



Monthly Investment Commentary

March 2023

U.S. MARKETS

The stock market gave back some of its year-to-date gains in February as risk assets were down across the board. Bonds ended lower as yields rose. International markets posted modest decline. The US yield curve remains inverted, which has been a leading indicator of recession historically, with the 2-10 years inversion reaching levels not seen in four decades.

MRM NET COMPOSITE PORTFOLIO RESULTS (As of 2/28/2023)

MRM Group claims compliance with the Global Investment Performance Standards (GIPS®). Returns are net of fees. For more information visit www.mrminv.com.

Please contact MRM Group to obtain a Compliant Presentation and/or MRM's list of Composite descriptions.

MRM PLATFORMS VS. BENCHMARK	YTD	1-YEAR	3 Years Annualized	5 Years Annualized
Dynamic Overlay	+1.01%	-9.45%	+4.26%	+2.95%
<i>Morningstar Average Tactical Return (fixed & equities)</i>	+1.51%	-8.89%	+4.14%	+2.82%
All Equity	-5.15%	-19.82%	-2.80%	-0.21%
<i>S&P 500 Total Return</i>	+3.69%	-7.69%	+12.15%	+9.82%
Dynamic International	+2.58%	-10.61%	+1.58%	-2.72%
<i>MSCIEAFE with dividends</i>	+5.87%	-2.64%	+7.34%	+3.14%
Global Strategies	-3.68%	-16.92%	+1.55%	-0.35%
<i>(50%) S&P / (50%) MSCIEAFE</i>	+4.78%	-5.17%	+9.80%	+6.69%
Tax-Advantaged Income	-1.07%	+5.05%	+11.21%	+8.21%
<i>Dow Jones US Select Dividend</i>	-0.12%	-2.29%	+9.56%	+4.62%

Monthly Investment Commentary

Economic Data

The post-pandemic theme of the major asset classes moving in unison continued in February as they all gave back some of their January gains. This was driven by strong U.S. economic data, leading investors to believe the Fed will remain hawkish for longer. Per Bloomberg, “The Derivatives market is pricing U.S. rates to top at 5.4% this year, compared with about 5% just a month ago.”² With investors expecting rates to remain higher for longer, the equity markets were hurt, with the S&P 500 down 2.4% for the month. Small-cap stocks, as measured by the Russell 2000 Index, outperformed their larger counterparts, only dropping 1.7% in February; small caps now are outperforming large caps by over 4% year to date.

Global Economy Stabilizing

On balance, the outlook for the global economy has improved in recent weeks. Notably, the outlook for the eurozone has picked up. The S&P Global Flash U.S. Composite PMI climbed 3.4 points in February into expansion territory, its best level since June 2022. The improvement comes on the back of better-than-expected U.S. economic data for January, including nonfarm payrolls and retail sales. Nonfarm payrolls rose a stunning 517,000 in January, nearly triple expectations of 187,000, while the unemployment rate ticked

down to 3.4%, the lowest since May 1969. The ISM Services PMI rebounded by 6.0 points in January to 55.2, the biggest increase since June 2020 and the second-largest jump on record. New orders surged 15.2 points, the second-highest increase ever, to 60.4 as demand rebounded.

Home Sales

Offsetting economic strength in the U.S. was weaker home sales. Existing home sales dropped 0.7% in January to a 4million-unit annual rate, the lowest level since October 2010 and the 12th consecutive decline in sales. The Conference Board’s Leading Economic Index (LEI) fell 0.3% in January, down for the 10th consecutive month. It was led by a continued deterioration in factory new orders, consumer expectations of business conditions and credit conditions. Persistent labor market strength and stock market gains provided a partial offset.

MRM’s View

While the risk of recession in the US is still present, a soft landing is not off the table, given a strong labor market and easing inflation trends. Historically these suggest that the past year’s tight monetary policy will continue to negatively impact the global economy, at least for the next six months.

Source: AdvicePeriod

MRM model holdings as of December 31, 2022

MRM Global Strategies	MRM Dynamic Overlay – ETFs	MRM All Domestic Equity
AMERICAN EXPRESS CO 5.00%	ISHARES DOW JONES SELECT DIVIDEND 8.00%	BOEING CO 5.00%
BOEING CO 3.00%	ISHARES S&P 500 VALUE INDEX FUND 15.00%	CIGNA CORP NEW 5.00%
CIGNA CORP NEW 5.00%	ISHARES S&P 100 INDEX FUND 5.00%	CHEVRON CORP NEW 5.00%
DEERE & CO 5.00%	POWERSHARES QQQ TRUST, SERIES 1 5.00%	DEERE & CO 5.00%
DEVON ENERGY CORP NEW 4.00%	GUGGENHEIM S&P 500 EQUAL WEIGHT 5.00%	DEVON ENERGY CORP NEW 5.00%
WISDOMTREE INDIA EARNINGS FUND 3.00%	SPDR S&P 500 TRUST 30.00%	GILEAD SCIENCES INC 6.00%
GILEAD SCIENCES INC 5.00%	VANGUARD GROWTH INDEX FUND 5.00%	ALPHABET INC CAP STK CL C 6.00%
ALPHABET INC CAP STK CL C 6.00%	ENERGY SELECT SECTOR SPDR FUND 10.00%	GOLDMAN SACHS GROUP INC 5.00%
GOLDMAN SACHS GROUP INC 5.00%	HEALTH CARE SELECT SECTOR SPDR 15.00%	HOME DEPOT INC 5.00%
HUMANA INC 5.00%	FDIC CASH NOT COVERED BY SIPC 2.00%	HUMANA INC 5.00%
INTERNATIONAL BUSINESS MACHS 5.00%		INTERNATIONAL BUSINESS MACHS 5.00%
ISHARES S&P INDIA NIFTY 50 INDEX 3.00%		J P MORGAN CHASE & CO 5.00%
J P MORGAN CHASE & CO 5.00%		LILLY ELI & CO 5.00%
LILLY ELI & CO 5.00%		LULULEMON ATHLETICA INC COM 5.00%
LULULEMON ATHLETICA INC COM 5.00%		NORTHROP GRUMMAN CORP 5.00%
NORTHROP GRUMMAN CORP 5.00%		OCCIDENTAL PETE CORP DEL 5.00%
OCCIDENTAL PETE CORP DEL 5.00%		PEPSICO INC 5.00%
PEPSICO INC 5.00%		PHILIP MORRIS INTL INC COM 5.00%
PHILIP MORRIS INTL INC COM 5.00%		UNITEDHEALTH GROUP 5.00%
SPDR S&P 500 TRUST 5.00%		FDIC CASH NOT COVERED BY SIPC 3.00%
UNITEDHEALTH GROUP 5.00%		
FDIC CASH NOT COVERED BY SIPC 1.00%		

