



STRATEGIST HIGHLIGHT

J.P.Morgan
Asset Management

JP Morgan Themes:

- The PFG JP Morgan Tactical Aggressive Strategy seeks aggressive growth.
- The PFG JP Morgan Tactical Moderate Strategy's primary objective is capital appreciation with a secondary objective of income.

Most Recent Allocation Changes:

- In the PFG JP Morgan Tactical Aggressive Strategy, JP Morgan shifted about 1% out of foreign large blend and moved it into emerging markets.
- In the PFG JP Morgan Tactical Moderate Strategy, JP Morgan reduced its fixed Income exposure and added it to equities.
 - 1% was shifted out of both intermediate core bond and multisector bond.
 - 1% was added to both large blend and emerging markets.

JP Morgan Commentary:

- While recent data has shown moderating inflation, wage growth, and consumer sentiment, the U.S. economy continues to remain broadly resilient.
- JP Morgan remains mindful of elevated risks related to higher interest rates and slowing economic growth but believes that the stability of the U.S. consumer and strong private sector balance sheets continue to delay the onset of a recession.
 - Because of this, JPM has increased its exposure to equities, funded from fixed income.
- Within equities, JP Morgan has increased exposure to both U.S. large-cap and emerging markets.
- JPM continues to maintain a preference for the U.S. as they believe the high-quality composition of U.S. large-cap equities makes the asset class attractive in a slowing growth environment. They moved their emerging markets allocation to neutral given attractive valuations and the tailwinds from potential weakness in the dollar looking ahead with the Federal Reserve likely at the peak of its tightening cycle.
- Within fixed income, JPM decreased their exposure to core fixed income and extended credit.
- JP Morgan continues to maintain their preference for extended credit given it's potential to outperform core fixed income in a resilient economic environment given the meaningful pick-up in yield and elevated rate volatility as the Federal Reserve maintains restrictive monetary policy over the near-term.

MODEL HIGHLIGHT



- The PFG JP Morgan Tactical Aggressive Strategy and the PFG JP Morgan Tactical Moderate Strategy continue to be top performers.
 - JPM increased their exposure to foreign large blend via the JPMorgan Beta Builders US Equity ETF, a fund that has not only been a top performer so far this quarter but also consistently throughout the year.
 - JPM's increased exposure to emerging markets was done by adding to the JPMorgan Emerging Markets Research Enhanced Equity Fund, which has continually performed well year-to-date.

TALKING POINTS: *This weeks' conversation starters for advisors to educate and inform your clients*

Market News

- Equities finished higher for the week, with growth outperforming value and mid-caps outperforming both large and small-caps. Ultimately, the S&P 500 Index (+1.02%), Dow Jones Industrial Average (+129%), and NASDAQ (+0.90%) all finished higher for the week.
- Economic data last week showed that durable goods orders had dropped 5.4% last month, which would make it the second largest decrease in over three years.
- Data also showed that, while there was a larger-than-expected decline in activity in manufacturing, there was also one of the fastest increases in the services sector, which seemed to compensate the manufacturing sector's slowdown.
- Consumer sentiment rose from the prelim 60.4 number to 61.3.

PFG Strategy News

- The PFG American Funds Growth Strategy continues to be one of the best performing Strategies this quarter and year-to-date.
- The Strategy's investment in the American Funds Growth Fund of America Fund and the American Funds AMCAP Fund have helped the Strategy capture the rally in large caps and growth-oriented equities.
- The BR Target Allocation Equity Strategy has also been one of the better performing Strategies seen this year, being able to capture the same rally throughout the year.

CHART OF THE WEEK:

2024 Elections	Total	Global Share
Number of Countries Voting	76	39%
Population (Billions)	4.2	51%
GDP (USD, Trillions)	65.8	59%

In 2024, there are 76 countries that are set to hold elections, impacting their 4.2 billion residents and makes up \$65.8 trillion in GDP. Significant impacts will follow, in such place as Taiwan (which could play a key role in determining its relations with China), Brazil (which will put the left-wing vs liberal party battle in the spotlight), and the U.S. (which elects their new president, the entire House of Representatives, and a third of the Senate).

Source: https://www.gsam.com/content/gsam/us/en/advisors/market-insights/market-strategy/global-market-monitor/2023/market_monitor_112423.html

THIS WEEK AHEAD

Monday, November 27:

- New Home Sales

Tuesday, November 28:

- S&P Case-Shiller Home Price Index
- Consumer Confidence

Wednesday, November 29:

- GDP (First Revision)
- Advanced U.S. Trade Balance in Goods

Thursday, November 30:

- Initial Jobless Claims
- Personal Income
- PCE index
- Chicago Business Barometer (PMI)
- Pending Home Sales

Friday, December 01:

- S&P Global Manufacturing PMI
- ISM Manufacturing
- Construction Spending

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The indices are presented as broad-based measures of the equity, fixed-income, and consumer markets. The indices are provided for comparative and illustrative purpose to provide a comparison of the model against the broader-based equity, fixed income and consumer market. The indices are not intended to reflect the investment objectives of the model as the securities held within the model will differ in market volatility, concentration, investment objectives and diversification among others from those of the indices. The indices are not managed, and returns do not reflect the deduction of fees, expenses, transaction costs or taxes that actual client accounts are subject to. Investors cannot invest directly in an index. Returns are not annualized for periods less than 1 year.

Net of Fees Performance returns for each model are net of fees which assume the maximum annual management fee of 2.0. Actual fees charged are negotiable and may vary based on a variety of factors, including the size of a client's account, services rendered, or investments within the model. Actual fees charged are disclosed and agreed to by the client at the time of entering into an investment management agreement or in the fund's prospectus as applicable. TPFG's fees do not include the internal expenses which may be assessed by a fund or investment vehicle held within the model.

Trailing Major Index Returns and YTD S&P Sector Returns are sourced from Morningstar Direct.

All other economic and market data sources may include, and is not limited to:

- JPMorgan Asset Management, publicly available at <https://am.jpmorgan.com/us/en/asset-management/adv/>
- insights/market-insights/market-updates/weekly-market-recap/
- Edward Jones, publicly available at <https://www.edwardjones.com/us-en/market-news-insights/stock-market-news/stock-market-weekly-update>
- Goldman Sachs, publicly available at <https://www.gsam.com/content/gsam/us/en/advisors/market-insights.html>
- T. Rowe Price, publicly available at <https://www.troweprice.com/personal-investing/resources/insights/global-markets-weeklyupdate.html>