DECEMBER 2023 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) and Closed-End 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	Nov 2023	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Growth - Inception 2/1/2010	**8.16**	**11.68**	**6.77**	**2.13**	**8.08**	**7.76**	**9.71**
Benchmark (90% Lipper Multi-cap Core/10% Lipper General Bond Fund)	*8.09*	*12.43*	*8.16*	*4.38*	*7.63*	*6.58*	*8.20*
Growth & Income - Inception 9/1/2009	**7.13**	**10.66**	**6.47**	**1.65**	**6.76**	**6.73**	**8.80**
Benchmark (75% Lipper Multi-cap Core/25% Lipper General Bond Fund)	*7.47*	*10.99*	*7.38*	*3.35*	*6.92*	*6.01*	*7.55*
Conservative Balanced - Inception 10/1/2009	**5.85**	**8.57**	**5.41**	**1.02**	**5.27**	**5.44**	**6.58**
Benchmark (60% Lipper Multi-cap Core/40% Lipper General Bond Fund)	*6.85*	*9.72*	*6.76*	*2.34*	*6.16*	*5.40*	*6.63*
Closed-End Income - Inception 10/1/2014	**7.55**	**5.48**	**1.95**	**0.53**	**4.17**	**--**	**4.18**
*First Trust Closed-End Fund Composite Total Return**	*9.52*	*6.23*	*1.68*	*0.52*	*3.78*	*--*	*3.76*
Retirement Income - Inception 11/1/2010	**5.51**	**7.42**	**4.66**	**0.49**	**3.53**	**4.21**	**5.11**
Benchmark (50% Lipper Multi-cap Core/50% Lipper General Bond Fund)	*6.43*	*8.77*	*6.23*	*1.61*	*5.59*	*4.96*	*5.79*
Index							
S&P 500	9.13	20.80	13.84	9.76	12.51	11.82	-
Russell 3000	9.32	19.61	12.61	8.26	11.77	11.19	-
Russell 2000	9.05	4.20	-2.57	1.13	4.78	6.13	-
FTSE Global All Cap X-US	9.08	10.43	9.88	2.32	5.70	4.08	-
Barclays Aggregate Bond	4.53	1.64	1.18	-4.47	0.71	1.37	-
Mutual Fund/ETF Comparisons							
Vanguard LifeStrategy Growth &	8.04	13.03	8.72	3.69	7.52	7.03	-
Vanguard LifeStrategy Moderate Growth #	7.03	10.46	6.91	1.74	5.89	5.74	-
Vanguard LifeStrategy Conservative Gr @	6.02	7.94	5.15	-0.21	4.23	4.39	-
Vanguard LifeStrategy Income ^	5.04	5.32	3.29	-2.21	2.44	2.95	-

Through 11-30-2023. Returns over 12 months annualized. Performance data quoted represents past performance. Past performance does not guarantee future results and there is a risk of loss of all or part of your investment. Salzinger Sheaff Brock, LLC ("SSB"), is a federally registered investment adviser founded in 2009. Performance presented are time-weighted returns. Valuations and performance is reported in U.S. dollars. Composite performance is presented on a net-of-fees basis and includes the reinvestment of income (dividends/interest). Net-of-fees returns are calculated by deducting a model management fee of 0.24%, ¼ of the highest annual management fee of 0.96%, from the quarterly gross composite return, applied the first month of each quarter. Actual advisory fees incurred by clients may vary. Composite performance consists of fully discretionary portfolios, including those accounts no longer with the firm. (continued on back).

By the time you read this, December will likely be over, and the performance numbers will be out of date. So, we'll save a discussion of recent performance of the accounts to the letter for next month, which I plan on writing earlier than usual in January. Suffice to say, the markets were strong in November and followed on the next three-plus weeks with additional positive returns.

The markets are performing well because inflation has been falling without a recession or even a big increase in unemployment. As a result, the odds of a so-called soft landing, whereby inflation falls into the Fed's preferred range around 2% without severe economic pain, have increased to the point where it is now conventional thinking. The Fed itself increasingly seems to embrace this view. Its own expectation of year-end core inflation now measures 3.2%, down more than half a percentage point in just months, with further declines in price increases expected in 2024.

As a result, most of the Fed's voting members expect inflation to continue falling such that the central bank can cut the federal funds rate several times in 2024. While the plurality of members expects three cuts of 25 basis points apiece, to 4.75% from the current 5.50%, the range among members' opinions is wide. Two expect zero cuts, while one expects about 1.5 percentage points' worth, for example.

The latter estimate, which would likely encompass six cuts next year of 25 basis points apiece, appears to be the consensus among investors, who, by various measures, are as optimistic about the market as they've been in years.

I think investors are too optimistic, mainly because the current conventional wisdom seems contradictory. On the one hand, they expect six cuts in interest rates, but on the other, they expect the economy to stay out of recession. However, it seems to me that the Fed would cut rates more than a few times next year only if, in fact, the U.S. entered recession, which would pressure corporate earnings and the stock market.

Instead, I expect a slow-growth economy and two or three interest rate cuts, as inflation subsides thanks to economic doldrums abroad and falling prices in various parts of the goods and commodities markets. Though I'm saving a fuller description of my market views for next month, I'm comfortable saying the economic environment I expect would provide a decent environment for the financial markets.

Continued on back

I wrote last month that I could understand if some of you were losing patience with our own patience with smaller stocks, which have been underperforming dramatically for most of the past decade, not just in 2023. I am glad to say that while a month or two does not necessarily make a trend, November and the first three-plus weeks of December turned out to be one of the best periods to own small stocks in years. Several of our positions in small-stock funds, underwater or just barely above for the year at the end of October, are now up strongly such that their year-to-date results are competitive with those of most large-cap funds. We are thankful for patience—mine for holding on to small-stock exposure, and yours for allowing me to do so.

On the other hand, large value stocks, though they've appreciated some in recent weeks, have not closed the performance gap for this year versus large growth stocks. This has resulted in lackluster performance from some of our long-term, core equity fund holdings in 2023. In fact, the gap between the performance of the large-cap growth area of the market year to date and the large-cap value is the largest since at least the late 1990s. This is largely due to the outstanding performance of the so-called Magnificent Seven: Apple, Microsoft, Amazon, Nvidia, Alphabet/Google, Meta (Facebook) and Tesla. Though each is obviously a wonderful company to which all of us should have exposure, I think it will pay to stay diversified in 2024.

To get started in any of our strategies, call us at 866-575-5700, or send an email to info@salzingersheaffbrock.com.

Thank you!

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

Mark Salzinger
Chief Investment Officer and Portfolio Manager