	78	68	57	47	28	0	0	58	68
TICKER BOND FUND NAME											
CASH	BBGBARC US TREASURY BILL 1-3 MON TR USD	1	1	1	1	1	1	1	1	1	1
DBLFX	DOUBLELINE CORE FIXED INCOME I	0	3	4	5	6	10	14	0	4	0
DIBRX	DREYFUS INTERNATIONAL BOND I	0	3	3	5	6	8	9	0	3	0
ICSH	ISHARES ULTRA SHORT-TERM BOND ETF	0	4	3	5	6	7	10	14	3	6
FPNIX	FPA NEW INCOME	0	0	3	3	4	5	8	0	0	0
OIBIX	OPPENHEIMER INTERNATIONAL BOND I	0	3	4	5	7	10	17	0	3	0
OUSIX	OPPENHEIMER LIMITED TERM BOND I	0	0	3	3	4	6	10	0	0	0
PIMIX	PIMCO INCOME INSTL	0	3	3	5	6	8	10	0	3	0
BIV	VANGUARD INTERM-TERM BOND ETF	0	3	3	3	4	7	11	0	0	0
WACPX	WESTERN ASSET CORE PLUS BOND I	0	0	3	5	6	8	10	0	3	0
BOND SUBTOTAL %		1	22	32	43	53	72	100	15	22	7
TICKER HEDGED EQUITY FUND NAME											
QMNX	AQR EQUITY MARKET NEUTRAL I	0	0	0	0	0	0	0	10	0	5
QLEIX	AQR LONG-SHORT EQUITY I	0	0	0	0	0	0	0	0	4	0
BPIRX	BOSTON PARTNERS LONG/SHORT RSRCH INST	0	0	0	0	0	0	0	10	0	0
EIGMX	EATON VANCE GLBL MACR ABSOLUTE RETURN	0	0	0	0	0	0	0	10	4	7
GTEYX	GATEWAY Y	0	0	0	0	0	0	0	15	0	0
GLSOX	GLENMEDE SECURED OPTIONS INSTITUTIONAL	0	0	0	0	0	0	0	19	6	6
JHEQX	JPMORGAN HEDGED EQUITY I	0	0	0	0	0	0	0	20	6	6
HEDGED EQUITY SUBTOTAL %		0	0	0	0	0	0	0	85	20	25
GRAND TOTAL %		100	100	100	100	100	100	100	100	100	100



