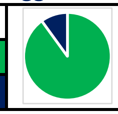
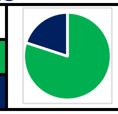
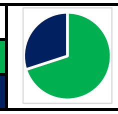
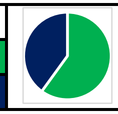
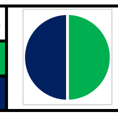
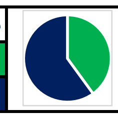
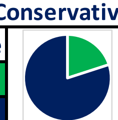
Market Update and Model Portfolio Reviews 08/31/2022

Model Strategies Trailing Returns* Compared to Respective Global and Domestic Benchmarks - Annualized Greater Than 1-Year

Higher Risk/Reward Potential

Lower Risk/Reward Potential

Target Risk/Reward Profile			1-Month	3-Month	6-Month	YTD	1-Year	3-Year	5-Year	Inception
Ultra Aggressive										
Target Risk/Reward Profile		Model Strategy	-2.83%	-1.73%	-6.00%	-11.85%	-10.24%	12.76%	10.59%	11.18%
90% Equity		Global Benchmark	-4.05%	-5.65%	-11.50%	-17.71%	-16.70%	5.93%	5.12%	6.85%
10% Bond		Domestic Benchmark	-4.08%	-4.01%	-9.30%	-16.36%	-12.37%	9.71%	9.36%	10.08%
Aggressive										
Target Risk/Reward Profile		Model Strategy	-2.79%	-1.81%	-6.08%	-11.50%	-10.10%	11.70%	9.67%	10.05%
80% Equity		Global Benchmark	-3.93%	-5.29%	-11.16%	-17.01%	-16.25%	4.93%	4.53%	6.12%
20% Bond		Domestic Benchmark	-3.98%	-3.84%	-9.20%	-15.82%	-12.38%	8.32%	8.29%	9.00%
Growth										
Target Risk/Reward Profile		Model Strategy	-2.76%	-1.83%	-6.21%	-11.27%	-10.18%	10.18%	8.63%	9.08%
70% Equity		Global Benchmark	-3.82%	-4.94%	-10.82%	-16.32%	-15.80%	3.91%	3.92%	5.38%
30% Bond		Domestic Benchmark	-3.87%	-3.66%	-9.10%	-15.27%	-12.39%	6.91%	7.21%	7.91%
Growth and Income										
Target Risk/Reward Profile		Model Strategy	-2.71%	-1.95%	-6.28%	-10.94%	-10.05%	8.97%	7.69%	8.01%
60% Equity		Global Benchmark	-3.71%	-4.59%	-10.48%	-15.63%	-15.36%	2.88%	3.29%	4.63%
40% Bond		Domestic Benchmark	-3.77%	-3.49%	-9.00%	-14.73%	-12.42%	5.50%	6.11%	6.79%
Balanced										
Target Risk/Reward Profile		Model Strategy	-2.66%	-2.02%	-6.45%	-10.75%	-10.06%	7.29%	6.46%	6.87%
50% Equity		Global Benchmark	-3.60%	-4.23%	-10.15%	-14.93%	-14.92%	1.85%	2.66%	3.86%
50% Bond		Domestic Benchmark	-3.67%	-3.31%	-8.90%	-14.18%	-12.45%	4.07%	5.00%	5.67%
Moderate										
Target Risk/Reward Profile		Model Strategy	-2.64%	-2.16%	-6.78%	-10.74%	-10.27%	5.32%	5.21%	5.79%
40% Equity		Global Benchmark	-3.49%	-3.88%	-9.81%	-14.24%	-14.48%	0.80%	2.00%	3.07%
60% Bond		Domestic Benchmark	-3.56%	-3.14%	-8.80%	-13.63%	-12.48%	2.62%	3.87%	4.52%
Conservative										
Target Risk/Reward Profile		Model Strategy	-2.64%	-2.26%	-7.22%	-10.85%	-10.57%	3.38%	3.86%	4.42%
30% Equity		Global Benchmark	-3.38%	-3.53%	-9.47%	-13.55%	-13.63%	-0.26%	1.34%	2.26%
70% Bond		Domestic Benchmark	-3.46%	-2.96%	-8.70%	-13.09%	-12.53%	1.16%	2.73%	3.36%
Ultra Conservative										
Target Risk/Reward Profile		Model Strategy	-2.65%	-2.34%	-7.61%	-10.90%	-10.83%	1.48%	2.54%	3.15%
20% Equity		Global Benchmark	-3.27%	-3.17%	-9.13%	-12.85%	-13.63%	-1.33%	0.65%	1.44%
80% Bond		Domestic Benchmark	-3.35%	-2.79%	-8.60%	-12.54%	-12.58%	-0.32%	1.57%	2.19%

