

TPFG Manager Commentary:

U.S. large caps pulled back slightly as the S&P 500 fell -0.27% on heightened tensions with China. Mid and small caps were still positive for the week. Energy was the best performing sector as oil prices rose. The technology sector lagged; both Apple (AAPL) and Intel (INTC) reported delays in product launches due to supply issues from COVID. Economic data was mixed for the week. Jobless claims rose for the first time in 4 months as some states paused their reopening plans. In contrast, record low mortgage rates caused existing home sales to rise 20.7% and new home sales to rise 13.8% (month over month in June). We will be closely watching progress towards a new stimulus package, with particular focus on expiring unemployment benefits and mortgage/rental forbearance.



Economic Review*

- Existing home sales at 4.720 million
- New home sales at 776,000
- Initial jobless claims at 1.416 million
- Leading indicators rose 2.0% m/m
- Markit flash manufacturing PMIs at 51.3
- Markit flash service PMIs at 49.8

The Pacific Financial Group

The Pacific Financial Group (TPFG) was founded with a vision to create an agile, boutique investment firm. TPFG utilizes a proprietary investment research and portfolio construction process called "Rational Analysis™" to select investments for each portfolio. This process, in coordination with RiskPro®, ensures that our portfolio management team utilizes all three major types of portfolios analysis disciplines: Fundamental Analysis, Technical Analysis and Quantitative Analysis. By integrating the best features of these disciplines, Rational Analysis™ has become a time tested, process oriented, risk management approach to decision-making that adapts to changing and volatile market conditions.



Spotlight: PFG Balanced Strategy (PFDBX)

Pacific Financial Group, LLC serves as the asset allocation strategist for this Fund by carefully selecting from the universe of mutual funds and ETFs. Pacific Financial uses a multi-asset class approach to pursue capital appreciation through a blend of equity and fixed income securities. The strategy is also incorporates a wide variety of sectors and styles in an effort to dynamically manage risk while optimizing return. In addition, it seeks the maximum range of total returns to a gain or loss of less than 30%, over a forward-looking rolling twelve month period through the use of RiskPro®.

In addition to a cash position held for risk mitigation, the strategy includes exposure to growth, technology, quality, and investment-grade credit. Large-cap growth and technology were the top contributors to performance. Investment-grade credit led all fixed income holdings. Cash was the primary detractor as the market rallied. As of quarter-end, the strategy holds an overweight to cash of approximately 13%.

PFGB Balanced Strategy (PFDBX) is available in these Strategy PLUS models:

- Multi PLUS: Moderate Conservative, Moderate, Moderate Growth
- Focus: Moderate Conservative
- Meeder: Moderate
- TPFG: Moderate Conservative, Moderate, Moderate Growth, Aggressive

Trailing Returns

| | 1 Week | 1 Month | 3 Month | 1 Year |
|----------------------------|--------|---------|---------|--------|
| S&P 500 TR USD | -0.27 | 5.55 | 13.89 | 8.62 |
| S&P MidCap 400 TR | 0.73 | 6.96 | 19.81 | -5.08 |
| S&P SmallCap 600 TR USD | 0.53 | 6.83 | 19.53 | -10.08 |
| MSCI ACWI NR USD | -0.01 | 5.26 | 16.52 | 4.93 |
| MSCI EM NR USD | 0.56 | 5.47 | 21.82 | 2.96 |
| BBgBarc US Agg Bond TR USD | 0.41 | 1.42 | 2.30 | 9.91 |

YTD S&P Sector Returns

- S&P 500 TR
- Communication Services
- Consumer Discretionary
- Consumer Staples
- Energy
- Financials
- Health Care
- Industrials
- Real Estate
- Materials
- Technology
- Utilities





Weekly Manager's Pulse

July 27, 2020

Disclosure

The information provided herein is the opinion of The Pacific Financial Group ("TPFG") a registered investment advisor, and may change without notice at the discretion of TPFG. Strategic Partner represents a summary of selected strategists used within the TPFG offerings. Spotlight contains strategies managed by TPFG and represent TPFG's opinion and evaluation of its managed strategies. All information is believed to be accurate but has not been independently verified and TPFG makes no warranties as to the accuracy of the information or any representations made or implied. The information should not be construed or interpreted as an offer or solicitation to purchase or sell a financial instrument or service. The information is for informational purposes only and should not be relied on or deemed the provision of tax, legal, accounting or investment advice. Past performance is not a guarantee future results. All investments contain risks to include the total loss of invested principal. Diversification does not protect against the risk of loss. Investors should review all offering documents and disclosures and should consult their tax, legal or financial professional before investing.

Indices represent the broader market as relevant to the sector or market covered by the index. Indices are unmanaged and cannot be invested in directly. Indices do not consider the costs, fees, trading, or performance that an investor would otherwise experience when investing. Returns are not annualized for periods less than 1 year.

Returns data sourced from Morningstar Direct.

* Sourced from JPMorgan Chase, publicly available at <https://am.jpmorgan.com/us/en/asset-management/gim/adv/insights/weekly-market-recap>

CID.TPFG.1076