

LPL RESEARCH PORTFOLIO ACTIVITY REVIEW

The Portfolio Activity Review (PAR) provides a window into trading activity in the LPL Research MWP portfolios over the last year or so with a focus on key market-moving events. This quarterly publication explores the overall direction of trades, market outcomes, and the general impact on portfolios, although the impact will vary depending on the portfolio theme and investment objective.

We also provide an overview of market trends during the year by highlighting relative performance of selected asset classes and some broad data on our trading activity.

CONTENTS

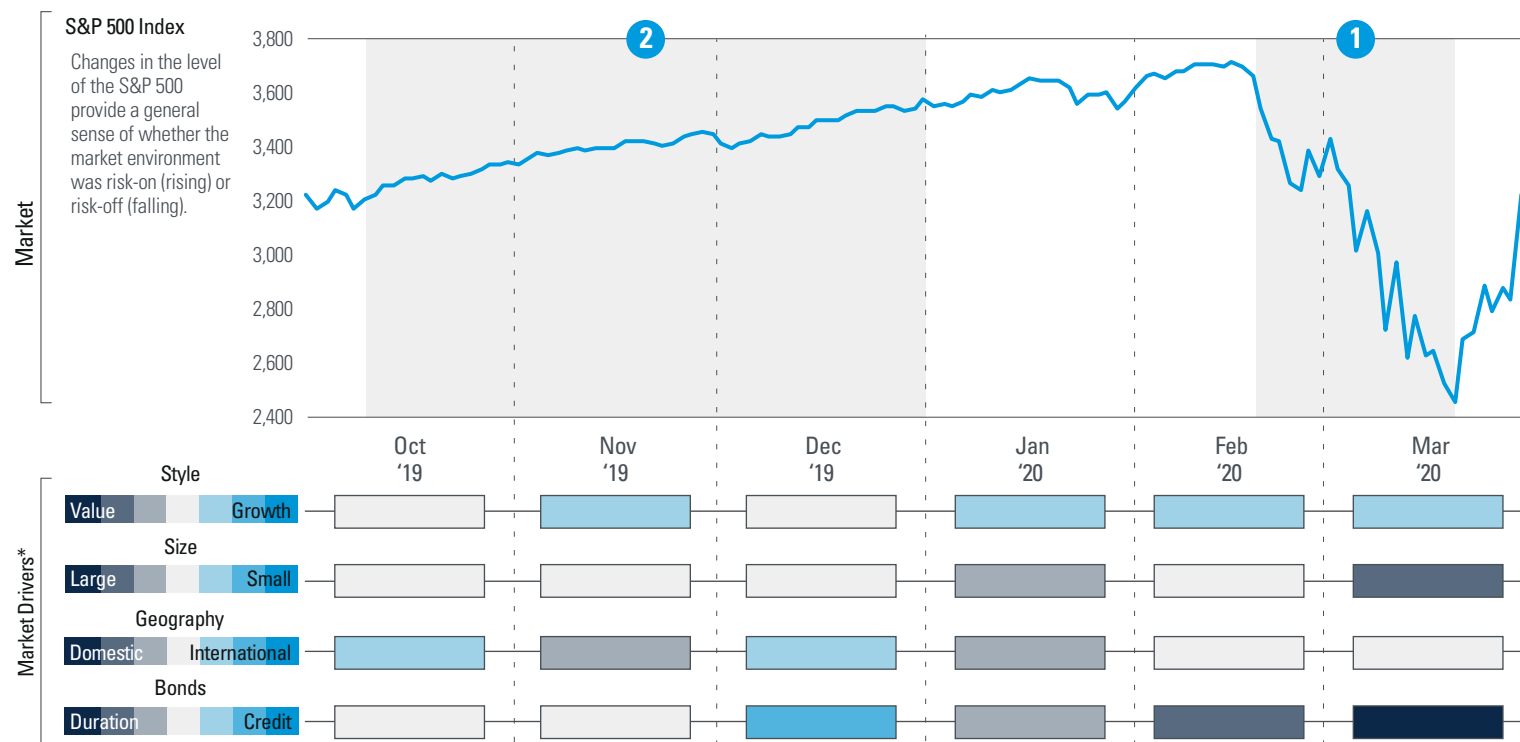
Key Events/Activity.....	1–5
Current Outlook	6
Process.....	7
Performance	9
Benchmark Composition ...	10
Disclosure	11

As of March 2020

KEY EVENTS AND MODEL WEALTH PORTFOLIOS (MWP) MODEL ACTIVITY

MARKET DRIVERS AND TRADE ACTIVITY DASHBOARD

Please refer to pg. 5 for a full description of the methodology behind this dashboard.



