MARKET ORIENTED STRATEGY

STRATEGY ASSET MANAGERS

STRATEGY

The Market Oriented Core Strategy had another strong quarter in Q3. The preliminary return for the quarter was a gain of 1.9%, while the benchmark S&P 500 Index rose 1.7%. The Market Oriented Strategy has performed excellently this year, appreciating 26.3% on a preliminary basis and beating the S&P 500 Index by nearly 6%.

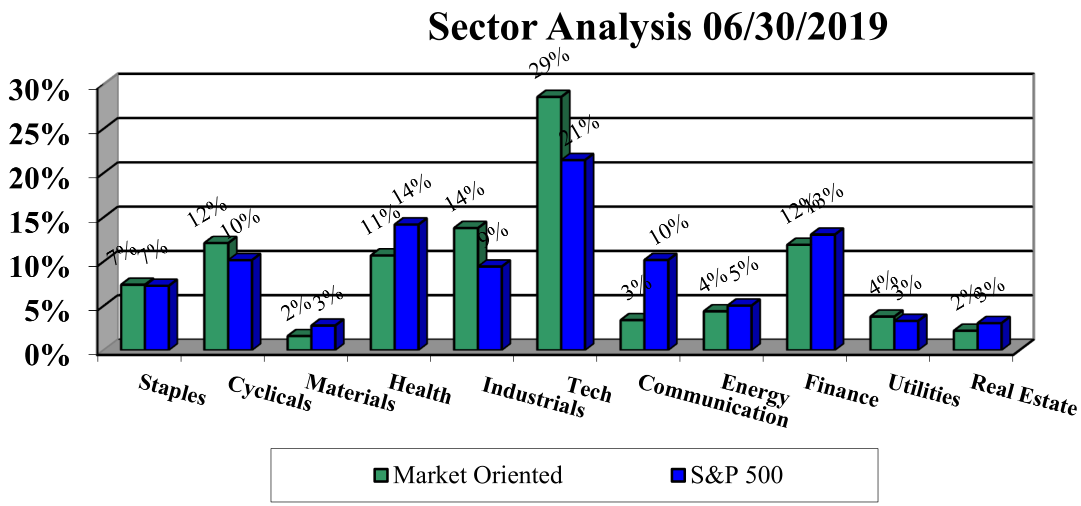
Interest rates continued to move downwards in the third quarter while Consumer Confidence remained near historic highs. Both factors drove positive returns in Growth stocks as well as the rate sensitive Utilities, Real Estate, and Consumer Staples sectors. The strategy benefitted from these trends and is overweight Information Technology, Utilities, and Industrials. The portfolio is underweight Communications Services, Healthcare, and Financials relative to the S&P 500 Index.

We are quite pleased with the performance of the Market Oriented Strategy this year. It is notable that the strategy has outperformed even though the decade long trend of Growth outperforming Value has abated. The S&P 500 Growth and S&P 500 Value indices had nearly identical performance through September, a rarity in recent years. The Market Oriented Strategy was able to outperform both styles as it can reach well outside of the traditional Growth universe to find stocks with positive Momentum.

