

INVESTOR'S PLAYBOOK

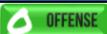
Volatility – The Name of the Game

March 2018



Positioning on the Field

Dow Close as of 2/28/18		25029
	Near Term	Longer Term
Resistance	26650	28000
Support	24200	21750
Current Reward to Risk	1.96	0.91
Our Position on the Field	 OFFENSE	 DEFENSE
Macro Top Down View	<p>The market volatility in February appears to be sending a warning shot. Based on our technical analysis and reaching a 12%+ decline, we can officially say we had a “correction” in the near term. We invested further near the low of this move and have now become fully invested but in a way that has built a defensive positioning for all portfolios. Thus, we expect another downside move from here and depending on if the support level in the 23k to 24k range might hold could help alter our positioning in the near and the long term. The underlying economic figures have improved and earnings from companies are headed in a good direction. The risk of rising interest rates has caused investor fear and thoughts of an overheated economy ahead. However, a floor on the decline may be in place and revisiting that level in the next months may help provide a better longer term outlook as well. Until then, we are patient with our current allocation.</p>	

 OFFENSE  TIME OUT  DEFENSE *Offense* represents our view that we feel it would benefit portfolios to be invested in assets other than cash over the time frame under consideration. *Defense* represents our view that we feel it would benefit portfolios to have a level of cash or defensive security positions that would benefit portfolios from potential upcoming volatility. A *Time Out* represents that we are at a point in the market that represents the upside and the downside risk appear to be equal based on current technical indicators. The *Current Reward to Risk* (CRR) is a ratio based on the distance from the current Dow Level to the listed Resistance and Support. This provides a sense of the expectation of upward versus downward potential with a level above “1” preferred.

Welcome to our latest format!

The team working for you at Econ Wealth Management loves sports! Just like a Captain can lead a team to victory, managing portfolios as your Trading Captain can provide a positive experience when working towards achieving your financial goals. This monthly update, designed specifically for our clients, is intended to provide a snapshot of information to guide you into the thinking of our Investment Management process. Within the context of our Trading Arena (all of the services we offer), we are honored to be your Trading Captain. We diligently watch over your investments on a regular schedule while working to allocate your funds within the context of your financial plan. This report can provide our outlook of how we feel about the market in the near term and longer term picture. All of what we provide is based on a wealth of indicators that provide fundamental and technical details about the overall market picture while examining specific asset classes, sectors, and individual securities. The summary of what we see is provided in the charts and writing of this report. For updates throughout the month, visit www.offofthecharts.com or www.thetradingarena.com to check out the Game Plan and Play By Play sections of our Investor's Playbook!

Portfolio Overview - Active (Formerly “Tactical”) and Strategic Portfolio Strategies

APS: (For the Active Investor)

- **Technical Trader**- The volatility and timing of our Put option held on an ETF that represented the Dow played to our favor as we were able to take gains and exit the position at a favorable time. This provided a good cushion for the downside experienced by the overall market. At the same time, we stayed invested on a move higher and added to positions along the way. By month end, we adjusted some holdings based on earnings season and increased cash to align with our near term defensive position on the field.
- **Tactical Dividend**- The rise in rates and the volatile market have been adversaries to the mainly blue chip and large cap holdings in this portfolio. With the sale of the Put option as stated above, it minimized volatility and to a lesser degree helped improve performance during the rough days experienced by the Dow. With a smaller cash position expected going forward, we anticipate some turnover related to rising rates and the availability of other ideas that appear to have been set up for better rewards in the coming 12 months.

SPS: (For the Strategic Investor)

After situating all portfolios with an overall rebalance at the end of January, we became buyers of investments held and added a new one as planned once volatility came into the picture. This worked to the benefit of having the cash on hand to do so and we continued throughout the month to invest portfolios to a fully invested, defensively positioned allocation. This prepares us for the next stage of our plan for 2018 – to be a bit more active in developing the right mix based on current market conditions. With a position in 2 different ETF’s that reflect the price of Gold, we expect to have some counter movement (lower correlation) to the general market. With this defensive nature, we await a better longer term CRR in order to increase growth equity exposure in all portfolios. For conservative investors, a key risk is that the expectation of rising interest rates may impact performance of fixed income holdings. To work towards alleviating this risk, we have held positions in various fixed income asset classes. Though not a full answer, it could provide some volatility relief while continuing to provide income that could benefit financial planning objectives.

PPS: (For the Independent Investor)

We progressed to become fully invested within the portfolios through the February market volatility and have positioned all strategies to be actively reviewed and adjusted going forward. The differentiator with this strategy is that the tactical component is minimal and the attempts to adjust the allocation of each objective is not active as compared to our APS and SPS strategies. Within SPS, each strategy has a specific tactical component that may add up to as high as 20% of the portfolio. Our APS strategies are fully tactical and are adjusted within the confines of bottom up analysis. PPS portfolio strategies have further ‘buy and hold plus adjust and rebalance” characteristic.

“Past performance may not be indicative of future results. No current or prospective client should assume that the future performance of any specific investment, investment strategy (including investments and/or investment strategies recommended by the adviser), will be equal to past performance levels. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client’s investment portfolio. The information presented herein is intended for educational purposes only, and is in no way intended to be interpreted as investment advice. In considering the information presented, readers should consult their own professional advisers, as there is no substitute for personalized investment or tax advice. Some information in this presentation is gleaned from third party sources, and while believed to be reliable, is not independently verified. Information presented herein includes charts, graphs and other visual aids prepared by a third party. These depictions are not intended to necessarily represent the views of Econ Wealth Management or the third party preparer. Further, some of the information from which the third party derived the data to create the visual aids may be subject to interpretation or certain assumptions that may not be disclosed herein, or by the third party preparer. Readers should not accept the data presented as the dispositive source with regard to the facts presented. References to indices have been provided for educational purposes only, and may generally do not reflect the deduction of transaction and/or custodial charges, the deduction of an investment management fee, nor the impact of taxes, the incurrence of which would have the effect of decreasing historical performance results. It should not be assumed that your account holdings correspond directly to any comparative indices. An investor may not directly invest in an index.” Abbreviations: PPS- Pilot Portfolio Series, SPS- Strategic Portfolio Strategies, APS- Active Portfolio Strategies