*Market drivers are measured by return differences among contrasting indexes.

Source: LPL Research, FactSet 03/31/20

1 S&P 500 Bear Market (pg.2)

The bull market that began March 10, 2009, came to an end March 12, 2020, when the S&P 500 Index closed 20% off of its February 19, 2020, all-time high. The S&P 500 Index went on to set a low for the quarter on March 23, down nearly 34%, before rebounding into the end of the quarter.

2 Phase-One Trade Deal Advances (pg.3)

Following a high-level meeting in early October 2019, the United States and China announced substantial progress toward a phase-one trade deal. Easing trade tensions, along with improved central bank support, helped drive stocks higher, with the S&P 500 Index posting a strong quarter and its best calendar year since 2013.

1 S&P 500 Bear Market (February 20, 2020–March 23, 2020)

As of March 2020

MARKET SNAPSHOT

02/20/20–03/23/20

Stocks

Top Sector: Consumer Staples
(S&P 500 GICS Subindexes) **-24.0%**

Bottom Sector: Energy
(S&P 500 GICS Subindexes) **-55.9%**

Large Cap
(S&P 500) **-33.8%**

Small Cap
(Russell 2000) **-40.7%**

Developed International Markets
(MSCI EAFE) **-32.6%**

Emerging Markets
(MSCI Emerging Markets) **-31.1%**

Bonds

U.S. Aggregate
(Bloomberg Barclays
U.S. Aggregate Bond Index) **-0.9%**

Long U.S. Treasury
(Bloomberg Barclays
Long U.S. Treasury Index) **12.7%**

High Yield
(Bloomberg Barclays
High-Yield Bond Index) **-20.8%**

Source: LPL Research, FactSet 03/31/20

Past performance is not indicative of future results.

SCENARIO & TAKEAWAY

The S&P 500 Index's move from an all-time high to a bear market was the fastest in history, taking place in less than a month. The swift decline as the COVID-19 pandemic spread globally was more akin to a natural disaster than the normal progression of the business cycle, with economic data barely able to keep up. The primary takeaway thus far has been that even in a situation as unusual as this one, many basic investing principles still apply: Markets hate uncertainty. At the same time, markets are forward-looking. And the balance between these forces can be difficult to gauge, but it's better to act with a plan than react emotionally.

THE LEAD-UP

Before the COVID-19 outbreak in China, there had been growing evidence of possible global growth acceleration in 2020 after disappointing growth for much of 2019. Seeing some signs of a late-cycle environment in 2019, we had pulled back from aggressive positioning and sat near benchmark risk levels overall. Monitoring the outbreak in China, COVID-19 looked to be potentially containable, but growing evidence of asymptomatic transmission led to a rapid shift in the global response. The World Health Organization declared a global public health emergency January 30, but US markets would continue to climb for three weeks.

THE ACTION

As US markets declined, we added risk to some of our most aggressive models in late February and early March by rotating from bonds to equities. As more evidence of the potential scope of the pandemic emerged, we re-evaluated conditions and developed a plan for when we would add additional risk, called the "Road to Recovery Playbook," which we have shared and regularly updated. Evaluating model risk levels, we added risk in one additional model based on that plan, but believed there would be further opportunities if markets retested the lows, which we thought had a reasonable probability.

THE RESULT

The early rotation into equities still weighed on model performance as of the end of the quarter. The later rotation has provided modest upside. While our general orientation was toward adding risk, we thought the evolving level of uncertainty was still too high near market lows to catch something near the optimal entry. We still believe there are reasonable odds of a pullback as markets price in increasingly optimistic scenarios, but a full retest has grown less likely. We are comfortable maintaining current risk levels for now until a better opportunity presents itself.