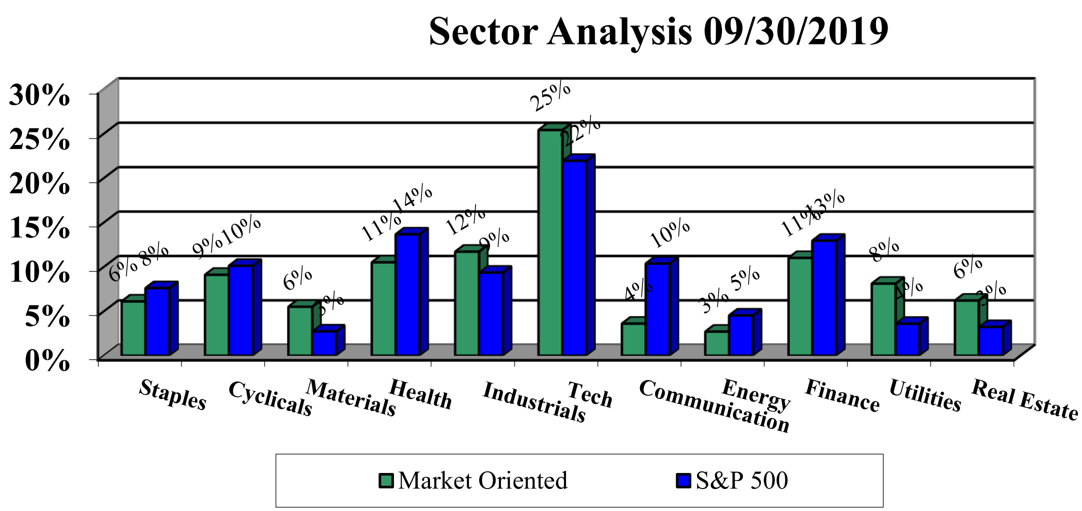
During the third quarter we performed our biannual rebalance, and a significant number of stocks were bought and sold from the portfolio. Approximately 50% of the Market Oriented 50 portfolio was turned over in early July, with a wide variety of new names being added. The aggregate sector weightings changed much less, with modest net additions to the Utilities, Real Estate, and Materials sectors. Exposure to the Information Technology sector was slightly reduced though it remains the largest allocation, comprising approximately 25% of the total portfolio. Our exposure to this sector has been a major positive contributor to the strategy's outperformance this year. The next largest sector allocations are to Industrials, Healthcare, and Financials. Each of these sectors comprise approximately 10% of the total portfolio.

Past performance is no guarantee of future returns. The Worldwide Strategy reflects the views of the Investment Advisor only through the date of this report, and should not be considered investment advice. The Investment Advisor's views are subject to change at any time without notice based on market and other conditions. Portfolio characteristics and holdings are subject to change, and shown for illustrative purposes only. Please refer to the disclosure at the end of this report. September 30, 2019.

For reference, the chart below shows the sector weightings as of 06/30/2019, just prior to the rebalance.



This next chart shows our sector exposures as of the quarter end on September 30, 2019.



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Below are the top and bottom five performing stocks held in the portfolio during the third quarter.

Top 5 Performers in the Quarter		Bottom 5 Performers in the Quarter	
Edwards Lifesciences	19.0%	Ulta Beauty	-27.7%
NextEra Energy	14.4%	Pioneer Natural Resource	-18.0%
Hershey Foods	13.6%	VeriSign	-13.7%
Entergy	13.3%	Cadence Design	-12.1%
Dollar General	13.2%	Walt Disney	-9.2%

OUTLOOK

The third quarter was led by defensive sectors in the market as slower global economic growth resulted in concerns that a recession might be in the offing for next year. Our market outlook is still mostly positive. With the unemployment rate at record low levels, the consumer continues to show signs of strength. However, we are cognizant of the significant gains that have been realized by the market averages thus far in 2019 and thus our expectations for the balance of 2019 are somewhat muted. Our outlook on the equity markets has been guided by 3 main pillars: accommodative central bank monetary policy, low inflation and interest rates, and strong corporate earnings. The ongoing trade dispute with China is creating some earnings headwinds that may become an impediment to further gains in equities over the near term. A somewhat scarcer earnings environment going forward may result in an added premium being awarded to those companies that can show earnings improvement in a more difficult economic climate. We also believe that it is critical for clients to hold a diversified portfolio as political and economic conditions can change quite rapidly.

Both the ISM manufacturing survey numbers as well as the ISM services survey published recently were substantially weaker than the Street expected. At the same time, the secular forces that have been driving growth in the economy over the course of this expansion should not be underestimated. These seemingly conflicting data points are resulting in a more uncertain environment. We expect that the political noise coming out of Washington D.C and the approaching of the election next year will result in some increased market volatility. We suspect that the businesses will not be as volatile and thus this could create very compelling buying opportunities for our companies in the coming months ahead.

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The S&P 500 index is a market capitalization weighted index that consists of 500 domestic stocks chosen based on market size, liquidity and industry group representation. Indices are unmanaged, assume reinvestment of income, do not represent the performance of an actual account and may have volatility, credit, or other material characteristics that differ from the investment strategy (i.e. number of securities). The index referenced in this material is provided for informational purposes only and is a registered trade name or trademark of a third party. Investors cannot invest directly in an index. The returns of indices do not include any transaction costs, management fees or other costs. September 30, 2019.