



WISCO

Investment Management

Fourth Quarter 2019

DEAR CLIENTS & FRIENDS;

The Wisco-managed ETF portfolios were up across the risk spectrum in the fourth quarter. Our lower risk portfolios (Conservative & Balanced) experienced mid-single digit growth while our higher risk portfolios (Growth & Aggressive) grew in the upper-single digit range. Performance was driven primarily by gains in global equities (both U.S. and abroad), and to a lesser extent, gains in precious metals.

The U.S. stock market increased 9% in the quarter and finished the year up 31%. We believe the gains this year were driven largely by easing Fed monetary policy (i.e. rate cuts), full employment and strong consumer spending. Fed fund futures are now pricing in a 95% chance of “no change” in the policy rate at the next Fed meeting on January 29th. US Real GDP expectations also remain robust at ~2% for 2020 with foreseeable risks centering around the election cycle, trade negotiations and global growth.

The MSCI All World Index posted strong results with a 9% gain in the quarter and a 23% gain for the year. We believe international markets benefited from the re-focusing of many central banks on monetary easing this year which resulted in improving global growth potential. Real GDP expectations for all G7 countries for 2020 are now above the levels expected in 2019. On the flip side, a sustained trade war between U.S. and China and prolonged protests in Hong Kong could have longer-term implications for global growth.

Our fixed income allocations were flat in the quarter but up in the high-single digits for 2019. The 10-year treasury yield increased from 1.6% at the beginning of the quarter to 1.9% at the end (fixed income prices and interest rates generally move inversely with each other). The inversion of yield curve which garnered a lot of attention earlier this year has also flattened out.

Our commodity exposures this quarter consisted of gold, which was up 3% and silver up 5%. We use alternative exposures (like metals) in our ETF portfolios as they tend to improve portfolio diversification when combined with traditional investments. We are planning to add an agricultural fund to our alternatives in 2020.

As a reminder, our policy is to rebalance client portfolios on at least a semi-annual basis. To that end, we plan to complete our January rebalancing over the next few weeks. Feel free to contact us to discuss the rebalancing of your portfolio, your targeted risk level, or any other life changes that may be relevant to how your portfolio is invested. Also, the IRA contribution deadline is approaching (April 15th) so let us know if we can help.

At Wisco, we believe our approach of designing well-diversified, low-cost investment portfolios is the best way to produce favorable results over time. Thank you for providing us with the opportunity to work with you as your investment adviser.

We appreciate your business!

Sincerely,

The Wisco Team



Fourth Quarter 2019

Wisco Investment Management

Wisco-managed portfolios are constructed using five asset classes; Domestic Equity, International Equity, Domestic Fixed Income, Alternative Investments and Money Market. Our current managed portfolio asset class allocations are as follows:

WISCO MANAGED PORTFOLIOS

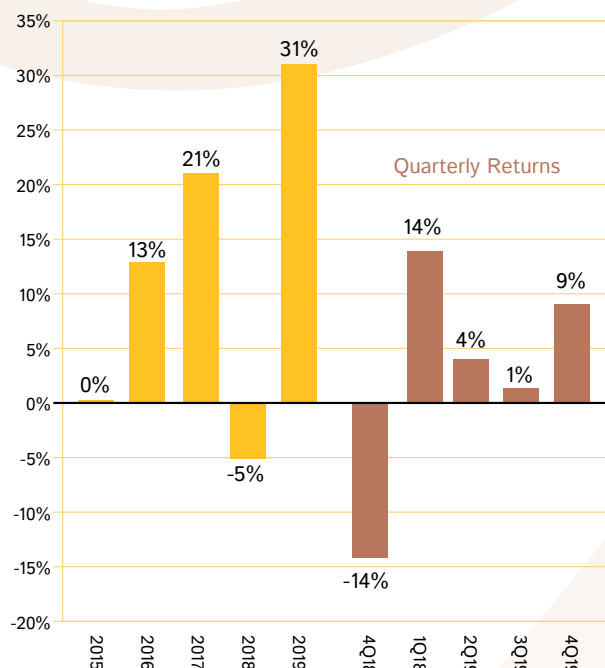
	Conservative	Balanced	Balanced Growth	Growth	Aggressive
Domestic Equity	25%	35%	43%	50%	60%
International Equity	5%	9%	12%	18%	23%
Domestic Fixed Income	50%	38%	29%	18%	5%
Alternative Investments	10%	10%	10%	10%	10%
Money Market	10%	8%	6%	4%	2%
Total	100%	100%	100%	100%	100%
Target Volatility*	6%	8%	10%	12%	15%

*Target Volatility is our estimate for the annual standard deviation of portfolio returns.