2 Phase-One Trade Deal Advances (October 10, 2019 – December 31, 2019)

As of March 2020

MARKET SNAPSHOT

10/10/19–12/31/19

Stocks

Top Sector: Health Care
(S&P 500 GICS Subindexes) **16.2%**

Bottom Sector: Real Estate
(S&P 500 GICS Subindexes) **-0.8%**

Large Cap
(S&P 500 Index) **11.1%**

Small Cap
(Russell 2000 Index) **13.2%**

Developed International Markets
(MSCI EAFE Index) **10.3%**

Emerging Markets
(MSCI Emerging Markets Index) **12.8%**

Bonds

U.S. Aggregate
(Bloomberg Barclays
U.S. Aggregate Bond Index) **-0.2%**

Long U.S. Treasury
(Bloomberg Barclays
Long U.S. Treasury Index) **-4.9%**

High Yield
(Bloomberg Barclays
High-Yield Bond Index) **3.1%**

Source: LPL Research, FactSet 03/31/20

Past performance is not indicative of future results.

SCENARIO & TAKEAWAY

Markets rallied as fears of a trade war between the United States and China faded in the fourth quarter following the announcement in early October of a phase-one trade deal. Almost all major global stock indexes saw strong gains over the quarter, with the MSCI Emerging Markets Index outpacing the S&P 500. We maintained benchmark-like risk levels over the period, believing emerging markets positioning gave us sufficient exposure to trade-deal upside. While we saw reasonable prospects of progress on trade, we were mindful of concerns about the weakening economic backdrop over the course of much of 2019.

THE LEAD-UP

Rebounding from the late-2018 lows, U.S. stocks continued to rise through the first two quarters of 2019 before stalling some in the third quarter. Anticipation of a positive outcome from President Trump and China President Xi returning to the negotiating table seemed to be largely priced in heading into the third quarter. As the quarter progressed, markets remained sensitive both to trade-risk escalations, accompanied by increased tariffs, and de-escalations, with some tariffs postponed. In the face of the increasingly uncertain economic environment, the Federal Reserve (Fed) initiated a “mid-cycle adjustment,” twice cutting interest rates during the third quarter.

THE ACTION

On October 11, after two days of high-level talks, President Trump announced a phase-one trade deal that prospectively included suspending the additional tariff increases that were about to go into effect, China’s promise to buy more farm goods, guidelines for Chinese currency management, and increased intellectual property protections for U.S. companies. The deal was slated to be signed in January 2020. The development meaningfully resolved some of the short-term trade uncertainty that had clouded the market outlook. The added clarity, combined with another Fed rate cut in late October, led the S&P 500 to rally strongly for the remainder of the year.

THE RESULT

As the trade uncertainty cleared and a favorable interest-rate environment prevailed, the S&P 500 gained 9% in the quarter. Growth stocks led the way, with the technology sector the main beneficiary. Neutral risk positioning versus benchmarks allowed portfolios to participate in gains, while exposure to the trade deal was enhanced by emerging market positioning. Our view of risk at the end of the fourth quarter was largely balanced, a stance that we believed would allow us to continue to participate in a bull market that we expected to continue in 2020, while being able to take advantage of any potential opportunities that might arise.

Current Positioning and Thinking

As of December 2019

ECONOMY

Deep But Likely Short Recession

The economy likely went into recession in March as pandemic containment efforts shut down a significant portion of the economy. We expect the recession to be short lived, but it will take time for the economy to get back to full potential. Meaningful uncertainty persists about the pace of reopening. Significant fiscal and monetary stimulus should help support the rebound.

EQUITY POSITIONING

Our allocations remain US and emerging markets focused. We believe the US economy, bolstered by fiscal and monetary stimulus, is better positioned to recover from the pandemic in the second half of 2020 than Europe or Japan. In Europe, even in an eventual post-crisis economic recovery, fiscal deficits and populism may continue to weigh on sentiment, spending, and investment. In Japan, structural reforms have had limited success. China has led the way out of the global crisis and supported emerging market equities, which remain attractively valued.

