JANUARY 2019 UPDATE

We provide composite returns for Growth, Growth & Income (a combination of "Growth & Income" and "Moderate Balanced" accounts), Conservative Balanced, Retirement Income (a combination of "Retirement Income" and "High Monthly Payout" accounts), Closed-End Income and ETF Options Income. We present net-of-fee results in the following table. (SSB composites are in boldface.) For the sake of comparison, we also include returns for various indexes and blended benchmarks that we believe are commensurate in risk to our strategies, as well as passively managed funds-of-funds from Vanguard.

Salzinger Sheaff Brock	Dec. 2018	Q4 2018	2018	Three Yrs	Five Yrs
Growth	**-8.5%**	**-14.6%**	**-8.0%**	**6.2%**	**5.0%**
Benchmark (90% Lipper Multi-cap Core/10% Lipper General Bond Fund)	*-6.5%*	*-11.8%*	*-9.7%*	*5.7%*	*3.7%*
Growth & Income	**-7.3%**	**-12.4%**	**-6.8%**	**5.7%**	**4.6%**
Benchmark (75% Lipper Multi-cap Core/25% Lipper General Bond Fund)	*-5.3%*	*-10.0%*	*-8.3%*	*5.4%*	*3.5%*
Conservative Balanced	**-6.0%**	**-10.2%**	**-6.0%**	**4.8%**	**4.0%**
Closed-End Income	**-5.4%**	**-9.0%**	**-7.6%**	**6.7%**	**N/A**
ETF Option Income	**-4.1%**	**-5.8%**	**-1.7%**	**N/A**	**N/A**
Benchmark (60% Lipper Multi-cap Core/40% Lipper General Bond Fund)	*-4.1%*	*-8.2%*	*-6.8%*	*5.1%*	*3.3%*
Retirement Income	**-5.6%**	**-9.3%**	**-6.2%**	**4.3%**	**3.4%**
Benchmark (50% Lipper Multi-cap Core/50% Lipper General Bond Fund)	*-3.4%*	*-7.0%*	*-5.9%*	*4.8%*	*3.2%*
Index					
S&P 500	-9.0%	-13.5%	-4.4%	9.3%	8.5%
Russell 3000 &&	-9.3%	-14.3%	-5.2%	9.0%	7.9%
Russell 2000 ##	-11.9%	-20.2%	-11.0%	7.4%	4.4%
FTSE Global All Cap X-US@@	-4.6%	-11.8%	-14.4%	4.8%	1.3%
Barclays Aggregate Bond	1.8%	1.6%	0.0%	2.1%	2.5%
Mutual Fund/ETF Comparisons					
Vanguard LifeStrategy Growth &	-5.7%	-10.4%	-6.9%	6.3%	5.0%
Vanguard LifeStrategy Moderate Growth #	-3.9%	-7.4%	-4.9%	5.4%	4.5%
Vanguard LifeStrategy Conservative Gr @	-2.0%	-4.4%	-3.0%	4.5%	4.0%
Vanguard LifeStrategy Income ^	-0.2%	-1.4%	-1.1%	3.5%	3.4%

Through December 31, 2018. PLEASE SEE IMPORTANT DISCLAIMER ON BACK. Note: *Results are from an actual, representative account established and maintained by the portfolio manager with his own money, managed with his own tax situation in mind. Other accounts in this style might have had different results; &&A benchmark for the entire U.S. stock market, ##Small-cap stocks. @@ Foreign stocks, including developed foreign countries and emerging markets. Style Comparisons: &A good comparison for SSB Growth and SSB Growth & Income. #A slightly lower risk comparison for SSB Growth & Income. @A good comparison for Salzinger Sheaff Brock, LLC (SSB) Conservative Balanced. ^A good comparison for SSB Retirement Income. Composites include all fully discretionary, management fee-paying including those accounts no longer with the firm of reasonable size that are substantially invested in accordance with the composite strategy or style. Returns are presented net of maximum management fees and all trading expenses, and the reinvestment of all income. Net-of-fee performance was calculated using maximum management fees. Actual advisory fees and transaction fees will vary depending on, among other things, the portfolio, account size, and activity. Fees are described in SSB's ADV Part 2A. The securities mentioned in this report can be, and often are, owned by clients and employees of SSB. Past performance is not indicative or a guarantee of future results (continued on back).

As anyone can see from the table, December was an abysmal month for the U.S. stock market and was only slightly to modestly less bad for the respective composites of SSB accounts. Though the Russell 3000 Index, a measure of the broad stock market, fell 9.3% in December, our SSB Growth and Growth & Income accounts, which are our most equity heavy types, lost averages of 8.5% and 7.3%, respectively. However, while the conservative-to-moderate Vanguard LifeStrategy Moderate Growth fund (about 60% in equities) lost 3.9% during the month, composite returns of our Conservative Balanced and Retirement Income funds were worse, with average losses of 6.0% and 5.6%, respectively.

Though our various composites lost more than their benchmark Lipper indexes in December, three out of four core strategies (Growth, Growth & Income and Conservative Balanced) beat their benchmarks soundly for all of 2018, while SSB Retirement Income lost a little more than its benchmark, after all fees.

Much of our rough performance versus the benchmarks in December and even the entire fourth quarter stem from our inclusion of significant exposures to midsize and especially small-cap stocks through U.S. and even international/global stock funds. Though the 13.5% fourth-quarter loss of the S&P 500, an index of large-cap stocks, seems large, it's positively svelte versus the 20.2% loss in the Russell 2000 index of small-cap stocks. Unfortunately, our small-cap holdings lost about as much, and they generally account for 10% to 20% of the equity exposures within our accounts geared toward capital appreciation.

