BMG ADVISORS

THE MARKET AT-A-GLANCE

Q3 2019 Update

We would like to take a moment and let you know that we have completed our 2019, 3rd quarter review of your account within our managed program. Based on our review, research, and current market conditions we are recommending a few changes to your portfolio. We are happy to discuss these changes with you further in the office or over the phone. As we completed our quarterly due diligence, we are committed to reviewing risk/return, cost, and yield in all recommendations made. Thank you for the opportunity to assist you and please let us know as we can assist further.

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Our Investment

1. Focus on managing investment costs in the following areas:
   - Internal investment expenses/fees
   - Sales charges and/or commissions
   - Investment advisory fees
2. Focus on maintaining investment risk commensurate with client risk profile.
   - In addition to personally reviewing our client's accounts to help ensure they are suitable, our process includes a review of the investments being used in portfolio construction through a variety of other resources.
3. Finally, we are deeply concerned about retirement income and inflation risk as we build client portfolios; while we can't control market performance or inflation, our focus remains steadfast as we attempt to improve income and overall return potential while managing risk and cost.

INCOME STRATEGY

Our Thoughts & Plans

We are still heavily focused on preservation and income generation with this strategy. Interest rate changes are still somewhat uncertain for the remainder of 2019. With this in mind, we have reduced our interest rate risk by increasing the credit quality of our fixed income position. We have transitioned to a high yield fund that should reduce equity correlation and added to our core bond position.

MODERATE STRATEGY

Our Thoughts & Plans

We have slightly trimmed our positions in the high rated bank loans and multi-sector bond categories. We have reduced our interest rate risk by increasing the credit quality of our fixed income position. We have also transitioned to a high yield bond fund that should reduce equity correlation and added to our core bond position.

GROWTH STRATEGY

Our Thoughts & Plans

We are still focused on domestic growth, mid-cap domestic securities focused on technology, industrials and healthcare. We have reduced our interest rate risk by increasing the credit quality of our fixed income position. We have also transitioned to a high yield bond fund that should reduce equity correlation.

AGGRESSIVE GROWTH STRATEGY

Our Thoughts & Plans

We continue to prefer U.S. equities, primarily in technology, healthcare, consumer discretionary, industrials and financials.

After completing our quarterly review of this strategy, we are implementing one change – we are not recommending any changes.

DISCLOSURES

Securities and Advisory Services offered through LPL Financial, a Registered Investment Advisor. Member FINRA/SIPC.

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual.

The economic forecasts set forth in this material may not develop as predicted and there can be no guarantee that strategies promoted will be successful.

Stock and mutual fund investing involves risk including loss of principal.

Value investments can perform differently from the market as a whole. They can remain undervalued by the market for long periods of time.

The prices of small and mid-cap stocks are generally more volatile than large cap stocks.

Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise and bonds are subject to availability and change in price.

The market value of corporate bonds will fluctuate, and if the bond is sold prior to maturity, the investor's yield may differ from the advertised yield.

Bond yields are subject to change. Certain call or special redemption features may exist which could impact yield.

Government bonds and Treasury bills are guaranteed by the US government as to the timely payment of principal and interest and, if held to maturity, offer a fixed rate of return and fixed principal value.

International investing involves special risks such as currency fluctuation and political instability and may not be suitable for all investors. These risks are often heightened for investments in emerging markets.

Because of their narrow focus, sector investing will be subject to greater volatility than investing more broadly across many sectors and companies.

There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.

High yield/junk bonds (grade BB or below) are not investment grade securities, and are subject to higher interest rate, credit, and liquidity risks than those graded BBB and above. They generally should be part of a diversified portfolio for sophisticated investors.