FIXED INCOME POSITIONING

Tactically, we are emphasizing investment-grade bond exposure and prefer investment-grade bonds to cash. We have generally positioned portfolios with below-benchmark interest-rate sensitivity and above-benchmark credit sensitivity. Valuations have made investment-grade corporates more attractive and favor

EQUITY

Markets May Look to Recovery

After a bounce off March lows, potential near-term gains in the S&P 500 may be more limited. Bouts of volatility remain likely, though equity markets may stabilize as the path to reopening the economy becomes clearer. Expectations of an earnings rebound later in 2020 and into 2021 may provide support for equity markets and limit the magnitude of potential declines. We believe low yields and depressed earnings support an above-average P/E, which, looking ahead to 2021, supports a year-end 2020 S&P 500 fair value target of 3,150–3,200.

mortgage-backed securities as a diversifying source of yield. Strategic allocations and income-oriented portfolios include allocations to more credit-sensitive bond sectors.

GROWTH VS. VALUE

We maintain a balanced view of growth and value. In the short term, with the US economy in recession, the ability to grow earnings without much help from the economy and relatively stronger balance sheets may favor growth. Relative valuations may help support value stocks as economic growth potentially begins to ramp up.

SECTOR VIEWS

We maintain our preference for economically sensitive (cyclical) areas of the equity market. We believe communication services, healthcare, and technology are best positioned for the near term as the bottoming process continues, while we would expect financials and industrials to be among the leaders when the economy begins to restart.

FIXED INCOME

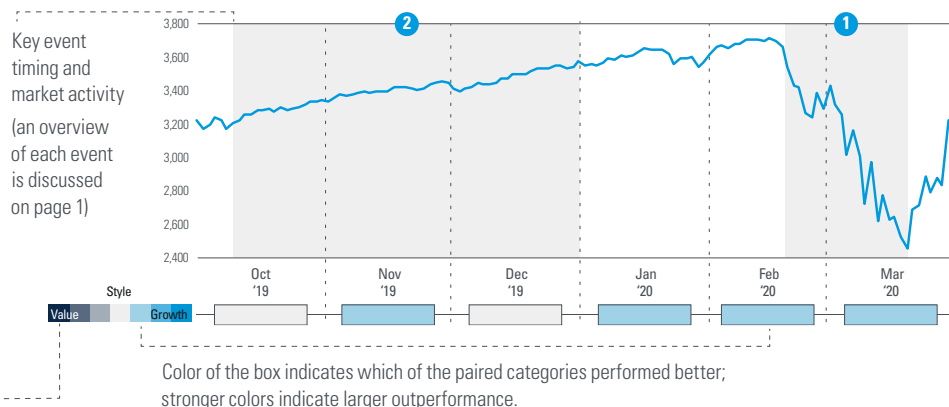
Limited Return Potential

Yields near historical lows limit the return potential for investment-grade bonds, but low inflation and economic growth below potential may keep Treasury yields contained, limiting interest-rate risk. Credit spreads have come in, but further compression could help corporate bonds contribute to overall investment-grade bond returns. Despite a strong run, the Bloomberg Barclays Aggregate Bond Index may still be able to produce limited returns.

KEY RISKS

- Delays in developing effective COVID-19 treatments or additional waves of infection.
- Greater structural damage to the economy than expected from the current recession.
- A fiscal, political, or monetary policy mistake, at home or internationally.
- A renewal of trade tensions, especially with China.
- A mishandling of the United Kingdom's exit from the European Union.
- Deterioration in China's bad debt problems and unexpected contagion.
- Additional unpredictable exogenous events on a sufficient scale to disrupt commerce, such as a terrorist attack or natural disaster.

MARKET DRIVERS AND TRADE ACTIVITY DASHBOARD



MARKET DRIVER INDEX RETURNS (%)

	Russell 3000 Value	Russell 3000 Growth	S&P 500	Russell 2000	Russell 3000	MSCI EM	MSCI EAFE	Bloomberg Barclays Long U.S. Treasury	Bloomberg Barclays High Yield
	Value	Growth	Large Cap	Small Cap	Domestic	Intl (37.5%)	Intl (62.5%)	Duration	Credit
Oct '19	1.47	2.82	2.17	2.63	2.15	4.23	3.60	-0.86	0.28
Nov '19	3.04	4.53	3.63	4.12	3.80	-0.13	1.14	-0.52	0.33
Dec '19	2.80	2.97	3.02	2.88	2.89	7.53	3.27	-2.79	2.00
Jan '20	-2.37	2.02	-0.04	-3.21	-0.11	-4.66	-2.08	6.85	0.03
Feb '20	-9.69	-6.84	-8.23	-8.42	-8.19	-5.27	-9.03	6.70	-1.41
Mar '20	-17.58	-10.41	-12.35	-21.73	-13.75	-15.38	-13.25	6.05	-11.46