*DISCLOSURE (Click links for sources. If in print, sources available upon request). Calculations & Definitions available upon request. *Trailing returns as of 08/31/2022 and are annualized returns if over 1-Year. See "Model Disclosure" page for important disclosures and information – Total Period Measured 12/31/2016 – 08/31/2022. "Inception" refers to Inception to Date. Inception calculation assumes end of day market prices on 12/30/2016 for starting period values to calculate Inception to Date figures. Performance presented net of highest advisory fee. Views and opinions are of Alternative Capitalis, LLC and are not intended as investment advice or recommendation(s). The results do not represent actual trading and actual results may significantly differ from the theoretical results presented. Past performance is no guarantee of future results.*

Market Update and Model Portfolio Reviews 08/31/2022

By Dustin Latham, CFA, CAIA, CRPC

September 2, 2022

Global Equities ended August down -3.43%, and down -17.68% year to date. Domestic equities also traded lower on the month down -4.08%, and down -16.14% year to date. Emerging Markets were up 1.47% and down -15.23% year to date. The Treasury yield curve (interest rates) rose higher in August for all maturities sending Treasury prices lower. This parallel shift higher in rates was a headwind to most bonds over the month. Domestic Investment Grade Bonds ended August lower, down -2.34% and down -9.93% year to date. Most of the large cap domestic sectors finished in the red over the month with the Energy and Utility Sectors finishing in positive territory. The market seems to be sobering up from the dog days of summer with the reality of an economic slowdown setting in.

The U.S. personal savings rate for the month of July (reported late August) held steady at 5% from the month earlier, holding at the lowest levels since 2009. A continued positive for the inflation story was another month of falling global food prices, according to one metric. July headline inflation (CPI) on a month over month read was relatively flat and early indications for August's inflation reading point to another month of slowing inflation. The year over year headline number will still be elevated, which should not be confused with month over month figures. The number of Job Openings in July (reported end of August) remained elevated, a sign that employees are still in the driver's seat and adds concern for runaway inflation as we mention below. Importantly, many of these jobs are in historically seasonal and still in low supply areas such as leisure and hospitality. The housing market, including fixed residential investment and value add components such as real estate commissions, etc., are important contributions and make up roughly 1/6th of the U.S. economy or GDP. Home price indexes and transactions continued to show signs of slowing from multiple sources as the jaw dropping prices from a year ago begin to fade along with mortgage rates near economic cycle highs.

The market's renewed perception of a more aggressive monetary policy stance has driven mortgage rates up to almost double what they were a year ago. The increase in mortgage rates is coming at a particularly vulnerable time for the housing market as sellers are recalibrating their pricing due to lower purchase demand, likely resulting in continued price growth deceleration (9/1/2022).

Although it took a little ways through the month of August (and in our view a bear market rally since June), the markets looked like they were repricing a slowing economy heading into month end. From a month over month inflation standpoint, it seems like a lot of the risks of higher inflation are going to play out in wage price gains playing catch up and any potential energy supply shocks for commodities. We have not yet started hurricane season. A wage price spiral, where employees demand and get higher wages to offset higher living expenses, could continue to drive inflation higher, which is exactly the Federal Reserves' current concern. As we highlighted last month that the Fed's comments on reaching neutral interest rates were misinterpreted by markets, that seemed to be realized when Jerome Powell's comments took a more Paul Volcker like tone.

We noted in March that Chair Powell was essentially painting himself into a corner: Although the Federal Reserve Chair has been painting a picture of a soft landing, it is hard to imagine they can do so. As the late Federal Reserve Chair, Paul Volcker, ultimately realized in the early 1980's, they were damned if they did and damned if they do not aggressively tighten Monetary policy to rein in inflation. In doing so, the unemployment rate jumped to over 10%, and led to the twin recessions of the early 1980's. The Jackson Hole World Central Bankers meeting stamped out all optimism that the Federal Reserve would raise rates and then quickly turn around and cut rates in 2023. Part of Jerome Powell's opening remarks laid out the groundwork for rocky end to summer:

Restoring price stability will take some time and requires using our tools forcefully to bring demand and supply into better balance. Reducing inflation is likely to require a sustained period of below-trend growth. Moreover, there will very likely be some softening of labor market conditions. While higher interest rates, slower growth, and softer labor market conditions will bring down inflation, they will also bring some pain to households and businesses. These are the unfortunate costs of reducing inflation. But a failure to restore price stability would mean far greater pain.