At the same time, our more income-oriented accounts struggled in the fourth quarter because they reflect my belief that bonds with some credit risk offer a better risk-reward tradeoff at recent prices than do very high-quality bonds, mainly U.S. Treasury and government-agency bonds. While the Retirement Income accounts, for example, certainly have exposure to high-grade bonds, they also have meaningful exposure to high-yield bonds, which fell considerably in the fourth quarter, as did closed-end funds of many stripes. Discounts of the latter widened even while prices fell for many of their holdings, as individual investors (the main participants in closed-end funds) have seemed especially rattled by recent market action.

On the bright side, our accounts also have exposure to investments that performed relatively well in the fourth quarter and the year. For example, they generally include fairly large allocations to funds that emphasize high-quality larger stocks with growing dividends and/or high dividends; as a general rule, these held up better than the overall U.S. market in the fourth quarter. For the year, we were helped by a moderate shading toward the growth style of investing, which

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outperformed value. Our large-cap, so-called blue-chip selections stood out.

Of course, during a year when broad indexes of international stocks and small stocks drop by mid- and low-double digits, respectively, it should not surprise anybody if our most aggressive accounts (i.e., Growth) drop an average of 8.0%, after all fees, even while the benchmark of competitors fell 9.7%. Similarly, our Growth & Income accounts, with equity exposures in the approximate range of 70% to 85%, dropped an average of 6.8% while their competitors dropped an average of 8.3%.

One piece of good news is that the stock market rebounded strongly through the first 11 days of 2019, as various members of the Federal Reserve Board, including Chairman Powell, indicated a heretofore unexpressed intention to moderate plans for increases in interest rates and other monetary activities if warranted by economic growth, inflation and other economic indicators. Another promising indicator is that after performing so poorly in 2018, many profitable, growing companies have lower stock valuations compared with earnings than they have in years, and likely provide compelling purchase opportunities for investors and fund managers intrepid and flush enough with cash to buy them.

Given that earnings are likely to continue rising, valuations are down and the Fed is likely near the end of its rate tightening, I am moderately bullish on equities at the current time. This is no time to run for the exits.

To get started in any of our strategies, please call us at 866-575-5700, or send an email to info@salzingersheaffbrock.com. We look forward to hearing from you!

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Thank you for your continued interest in Salzinger Sheaff Brock (SSB), the only source of actual personalized money management by me,

Mark Salzinger
Chief Investment Officer and Portfolio Manager

The S&P 500 Index is a market capitalization-weighted index comprised of the 500 stocks with the largest market capitalizations trading in the United States. This is not a managed portfolio and does not reflect the deduction of fees or expenses; The Lipper Global Multi-Cap Index is comprised of the 30 largest funds by asset size investing in a variety of market cap equities without concentrating 75% of their assets in any one market cap over an extended time. 25% to 75% of their assets are in companies both inside and outside of the U.S. The Lipper General Bond Index consists of the 30 largest funds by assets that do not have any quality or maturity restrictions, and keep a bulk of their assets in corporate and government debt issues. The Lipper Emerging Market Index consists of the 30 largest funds by assets that keep a bulk of their assets in emerging market equities. Lipper indices reflect the deduction of fund fees or expenses; returns include dividends. The Barclays US Aggregate Bond Index is a broad-based benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market in the United States, including Treasuries, government-related and corporate securities, mortgage backed securities, asset-backed securities and CMBS (agency and non-agency). Russell 3000 and Russell 2000 indices are market capitalization weighted equity indices maintained by the Russell Investment Group. The 3000 seeks to be a benchmark of the entire U.S. stock market, and the 2000 seeks to be a benchmark of the small-cap U.S. stock market. More specifically, they encompass the 3,000 largest, or 2000 smallest U.S.-traded stocks respectfully, in which the underlying companies are incorporated in the U.S. The FTSE Global All Cap X-US is an equity index which captures most of the world's stocks ex-US. Indexes are unmanaged and unavailable for direct investment. Benchmark returns include reinvestment of income, but do not reflect taxes, or other fees that would reduce performance. Two general types of benchmarks are provided. The first type is a well-known and widely-recognized index, such as the S&P 500 Index and the Barclays US Aggregate Bond Index (both described above). These types of indices are not selected to represent an appropriate benchmark with which to evaluate a composite's performance, but rather to allow for comparison of a composite's performance to that of a widely recognized index. The second type of index is a more narrowly-focused index selected based on one or more characteristics, such as asset class, style or strategy. A more narrowly-focused index may have characteristics similar to those of a composite, actual composite holdings will differ significantly from the index. Consequently, use of a narrowly-focused index does not indicate that a composite will achieve returns, volatility or other results similar to the index. Clients should NOT expect performance comparable to the narrowly-focused index in an actual account. Securities may be mentioned in a portfolio description, and if so a list of a transactions/recommendations for the trailing 12 months is available upon request. There is the chance that market conditions or portfolio performance may deteriorate in the future, and clients may experience real capital losses in their managed accounts. None of the indices may be an appropriate comparison index as our managed accounts may own companies not represented in the benchmarks. Salzinger Sheaff Brock, LLC (SSB) provides this Newsletter for general informational and educational purposes, and where appropriate, to assist in explaining the portfolios and composites. It is not investment advice for any person. Information is obtained from sources SSB believes are reliable, however, SSB does not audit, verify, or guarantee the accuracy or completeness of any material contained therein. The statements and opinions reflect the judgment of the firm, and along with the information from third-party sources and calculations, are made on the date hereof and are subject to change without notice. SSB does not assume liability for any loss that may result from reliance by any person upon any material in this Newsletter. Clients or prospective clients are directed to SSB's Form ADV Part 2A or to one or SSB's representatives for individualized information prior to deciding to participate in any portfolio. SSB does not provide tax advice. Clients are strongly urged to consult their tax advisors regarding any potential investment.