

PLAY BY PLAY – Off to the Races – Still... Half-Time Report

November 15, 2019



Positioning on the Field – Confirmation of the Move Higher

Dow (as of close 11/14/2019): **27,781**



Chart of the Month:



Game Notes – Sentiment has Changed

We are continuing the theme of “off to the races” as what you are seeing (in the news and in the charts) is a Market that is trying to go higher. This sort of action can be beneficial...until the last bit of exhaustion hits and the last move up occurs. It’s at that time you want to be on the other side of the trade. Thus, we are working to keep our equity position overweight for the time being but have a planned rebalance into year end to adjust that tilt. The premise is we hope to capture what upside may be left but we believe there to be something sneaking up on us in 2020.

Key Plays – Timing the Market.....

We all know the statement – You can’t time the market. We have never professed to believe we could. However, when you study the math and investor behavior (Technical Analysis) it becomes CLEAR (look more for of that word at EWM in 2020). What we see is the tactical positioning of 2019 for our investors has rewarded those with patience and willingness to tolerate additional equity exposure per their own investment objective. The key play for 2020 will be an adjustment to all strategic allocations while using cash as a padding to buy the down market while seeking areas of defense as we move towards mid year. This positioning will begin by the end of 2019 and will be ongoing for all clients as we move into the Spring. Look for less frequent updates after the next month PBP (play by play) but the regular investment adjustments you have witnessed for years.

Important Disclosures

“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, TT- Technical Trader, TD- Tactical Dividend, A- Aggressive, G- Growth, M- Moderate, B- Balance, C- Conservative, MDB- Managed Bond, STC- Short Term Cash. The portfolios listed in the Positions section for Active, Strategic, and Income portfolios are for general cash level positions based on the date listed. As a client, this may not represent your exact level of cash in your account. We manage these accounts in a manner such that most accounts are near the cash level listed. This number, along with a discussion in general about our latest strategy, is intended to provide a general overview of our specific process in how we manage accounts across our client base. For client specific details, it is important to contact your Advisor directly.



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.



www.econwealth.com ◆ 4755 Linglestown Road, Suite 204, Harrisburg, PA ◆ (717) 545-5870