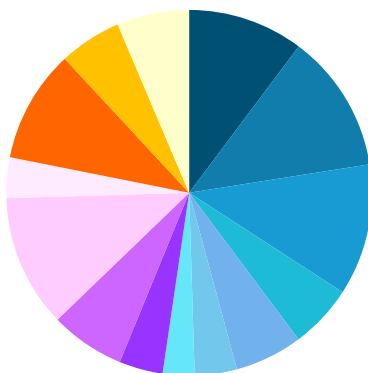
PORTFOLIO WEIGHTS

ALL EQUITY



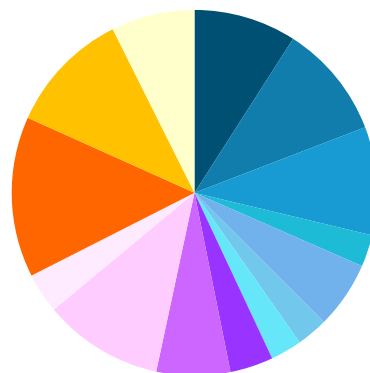
60/40

80/20

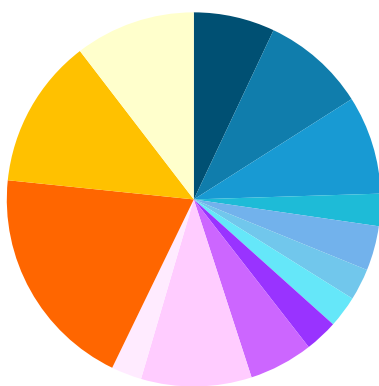


50/50

70/30



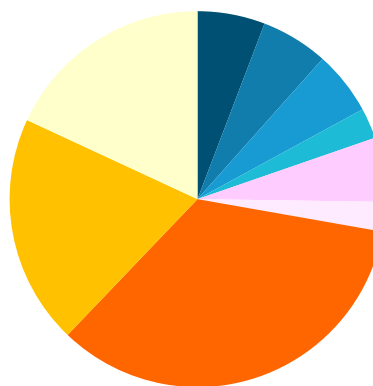
30/70



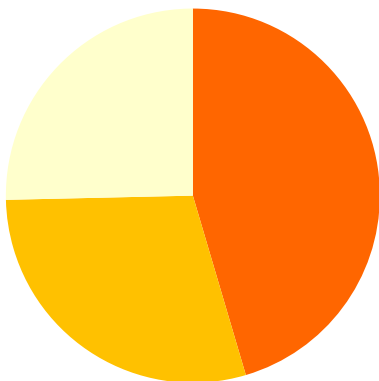
ALL BOND



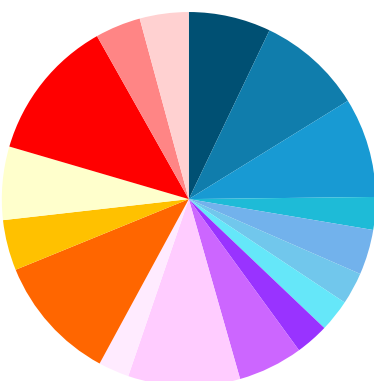
HEDGED EQUITY



70/00/30



60/20/20



LEGEND

- US LARGE CAP CORE
- US LARGE CAP VALUE
- US LARGE CAP GROWTH
- US MID CAP VALUE
- US MID CAP GROWTH
- US SMALL CAP CORE
- US SMALL CAP GROWTH
- INT'L LARGE CAP VALUE
- INT'L LARGE CAP GROWTH
- INT'L LARGE CAP CORE
- INT'L SMALL CAP
- US FIXED INCOME CORE
- US FIXED INCOME SHORT
- INT'L FIXED INCOME
- OPTIONS HEDGED EQUITY
- LONG SHORT EQUITY
- GLOBAL MACRO



DISCLOSURES

If applicable, the net expense ratio has been applied to the calculation of the average weighted expense ratio.

Indexes are unmanaged and used for illustrative purposes only and are not intended to be indicative of any fund or the managed model's performance. It is not possible to invest directly in an index.

Luxon Global Models are proprietary products of Luxon Asset Management, LLC, Luxon Asset Management is a subsidiary of Luxon Financial Holdings, LLC.

The below Models included in this document have been independently verified by ACA Performance Services, LLC for the period of 1/1/15 - 12/31/17. Independent Performance Certification Reports for each Model are available upon request by contacting info@luxonglobal.com. Performance shown after 12/31/17, though believed to be accurate, have not been independently verified. Luxon plans to have ongoing performance audits completed on these models annually.

Luxon Global All Bond Model: The Luxon Global All Bond Model seeks to conserve capital while generating income. The Model's target allocations provide investors with a wide range of global fixed income and alternative investments. The Long-Term Benchmark is Barclays Global Aggregate Bond Index. The Variable Blend Benchmark is shown as additional information. Currently (12/31/17) 22% Barclays Global Aggregate ex USD Bond Index and 78% Barclays USA Intermediate Aggregate Bond Index, blended quarterly.