Market Update and Model Portfolio Reviews 08/31/2022

By Dustin Latham, CFA, CAIA, CRPC

King Dollar returned in August and has been one of the few positive places to be long this year. As the Federal Reserve continues to raise interest rates and given the large liquid market for U.S. Treasuries and availability and acceptance of the U.S. Dollar, the currency when paired against many U.S. cross rates is seeing levels not observed in the last two decades. The widely followed Euro pairing broke the $1.00 threshold last seen in November of 2002 while the Sterling (U.K. Pound) pushed to lows briefly seen during the pandemic, well beyond the original Brexit jitters, to lows not otherwise seen since 1985. Even the Japanese Yen tested new lows relative to the Dollar not observed since 1998. We entered late to the long Yen to Dollar exposure but still have felt the pain early for our sake but what appears to be late in the relative drawdown. Absent the failing of a currency, the direction of travel does not go uninterrupted on the same course forever. The Bank of England and European Central Bank have followed the path of the Federal Reserve, while the Bank of Japan has remained accommodative. No doubt the Yen/Dollar cross has been the most painful of late observations, the other two major pairs that have supportive monetary tightening are looking attractive if for no other reason than their technical levels.

We maintained elevated cash levels at month end on the equity side of our allocations. After our July 29 reduction in equities and fixed income allocations, we continued this theme of selling additional equities and fixed income allocation exposures on August 10. On August 30th we went back to fully invested in our bond allocation. Here again, we think the market is missing the bigger picture of the slowdown and what that should mean for longer term bond yields. The idea of a Federal Reserve having a blunt and broad tool, monetary tightening, is that absent shocks, it should continue to have a slowing impact on most economic activities (in plain English from Jackson Hole). Their objective is to slow and bring inflation down to a range and to consistently get reports in their 2% price range. What does that mean and why would we want longer duration bond exposures? It means that monetary policy will work to slow inflation, while late to the party, at the intersection of a broadly slowing economy (we'll still be in monetary tightening mode in the heart of a recession – our base case). As mentioned last month the correlation of bonds and stocks heading in the same direction was concerning, so too is the case on the downside in August. The plan was to buy a backup in interest rates (bond prices fall) if the opportunity presented itself, and so we did just that on August 30th. Our full weighting to bonds and higher cash levels for equity allocation sleeve is a strong signal of our posturing for a traditional Risk-Off market environment ahead.

As of this writing, interest rates have gapped up higher, which is expected in the short end of the yield curve, but not what we would consider rational further out the yield curve (for longer maturity Treasuries). If the equity market continues to selloff, we think anything north of 7 years to maturity over 3% on Treasuries should be attractive from the perspective of a safe-haven trade. A broad slowdown should quickly revert our thinking to a disinflationary environment and then we start the cycle of rates lower all over again. With three meetings left on the FOMC calendar, September, November and December will all be important months. Maybe we'll have a repeat of December of 2018, albeit a few months earlier. With a well broadcasted recession, prices to the downside can take place quickly and that will help justify our moves to reposition our higher-than-normal cash weightings back to equities.

All of the models outperformed their domestic and global benchmarks in the month of August, primarily due to the higher levels of cash established on July 29 (before the start of the month) and August 10th. Meta Platforms and Walmart holdings were the two positive standouts but did not materially contribute to overall returns. Our Ford Bond Holding was the worst performer on the month.

Through the month of August, on a year-to-date basis, our active management in a down market has contributed materially, in relative performance terms. Our view remains the same that a slow down has already started and price will help determine our climb through the mountain of worry. At month end, we are positioned Risk-Off at the model level. The August Jobs Report, coupled with Fed Chair Powell's comments from Jackson Hole appear to lead to better than a coin toss outcome of another 75-basis point rate hike during their September 21 FOMC meeting.