Source: Wisco Investment Management LLC

Fourth Quarter 2019 Market Review

DOMESTIC EQUITY



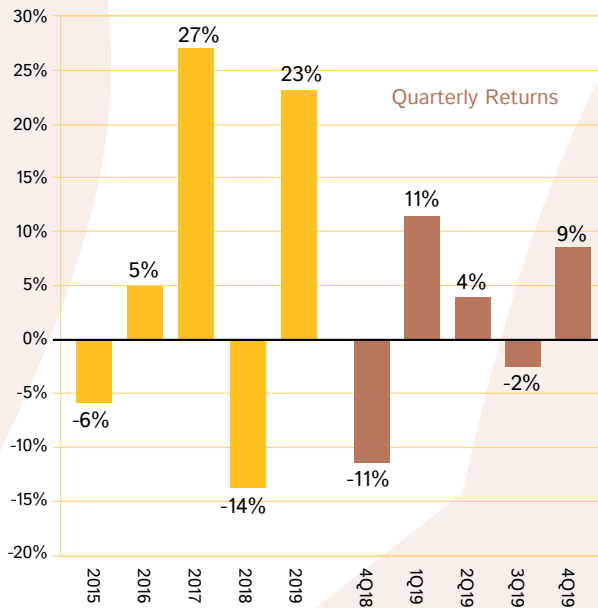
Source: Dow Jones U.S. Broad Stock Market Index and Wisco.

The market was strong in 4Q19 increasing 9%. The S&P 500 reached an all-time high on December 27th at 3248 before closing the quarter just slightly lower at 3231. In the quarter, large cap stocks returned 9%, midcap returned 7%, small cap

returned 9% and high dividend stocks returned 7%. In 3Q19, GDP grew at an annual rate of 2.1%, while S&P 500's earnings declined 2%. Earnings growth in more defensive sectors such as Health Care (up 8%) and Utilities (up 10%) were offset by weakness in Energy (down 40%), Technology (down 5%) and Materials (down 10%). Low commodity prices driven by the China trade dispute and soft growth in Europe were at least partially responsible for this earnings decline. Going forward, 2019 earnings will likely be flat compared to 2018. However, the current consensus forecast is for S&P 500 earnings to grow 9% in 2020. While this forecast may be a little aggressive, we feel 2020 earnings growth is possible given the Chinese trade dispute could start to dissipate, unemployment is low, consumer spending is solid, and the Fed is likely on hold for the foreseeable future.

The S&P 500 is now trading at 18.1x 2020 consensus operating earnings, which suggests a fairly to fully valued market near term. With such strong results in the 4th quarter, it seems possible stocks could 'tread water' early in 2020 if results don't live up to investors' high expectations. For this reason, Wisco is reducing domestic equity exposure in all our client portfolios. Longer-term, we feel the market can still move higher especially if growth expectations are realized.