MRM Dynamic International

WISDOMTREE INDIA EARNINGS FUND 10.00%
ISHARES MSCI CANADA INDEX FUND 15.00%
ISHARES MSCI NETHERLANDS 16.00%
ISHARES MSCI TAIWAN INDEX FUND 10.00%
ISHARES S&P INDIA NIFTY 50 INDEX 20.00%
SPDR S&P 500 TRUST 28.00%
FDIC CASH NOT COVERED BY SIPC 1.00%

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IMPORTANT DISCLOSURES

MRM Group, Inc. ("MRM") is a state-registered investment advisor and an independent management firm that is not affiliated with any parent organization. Using quantitative selection methods, each MRM strategy searches within a well-defined universe of securities, using consistent investment criteria to identify attractive investments and create diversified portfolios. MRM seeks to provide long-term capital growth.

STRATEGY	BENCHMARK	VEHICLES	CASH HOLDINGS (When Potential Investments Look Unattractive)
Dynamic Overlay	Morningstar Tactical Allocation	Domestic Securities	Up to 70%
All Domestic Equity	S&P 500 Total Return	Domestic Securities/ADR's	Up to 60%
Dynamic International	MSCI EAFE Gross	Exchange-Traded Funds (ETF's)/Other Securities	Up to 25%
Global Strategies	50% S&P 500 Total Return/ 50% MSCI EAFE Gross	Exchange-Traded Funds (ETF's)/Other Securities	Up to 50%
Tax-Advantaged Income	Dow Jones US Select Dividend Index	Domestic Securities	Up to 4%

The portfolios do NOT use inverse or leveraged ETFs. Universe vehicles may change, from time to time, when approved by the principal of MRM Asset Allocation Group at its sole discretion.

BENCHMARK NOTES

Effective Nov. 1, 2016 the Dynamic Overlay benchmark was changed to Morningstar's Tactical Allocation. The benchmark was applied retroactively to the beginning of the performance period, January 1, 2008. This change had the net effect of placing the Dynamic Overlay Model Portfolio in a more favorable light than would otherwise have been the case if we used the blended benchmark described below. Although this change had a favorable impact on the comparative effect on the model's performance but we believe the change in benchmark more appropriately aligns with our Dynamic Overlay Strategy in that it is designed a tactical allocation rather than a static blended benchmark of 75% S&P 500 Index Total Return and 25% MSCI EAFE. Morningstar's Tactical Allocation Category averages returns for the peer group based on the return of each fund within the group, for the period shown. The S&P 500 Index with dividends is an unmanaged composite of 500 large-capitalization companies whose data is obtained from the Standard & Poor's website. S&P 500 is a registered trademark of McGraw-Hill, Inc. The MSCI EAFE Gross Index is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada, with data from the MSCI website using price with reinvestment of dividends. The performance of blended benchmarks is shown for comparison because MRM uses securities which track indices related to these products. The Dow Jones US Select Dividend Index comprises 100 stocks and aims to represent the U.S.'s leading stocks by dividend yield. An investment cannot be made directly into an index.

DISCLOSURES

MRM Group claims compliance with the Global Investment Performance Standards (GIPS®). MRM has been independently verified for the periods January 1, 2008 through December 31, 2022. The verification report is available upon request. Verification assesses whether (1) MRM has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) MRM's policies and procedures are designed to calculate the present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Valuations are computed and performance is reported in U.S. dollars. Client performance may differ based upon the structure of a particular investment program. For example, some programs are structured as wrap fee programs in which trading costs and brokerage commissions are included in one all-inclusive wrapped fee. As such, these costs may be higher than if the client were to pay trading costs and brokerage commissions separately. The standard management fee is 2.0%. Deviation from the model's diversified structure may result in different risk, return, and diversification characteristics and would therefore not be representative of the models.

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If you wish to modify or impose reasonable restrictions concerning the management of your account, or if your financial situation, investment objectives, or risk tolerance have changed, please contact your MRM Group investment advisor representative or contact the Manager at (800) 233-1944. We will contact you at least annually to determine if your investment goals, objectives, and risk tolerance have changed.

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