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Model Disclosure

Alternative Capitalis, LLC is a registered investment adviser. Information presented herein is for educational purposes only and does not intend to make an offer or solicitation for the sale or purchase of any specific securities, investments, or investment strategies. Investments involve risk and unless otherwise stated, are not guaranteed. **Model Performance Disclosure**: The performance shown represents only the results of Alternative Capitalis, LLC's model portfolios for the relevant time period and do not represent the results of actual trading of investor assets. Model portfolio performance is the result of the application of the Alternative Capitalis, LLC's proprietary investment process. Model performance has inherent limitations. The results are theoretical and do not reflect any investor's actual experience with owning, trading or managing an actual investment account. Thus, the performance shown does not reflect the impact that material economic and market factors had or might have had on decision making if actual investor money had been managed. Model portfolio performance is shown net of the model advisory fee of 1.25%, the highest fee charged by Alternative Capitalis, LLC. This reflects a change from Alternative Capitalis, LLC highest fee charged to a client(s) account from 1% to 1.25% annually. April 1, 2018 model performance to most recent date presented adjusts for the higher 1.25% annual fee. Model portfolio performance is shown net of the sample trading costs based on our Custodian's, TD Ameritrade Institutional, trading costs. Performance does not reflect the deduction of other fees or expenses, including but not limited to brokerage fees, custodial fees and fees and expenses charged by mutual funds and other investment companies. Performance results shown include the reinvestment of dividends and interest on cash balances where applicable. The data used to calculate the model performance was obtained from sources deemed reliable and then organized and presented by Alternative Capitalis, LLC. The performance calculations have not been audited by any third party. Actual performance of client portfolios may differ materially due to the timing related to additional client deposits or withdrawals and the actual deployment and investment of a client portfolio, the reinvestment of dividends, the length of time various positions are held, the client's objectives and restrictions, and fees and expenses incurred by any specific individual portfolio. The performance calculations are based on a hypothetical investment of $100,000 for both the model and benchmarks presented. **Benchmarks:** The performance results shown are compared to the performance of the performance of a blended ETF (exchange-traded-fund) portfolio comprised of the following two ETF's symbols, SPY & AGG, are described below. The benchmarks used are investable ETFs and their performance calculation is inclusive of the highest fee charged to a client(s) account, 1.25% annually. This will reduce the total return of the investable benchmark by the annualized rate of 1.25%. The ETF symbol SPY (SPDR® S&P 500® ETF Trust) which seeks to provide investment results that, before expenses, correspond generally to the price and yield performance of the S&P 500® Index (the "Index"). Visit https://us.spdrs.com/en/etf/spdr-sp-500-etf-SPY for more information about the ETF. The S&P 500® Index results do not reflect fees and expenses and you typically cannot invest in an index. The ETF symbol AGG (iShares Core U.S. Aggregate Bond ETF). The iShares Core U.S. Aggregate Bond ETF seeks to track the investment results of an index composed of the total U.S. investment-grade bond market. (the "Index"). Visit https://www.ishares.com/us/products/239458/ishares-core-total-us-bond-market-etf for more information about the ETF. The index composed of the total U.S. investment-grade bond market results do not reflect fees and expenses and you typically cannot invest in an index. The benchmark is blended representing a weighting of a percentage (%) to SPY and percentage (%) to AGG based on the respective model weights below. Unless otherwise indicated, the benchmarks are not rebalanced to maintain their original weighting over the period measured. Instead, they are comprised of the starting allocation and will shift given the prevailing market environment over the period measured. **Return Comparison:** To benchmark the results, the ETF (exchange-traded-fund) symbol SPY (SPDR® S&P 500® ETF Trust) which seeks to provide investment results that, before expenses, correspond generally to the price and yield performance of the S&P 500® Index (the "Index"). The S&P 500 was chosen as it is generally well recognized as an indicator or representation of the stock market in general and includes a cross section of equity holdings. In addition, the ETF symbol AGG was chosen as a benchmark. The iShares Core U.S. Aggregate Bond ETF seeks to track the investment results of an index composed of the total U.S. investment-grade bond market. The total U.S. investment-grade bond market was chosen as it is generally well recognized as an indicator or representation of the bond market in general and includes a cross section of debt holdings. For each respective model benchmark the performance measurement weightings are as follows to SPY / AGG %: 20/80, 30/70, 40/60, 50/50, 60/40, 70/30, 80/20, 90/10 % respectively for Ultra Conservative, Conservative, Moderate, Balanced, Growth & Income, Growth, Aggressive, Ultra Aggressive. **OPTIONS TRADING RISK DISCLOSURE**: Options Trading – Both the purchase and writing (selling) of options contracts –involves a significant degree of risk not suitable for all investors. Investors should carefully consider the inherent risks and financial obligations associated with options trading as further detailed in the Options Clearing Corporate booklet "Characteristics and Risks of Standardized Options." 101 Federal Street, Suite 1956A, Boston, MA 02210 is Alternative Capitalis, LLC's client facing address. All books, records, receipts, correspondence (mailing address) and day to day operations are located at 1565 West St, Wrentham, MA 02093.