INTERNATIONAL EQUITY

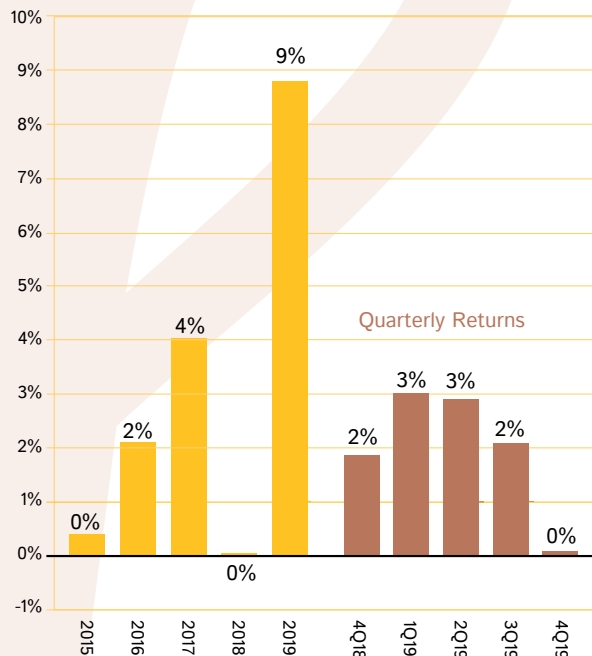


Source: MSCI ACWI ex USA and Wisco

The MSCI All World Index increased 9% in 4Q19, with the FTSE Developed Large Cap Index up 8% and FTSE Emerging Market Index up 12%. In Europe, most markets saw gains with Germany up 10% and Hungary up 18%. Asia also had mostly positive results with Japan up 8%, Hong Kong up 9% and South Korea up 10%. Emerging markets had increases in Shanghai (up 8%), Brazil (up 14%), and Taiwan up (18%). For the year, Greece (up 51%) and Russia (up 45%) were among the top performers.

The Eurozone's GDP in 3Q19 held steady at an annual rate of 0.9%. Japan's GDP accelerated to 1.8% and China continues to post strong GDP numbers despite the trade dispute with 3Q19 GDP growth of 6.1%. While the domestic economy has generally outperformed international economies, the ECB and Japan have shown signs of improvement and emerging economies are benefitting from accommodative monetary policies around the world. In addition, international stocks per MSCI All World Index have a forward PE of just 14.3x, a 21% discount to the domestic market. For this reason, we are increasing our international equity exposure in aggressive portfolios and maintaining international equity positions in conservative portfolios.

DOMESTIC FIXED INCOME



Source: Barclays Capital U.S. Aggregate Bond Index and Wisco.

The Barclays U.S. Aggregate Bond Index was flat in 4Q19, with Intermediate Treasuries down marginally, Investment Grade Bonds up 1%, and High Yield Bonds up 2%. The 10-year treasury yield started the quarter at 1.64%, then drifted higher until peaking November 7th at 1.97% before finishing the quarter at 1.92%. The Federal Reserve cut the fed funds rate October 30th to a range of 1.50% to 1.75%, and indicated they were likely done with this mid-cycle rate adjustment. In December, the Fed forecast that they would not change the fed funds rate in 2020 and expect to increase rates just once in 2021.

After three strong quarters, Fixed income finished the year with lackluster results. Nevertheless, a 9% return in 2019 was better than most investors would have expected. With the Fed on hold with short-term rates, we feel longer-term rates will likely be range bound in 2020, assuming inflation remains tame. This could result in low single digit returns with relatively low volatility in the year ahead. With this in mind, we are maintaining our Fixed Income allocation in all our portfolios and modestly increasing our duration. We continue to prefer corporate bonds to government bonds, given they offer greater yields.

ALTERNATIVE INVESTMENTS

The Dow Jones-UBS Commodity Index increased 5% in the quarter and 8% in 2019. In agriculture, grain prices were mixed in 4Q19. Corn prices were flat¹, while soybean prices were up 4%¹ in 4Q19. Grains traded down most of the quarter but started to gain ground in December as trade talks with China improved.

Gold prices increased 3%² in the quarter and finished the year up 18%². Silver prices increased 5%³ in 4Q19 and were up 15%³ for the year.

Crude oil prices increased 14%⁴ in the quarter and were up 37%⁴ year-to-date. OPEC and Russia agreed to production cuts in December that resulted in better pricing.

Wisco is going to increase our clients' silver position, decrease their gold position and start a Grain ETN position. Precious metals could continue to benefit from accommodative monetary policy

around the world and can provide some protection during times of geopolitical uncertainty. Plus, since these metals are less correlated to stocks and bonds, they help to reduce risk in portfolios. We increased our silver position and decreased gold because silver could do better than gold in a strong global economy. We are adding grains to our client portfolios because more Chinese agriculture buying could boost demand.

MONEY MARKET

Money market yields decreased in the quarter from 1.8% to a current yield of 1.5%. Wisco has money market exposure in all our client portfolios. We feel this rate should stay around 1.5% now the Fed has stopped lowering rates.

1. Return calculation based on the near future contract as quoted in the Wall Street Journal.
2. Return calculation uses Aberdeen Physical Gold Shares (SGOL) as a proxy for gold.
3. Return calculation uses Aberdeen Physical Silver Trust ETF (SIVR) as a proxy for silver.
4. Return calculation uses Cushing, OK WTI spot price FOB as a proxy for oil.

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Wall Street to Wisconsin