Luxon Global 30/70 Model: The Luxon Global 30/70 Model seeks to generate income while maintaining some modest growth in invested capital. The Model's target allocations provide investors with a 30% allocation to equities and 70% allocation to fixed income investments. The Long-Term Benchmark is a blended benchmark of 30% MSCI ACWI (Net) Index, and 70% Barclays Global Aggregate Bond Index, blended on a quarterly. The Variable Blend Benchmark is shown as additional information. Currently (12/31/17) 5% MSCI AWCI ex USA (Net) Index, 25% MSCI USA Index, 16% Barclays Global Aggregate ex USD Bond Index, and 54% Barclays USA Intermediate Aggregate Bond Index, blended quarterly.

Luxon Global 50/50 Model: The Luxon Global 50/50 Model seeks to grow invested capital while generating in come. The Model's target allocations provide investors with a balanced 50% allocation to equities and 50% allocation to fixed income investments. The Long-Term Benchmark is a blended benchmark of 50% MSCI ACWI (Net) Index, and 50% Barclays Global Aggregate Bond Index, blended quarterly. The Variable Blend Benchmark is shown as additional information. Currently (12/31/18) 9% MSCI AWCI ex USA (Net) Index, 41% MSCI USA Index, 12% Barclays Global Aggregate ex USD Bond Index, and 38% Barclays USA Intermediate Aggregate Bond Index, blended quarterly.

Luxon Global 60/40: The Luxon Global 60/40 Model seeks to grow invested capital. The Model's target allocations provide investors with a 60% allocation to equities and 40% allocation to fixed income investments. The Long-Term Benchmark a blended benchmark of 60% MSCI ACWI (Net) Index, and 40% Barclays Global Aggregate Bond Index, blended quarterly. The Variable Blend Benchmark is shown as additional information. Currently 13% MSCI AWCI ex USA (Net) Index, 47% MSCI USA Index, 10% Barclays Global Aggregate ex USD Bond Index, and 30% Barclays USA Intermediate Aggregate Bond Index, blended quarterly.

Luxon Global 70/30 Model: The Luxon Global 70/30 Model seeks to grow invested capital. The Model's target allocations provide investors with a 70% allocation to equities and 30% allocation to fixed income investments. The Long-Term Benchmark a blended benchmark of 70% MSCI ACWI (Net) Index, and 30% Barclays Global Aggregate Bond Index, blended quarterly. The Variable Blend Benchmark is shown as additional information. Currently (12/31/17) 16% MSCI AWCI ex USA (Net) Index, 54% MSCI USA Index, 8% Barclays Global Aggregate ex USD Bond Index, and 22% Barclays USA Intermediate Aggregate Bond Index.

Luxon Global 80/20 Model: The Luxon Global 80/20 Model seeks to grow invested capital. The Model's target allocations provide investors with an 80% allocation to equities and 20% allocation to fixed income investments. The Long-Term Benchmark is a blended benchmark of 80% MSCI ACWI (Net) Index, and 20% Barclays Global Aggregate Bond Index, blended quarterly. The Variable Blend Benchmark is shown as additional information. Currently (12/31/17) 18% MSCI AWCI ex USA (Net) Index, 62% MSCI USA Index, 4% Barclays Global Aggregate ex USD Bond Index, and 16% Barclays USA Intermediate Aggregate Bond Index, blended quarterly.

Luxon Global All Equity: The Luxon Global All Equity Model seeks to aggressively grow invested capital. The Long-Term Benchmark is MSCI ACWI (Net) Index. The Variable Blend Benchmark is shown as additional information. Currently (12/31/17) 26% MSCI AWCI ex USA (Net) Index and 74% MSCI USA Index.

DISCLOSURES

Luxon Global Hedged Equity Model performance has been independently audited by ACA Performance Services, LLC for a period of 5/1/17 - 12/31/17. Independent Performance Certification Reports for each Model are available upon request by contacting info@luxonglobal.com.

Luxon Global Hedged Equity Model: The Luxon Global Alternatives Model is designed to complement traditional equity/bond allocations. The Model invests only in daily liquid 40 act funds - currently mutual funds or ETFs. For comparison purposes, the Model is measured against the Wilshire Focused Liquid Alternative Index. The Wilshire Focused Liquid Alternative Index is shown as additional information.