Source: LPL Research, FactSet 03/31/20

CATEGORY DEFINITIONS

Return Drivers: "Return Drivers" attempt to capture some of the characteristics of each month by looking at return differences between contrasting indexes. All returns are total returns for the index in question. Weights for the international category approximate the proportional weights of the indexes in LPL Research's Diversified Benchmarks.

Style: The Russell 3000 Value and Growth Indexes divide all stocks in the Russell 3000 universe into the growth or value style based on valuations and sales and earnings growth rates. Inexpensive valuations are considered more characteristic of the value style; high growth rates are considered more characteristic of the growth style. The performance environment in which one style or the other outperforms can vary.

Size: The S&P 500 is a market capitalization weighted index of the 500 largest U.S. stocks that meet the index criteria and is considered broadly representative of U.S. large cap stocks. The Russell 2000 is a market capitalization weighted index of the 2000 smallest stocks in the broad Russell 3000 and is considered representative of smaller market capitalization stocks. Small caps tend to be more economically sensitive than large caps, but the relationship can vary in different environments.

Geography: The MSCI EAFE Index is a market capitalization weighted index of developed economies outside the U.S. and Canada. The MSCI Emerging Markets Index is a market capitalization weighted index of 23 emerging market economies.

Bonds: Duration is a measure of interest rate risk. The price of high-duration bonds is more sensitive to changes in interest rates. Credit risk reflects the likelihood of default. Lower quality bonds have greater credit risk and prices are sensitive to economic conditions that impact the bond issuer. The difference between the return of long-dated Treasuries (high duration, high quality) and high-yield bonds (low quality, low sensitivity to Treasury rates) are used as a loose proxy for whether duration or credit risk was a stronger driver of bond returns.

Turnover: The month's turnover is the average of model turnover for All Weather models (Quad-Core Balanced, Mutual Fund Tactical Diversified Plus, ETP Tactical Diversified Plus, and American Funds Active Core) plus Alpha Focused Diversified Plus. A model's turnover is its average turnover across all investment objectives for the month in question.

Risk Levels: Risk levels are measured by the median beta versus the investment objective benchmark for the following 5 models in the Growth with Income investment objective: ETP Tactical Diversified Plus, Mutual Fund Tactical Diversified Plus, Alpha Focused Diversified Plus, and DRA Diversified Plus. Beta is a measure of portfolio risk as a multiple of benchmark risk, with 1.0 representing benchmark level risk. It captures only risk that tends to be correlated with the benchmark and not benchmark independent behavior ("idiosyncratic risk"). In order to capture the point-in-time risk levels of the models, betas are calculated using a hypothetical return stream for the model based on current holdings over the prior three months. Calculations are carried out during the first week of each month. Risk levels fall into three categories: high (median > 1.08), near benchmark (median >= 0.92 and <= 1.08), and low (median < 0.92). The change in each month is the difference between the beta for that month and the following month. If the median moves higher by more than 0.08, it is considered rising; if it declines by more than 0.08 it is considered falling. Otherwise it is considered flat. Note that betas are a statistical estimate and will vary depending on the sampling period.

