

NOVEMBER 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	Oct 2019	Year-to-date	12 Months	3 Years	5 Years
Growth	1.8%	20.2%	12.1%	11.7%	7.8%
<i>Benchmark (90% Lipper Multi-cap Core/10% Lipper General Bond Fund)</i>	2.2%	16.8%	10.5%	9.5%	6.5%
Growth & Income	1.4%	18.7%	12.0%	10.6%	7.2%
<i>Benchmark (75% Lipper Multi-cap Core/25% Lipper General Bond Fund)</i>	1.9%	15.8%	10.7%	8.7%	6.0%
Conservative Balanced	1.2%	16.6%	11.3%	8.9%	6.2%
Closed-End Income	1.1%	19.0%	14.7%	8.8%	6.1%
ETF Option Income	2.8%	14.0%	12.6%	9.5%	N/A
<i>Benchmark (60% Lipper Multi-cap Core/40% Lipper General Bond Fund)</i>	1.6%	14.7%	10.9%	7.9%	5.6%
Retirement Income	0.9%	15.4%	10.4%	7.6%	5.6%
<i>Benchmark (50% Lipper Multi-cap Core/50% Lipper General Bond Fund)</i>	1.4%	14.0%	10.9%	7.3%	5.2%
Index					
S&P 500	2.2%	23.2%	14.3%	14.9%	10.8%
Russell 3000 &&	2.2%	22.7%	13.5%	14.5%	10.3%
Russell 2000 ##	2.6%	17.2%	4.9%	11.0%	7.4%
FTSE Global All Cap X-US@@	3.6%	15.8%	11.5%	8.3%	4.5%
Barclays Aggregate Bond	0.3%	8.9%	11.5%	3.3%	3.3%
Mutual Fund/ETF Comparisons					
Vanguard LifeStrategy Growth &	2.1%	17.4%	12.3%	10.2%	7.0%
Vanguard LifeStrategy Moderate Growth #	1.5%	15.3%	12.2%	8.6%	6.2%
Vanguard LifeStrategy Conservative Gr @	1.0%	13.1%	11.9%	6.9%	5.4%
Vanguard LifeStrategy Income ^	0.5%	11.0%	11.6%	5.3%	4.4%

Through 10-31-2019. PLEASE SEE IMPORTANT DISCLAIMER ON BACK. Returns over 12 months annualized. 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; && 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. Securities mentioned in this report may be owned by clients and employees of SSB. Past performance is not indicative or a guarantee of future results (continued on back).

Our composites trailed their benchmarks modestly in October, with one exception: ETF Options Income, which gained 2.8%. Unique among our strategies, ETF Options Income currently has above-average exposure to foreign equities, which generally beat U.S. stocks during the month. Of course, because the covered call options limit the gains available from the underlying securities, ETF Options Income did not gain as much as the FTSE Global All Cap X-US Index (foreign equities) during the month, though it did outpace the S&P 500.

In addition to international equities, a few other corners of the stock market have rebounded relative to the broad market in recent weeks and months. First among these for three months has been the financial services sector, returns of which have reached the low teens during the period. Financials have been helped lately by a modest steepening of the yield curve, which measures the relationship between interest rate and term. Because banks borrow short (i.e., deposits) and tend to lend long, they benefit when long rates increase relative to short rates. In addition, they benefit when consumer spending is strong, as it is now, as people increase usage of their credit cards and other loan mechanisms.

Healthcare has been super strong over the past month or so. I think the main reason is political in nature. In particular, healthcare has benefited lately from the perception that the political winds have shifted in the Democratic Presidential primary away from Senators Warren and Sanders, who strongly prefer a complete government takeover of the healthcare system, toward former Vice President Biden and Mayor Buttigieg, who are perceived to prefer more incremental change in the healthcare system and more moderation generally.

Though we aren't averse to explicit investment positions in specific sectors from time to time, we generally prefer more diversified postures, which helps to manage risk. Therefore, our views on the broad market are more important than what I might think about the fortunes of any sector.

Overall, the stock market looks okay now. The Federal Reserve Board may be done cutting for a while but is unlikely to increase rates soon, because the economic data don't suggest it should. Meanwhile, about three quarters of companies that have reported earnings as of mid-November for the third quarter have beaten expectations, which is above the average percentage; in other

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words, earnings reports have generally been moderately better than expected. Economies abroad are not really getting worse, while ours is arguably weakening modestly but is still growing at a modest pace, on the order of 2% real growth in GDP. The S&P 500 has a price/earnings ratio of about 18 on forecast 12-month earnings, which is a little high but certainly not terribly so. Plus, we are entering an election year, which lessens the likelihood, though doesn't eliminate, the chance of tighter Fed or fiscal policy. And finally, the rhetoric between the Trump administration and the Chinese government has decidedly cooled off over the past few weeks and months, suggesting a desire on both sides to come to at least some kind of agreement acceptable to both sides.

Some of our long-term winners have paused in recent weeks and months. Here I'm speaking mainly of equity funds investing

in high-quality stocks with growing dividends. Like any part of the equity market, this type of stock will underperform for brief periods. However, we aren't investing for time horizons of one month, three months, one year or even a few years in most cases. Instead, we are often investing for clients with investment horizons of at least a decade. We expect low-expense, dividend-growth funds to outperform the broad market over long periods and create more cash flow than will bonds, most of which offer low yields that will not grow with time.

Therefore, we are generally maintaining our equity positioning, and making very few changes in the accounts currently.

For more information or 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,

A handwritten signature in black ink that reads 'Mark Salzinger'.

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 respectively, 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.