The performance for the below models have not yet been independently verified by a third party.

Luxon Global 60/20/20 Model: The Luxon Global 60/20/20 model is designed to complement traditional equity/bond allocations. The Model invests only in daily liquid 40 act funds - currently mutual funds or ETFs. The Variable Blend Benchmark is shown as additional information. Currently (3/31/18) 6% BBgBarc Gbl Agg Ex USD TR USD, 14% BBgBarc US Agg Interm TR USD, 22% MSCI ACWI Ex USA NR USD, 38% MSCI USA NR USD, 20% Wilshire Focused Lqd Alternative TR USD.

Luxon Global 70/00/30 Model: The Luxon Global 70/00/30 model is designed to complement traditional equity/bond allocations. The Model invests only in daily liquid 40 act funds - currently mutual funds or ETFs. The Variable Blend Benchmark is shown as additional information. Currently (3/31/18) 26% MSCI ACWI Ex USA NR USD, 44% MSCI USA NR USD, 30% Wilshire Focused Lqd Alternative TR USD.

Past performance does not guarantee or indicate future results. All investment strategies have the potential for profit or loss. Any performance information included herein represents the performance achieved by Luxon Asset Management as a discretionary investment manager with trade implementation responsibility for the accounts included in the performance composite. The performance shown does not reflect the performance of Model-Based Program accounts managed by a Sponsor utilizing Luxon's non-discretionary investment recommendations. In Model-Based Programs, although it is generally contemplated that the Sponsor will implement Luxon's investment recommendations in Program accounts, the performance of such accounts may differ from the performance shown for a variety of reasons, including but not limited to: the Sponsor, and not Luxon, is responsible for implementing trades in the accounts; differences in market conditions; client-imposed investment restrictions; the timing of client investments and withdrawals; fees payable by Model-Based Program accounts; and/or other factors.

Composite and benchmark/index performance results reflect realized and unrealized appreciation and the reinvestment of dividends, interest, and/or capital gains. Taxes have not been deducted. Gross composite returns do not reflect actual performance because they do not reflect the deduction of any fees or expenses. Certain performance figures do not reflect the deduction of investment advisory fees (please refer to Part 2 of Luxon Asset Management's Form ADV) in the case of both separate investment accounts and mutual funds; but they do reflect commissions, other expenses (except custody), and reinvestment of earnings. Such fees that a client may incur in the management of their investment advisory account may reduce the client's return. The "net of fees" performance figures reflect the deduction of investment advisory, custodial and trading fees, but does not include advisor fee. All periods longer than one year are annualized. Net composite returns reflect the deduction of an annual fee of .25% typically deducted quarterly. Due to the compounding effect of these fees, annual net composite returns may be lower than stated gross returns less stated annual fee. Index returns do not reflect transaction costs or the deduction of fees and it is not possible to invest directly in an index. This material has been created by Luxon Asset Management and the information included herein has not been verified by your program sponsor and may differ from information provided by your program sponsor. This material must be preceded or accompanied by the manager profile, which you can obtain from your Financial Advisor.

Luxon Asset Management ("Luxon") acts as a discretionary investment manager or non-discretionary model provider in a variety of separately managed account or wrap fee programs (each, an "SMA Program") sponsored either by Luxon or a third-party investment advisor, broker-dealer or other financial services firm (a "Sponsor"). When acting as a discretionary investment manager, Luxon is responsible for implementing trades in SMA Program accounts. When acting as a non-discretionary model provider, Luxon's responsibility is limited to providing non-discretionary investment recommendations (in the form of model portfolios) to the SMA Program Sponsor, and the Sponsor may utilize such recommendations in connection with its management of SMA Program accounts. In such "model-based" SMA Programs ("Model-Based Programs"), it is the Sponsor, and not Luxon, which serves as the investment manager to, and has trade implementation responsibility for, the Model-Based Program accounts.