ACTUAL PERFORMANCE OF THE AGGRESSIVE GROWTH PORTFOLIOS (%) AS OF 03/31/20

AS OF MARCH 2020

	Inception Date	3-Month		1-Year		5-Year		10-Year		Since Inception	
		Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Alpha Focused Diversified Plus	3/1/08	-21.54	-22.02	-11.86	-14.03	2.30	-0.22	7.65	4.99	5.70	3.21
American Funds Active Core	12/1/15	-20.38	-20.88	-10.41	-12.62	N/A	N/A	N/A	N/A	5.25	2.65
Income Focused	3/1/08	-23.96	-24.42	-16.75	-18.80	0.99	-1.50	5.40	2.80	3.30	0.88
MFS Strategic Value	5/1/17	-19.69	-20.15	-8.34	-10.46	N/A	N/A	N/A	N/A	3.28	0.88
Sustainable Investing (SI)	3/1/08	-17.33	-17.83	-7.96	-10.21	3.53	0.98	7.32	4.67	5.38	2.90
Strategic ETP	1/1/12	-22.10	-22.58	-12.95	-15.09	3.55	1.00	N/A	N/A	8.60	5.91
Strategic Mutual Fund Diversified Plus	3/1/08	-24.46	-24.93	-15.64	-17.72	1.56	-0.95	6.21	3.59	4.19	1.74
Tactical ETP Diversified Plus	7/1/09	-19.67	-20.16	-8.91	-11.15	3.31	0.75	5.79	3.18	7.66	5.00
Tactical Mutual Fund Diversified Plus	3/1/08	-20.95	-21.44	-11.12	-13.31	2.75	0.21	6.28	3.65	4.56	2.10
Tax Aware Diversified Plus	3/1/08	-23.24	-23.72	-14.24	-16.36	2.35	-0.18	6.21	3.59	4.25	1.79
Technical Equity	5/1/15	-20.47	-20.97	-10.03	-12.25	N/A	N/A	N/A	N/A	3.93	1.57
Investment Objective Benchmark	N/A	-19.89	N/A	-8.50	N/A	5.58	N/A	9.70	N/A	N/A	N/A
Diversified Benchmark (Tactical and Strategic Models)	N/A	-21.47	N/A	-11.48	N/A	3.88	N/A	7.85	N/A	N/A	N/A
Tax Aware Diversified Benchmark	N/A	-21.47	N/A	-11.48	N/A	3.88	N/A	7.85	N/A	N/A	N/A
Socially Responsible Investing Diversified Benchmark	N/A	-17.85	N/A	-5.84	N/A	5.55	N/A	8.66	N/A	N/A	N/A

Source: LPL Research

Performance data quoted represent past performance, and are not indicative of future results. Investment returns shown represent composite portfolio performance and do not reflect the performance of any individual account. Individual client experience may have differed dependent upon the timing of cash flows and account-level investment restrictions. Gross performance is gross of applicable overlay and advisory fees but net of underlying mutual fund investment management fees and expenses. Net performance is net of expenses and the maximum annual advisory fee of 2.50%, billed quarterly (for the 2016 period net performance reflects a maximum fee of 2.58% for select portfolios), and applied at the beginning of the quarter on a prorated basis. The returns shown include reinvestment of income distributed from the underlying mutual funds.

The returns for the portfolio were obtained during a period of fluctuating interest rates, bond prices, and stock prices, and should not be considered representative of the returns you could expect to realize from any future investment in the portfolio. The underlying holdings contained in, or the investment strategies followed with respect to the model portfolio may have changed materially during the time period portrayed and may not relate to the type of securities or advisory services currently offered. As market conditions can fluctuate suddenly and frequently, the portfolio holdings and investment mix may change, which can result in an investor's performance deviating from the performance portrayed.

Portfolio performance assumes a quarterly rebalancing frequency. Rebalancing is a taxable event that may result in a taxable gain or loss; thus, rebalancing in non-tax-advantaged accounts may involve higher taxes than tax-advantaged accounts.

Benchmark composition and investment objective descriptions can be found on page 11.