The results do not represent actual trading and actual results may significantly differ from the theoretical results presented.

Continued on next page ….

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Model Disclosure Continued

Alternative Capitalis, LLC is a registered investment adviser. Information presented herein is for educational purposes only and does not intend to make an offer or solicitation for the sale or purchase of any specific securities, investments, or investment strategies. Investments involve risk and unless otherwise stated, are not guaranteed. The results presented before 12/31/2016 for model performance assume that the weights initially held on that date were held at the unset of any performance presented before 12/31/2016. This assumes results based on discretionary models that are not purely quantitative or rules based. **Global Benchmarks:** The performance results shown are compared to the performance of the performance of a blended ETF (exchange-traded-fund) portfolio comprised of the following three ETF's symbols, VT, BNDX & BND, are described below. The benchmarks used are investable ETFs and their performance calculation is inclusive of the highest fee charged to a client(s) account, 1.25% annually. This will reduce the total return of the investable benchmark by the annualized rate of 1.25%. Additionally, the ETF's that lack the track record to cover the entirety of the period presented have been backfilled with index data that Alternative Capitalis, LLC deems appropriate as a proxy of the chosen ETF's hypothetical track record. Below is the summary of backfilled data and time period:

ETF	Earliest Available Price Data for ETF	Backfill Index 1	Earliest Available Data for Index Backfill 1	Backfill Index 2	Earliest Available Data for Index Backfill 2
BNDX	5/31/2013	*ICE BofAML Global Broad Market Index*	9/22/1998	N/A	N/A
VT	6/24/2008	MSCI All Country World Index TR	12/29/2000	*S&P 500 (TR) Index*	9/22/1998
BND	4/3/2007	Barclays US Aggregate Bond Index	9/22/1998	N/A	N/A

The ETF symbol BNDX (Vanguard Total International Bond ETF). The Vanguard Total International Bond ETF attempts to track the performance of the Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged). Visit https://investor.vanguard.com/etf/profile/BNDX for more information about the ETF. The ETF symbol VT (Vanguard Total World Stock ETF) seeks to track the performance of the FTSE Global All Cap Index, which covers both well-established and still-developing markets. Visit https://investor.vanguard.com/etf/profile/VT for more information about the ETF. The ETF symbol BND (Vanguard Total Bond Market ETF). The Vanguard Total Bond Market ETF attempts to track the performance of the Bloomberg Barclays U.S. Aggregate Float Adjusted Index and attempted to track the Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009. Visit https://investor.vanguard.com/etf/profile/BND for more information about the ETF. The benchmark is blended representing a weighting of a percentage (%) to BND, percentage (%) to VT and percentage (%) to BNDX based on the respective model weights below. The benchmarks are rebalanced over periods that include a calendar year end date, on the calendar year end date, to their original weighting over the period measured. The Benchmarks are comprised of the starting allocation and will shift given the prevailing market environment over the period measured. **Return Comparison:** To benchmark the results, the ETF symbol BNDX (Vanguard Total International Bond ETF) attempts to track the performance of the Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged). The Vanguard Total International Bond ETF was chosen as it is generally well recognized as an indicator or representation of the global bond market, ex-U.S. bonds, and tracks an investment-grade, non-USD denominated bond index, hedged against currency fluctuations for U.S. investors. The ETF symbol VT (Vanguard Total World Stock ETF) seeks to track the performance of the FTSE Global All Cap Index, which covers both well-established and still-developing markets. The Vanguard Total World Stock ETF was chosen as it is generally well recognized as an indicator or representation of the global stock market and tracks a market-cap-weighted index of global stocks covering approximately 98% of the domestic and emerging market capitalization. The ETF symbol BND (Vanguard Total Bond Market ETF) attempts to track the performance of the Bloomberg Barclays U.S. Aggregate Float Adjusted Index and attempted to track the Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009. The Vanguard Total Bond Market ETF was chosen as it is generally well recognized as an indicator or representation of the U.S. Domestic bond market, and tracks a broad, market-value-weighted index of U.S. dollar-denominated, investment-grade, taxable, fixed-income securities with maturities of at least one year. For each respective model benchmark the performance measurement weightings are as follows to BND/VT/BNDX %: 66/20/14, 57.8/30/12.3, 49.5/40/10.5, 41.2/50/8.8, 33/60/7, 24.7/70/5.3, 16.5/80/3.5 and 8.2/90/1.8 % respectively for the Ultra Conservative, Conservative, Moderate, Balanced, Growth & Income, Growth, Aggressive and Ultra Aggressive Global Benchmarks.