ACTUAL PERFORMANCE OF THE GROWTH PORTFOLIOS (%) AS OF 03/31/20

AS OF MARCH 2020

	Inception Date	3-Month		1-Year		5-Year		10-Year		Since Inception	
		Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Alpha Focused Diversified Plus	3/1/08	-19.86	-20.35	-10.55	-12.75	2.44	-0.09	7.38	4.73	5.62	3.14
Alternative Strategies	10/1/12	-14.92	-15.45	-8.26	-10.53	-0.03	-2.55	N/A	N/A	2.53	-0.03
American Funds Active Core	12/1/15	-17.11	-17.62	-7.88	-10.16	N/A	N/A	N/A	N/A	5.00	2.40
Income Focused	3/1/08	-21.73	-22.22	-14.91	-17.01	0.96	-1.54	5.12	2.53	3.20	0.65
MFS Strategic Value	5/1/17	-17.53	-18.00	-6.82	-8.97	N/A	N/A	N/A	N/A	3.07	0.68
Sustainable Investing (SI)	3/1/08	-14.87	-15.38	-6.03	-8.31	3.40	0.85	6.86	4.23	5.35	2.87
Strategic ETP	1/1/12	-19.22	-19.72	-10.62	-12.82	3.47	0.91	N/A	N/A	7.84	5.16
Strategic Mutual Fund Diversified Plus	3/1/08	-21.58	-22.06	-13.44	-15.57	1.53	-0.98	5.91	3.30	4.35	1.90
Tactical ETP Diversified Plus	7/1/09	-17.07	-17.58	-6.89	-9.17	2.74	0.19	5.37	2.77	7.13	4.49
Tactical Mutual Fund Diversified Plus	3/1/08	-18.18	-18.69	-8.62	-10.88	2.83	0.29	6.13	3.51	4.68	2.22
Tax Aware Diversified Plus	3/1/08	-20.34	-20.83	-12.06	-14.23	2.13	-0.39	5.74	3.13	4.16	1.58
Investment Objective Benchmark	N/A	-16.49	N/A	-5.72	N/A	5.35	N/A	8.88	N/A	N/A	N/A
Diversified Benchmark (Tactical and Strategic Models)	N/A	-17.85	N/A	-8.30	N/A	3.93	N/A	7.33	N/A	N/A	N/A
Tax Aware Diversified Benchmark	N/A	-18.36	N/A	-9.01	N/A	3.89	N/A	7.37	N/A	N/A	N/A
Socially Responsible Investing Diversified Benchmark	N/A	-14.73	N/A	-3.46	N/A	5.31	N/A	8.00	N/A	N/A	N/A

Performance data quoted represent past performance, and are not indicative of future results.

Please refer to page 6 and 11 for additional performance disclosures.

ACTUAL PERFORMANCE OF THE GROWTH WITH INCOME PORTFOLIOS (%) AS OF 03/31/20

AS OF MARCH 2020

	Inception Date	3-Month		1-Year		5-Year		10-Year		Since Inception	
		Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Alpha Focused Diversified Plus	3/1/08	-16.12	-16.65	-7.27	-9.55	2.55	0.02	6.88	4.24	5.73	3.12
Alternative Strategies Plus	10/1/12	-9.63	-10.18	-3.95	-6.31	0.13	-2.54	N/A	N/A	2.17	-0.48
American Funds Active Core	12/1/15	-12.26	-12.79	-4.08	-6.42	N/A	N/A	N/A	N/A	4.83	2.24
American Funds Retirement Income Enhanced	4/1/18	-14.45	-14.95	-6.31	-8.49	N/A	N/A	N/A	N/A	-0.97	-3.33
American Funds Retirement Income Moderate	4/1/18	-10.76	-11.28	-3.33	-5.57	N/A	N/A	N/A	N/A	0.59	-1.80
Downside Risk Aware Diversified Plus	3/1/08	-10.30	-10.87	-1.92	-4.29	3.42	0.87	4.66	2.08	3.73	1.17
Franklin Templeton Income	5/1/17	-19.64	-20.11	-13.94	-15.93	N/A	N/A	N/A	N/A	-2.23	-4.51
Franklin Templeton Tax Aware	1/1/17	-14.64	-15.13	-7.22	-9.39	N/A	N/A	N/A	N/A	2.71	0.31
Income Focused	3/1/08	-18.98	-19.49	-13.19	-15.34	0.36	-2.12	4.42	1.84	3.11	0.56
MFS Strategic Value	5/1/17	-13.33	-13.82	-3.71	-5.93	N/A	N/A	N/A	N/A	3.33	0.93
Quad-Core Balanced	9/1/12	-16.29	-16.81	-7.84	-10.10	2.40	-0.14	N/A	N/A	4.00	1.42
Sustainable Investing (SI)	3/1/08	-11.38	-11.92	-3.50	-5.76	3.02	0.50	6.00	3.40	5.21	2.75
Strategic ETP	1/1/12	-15.29	-15.82	-6.94	-9.23	3.46	0.91	N/A	N/A	7.02	4.36
Strategic Mutual Fund Diversified Plus	3/1/08	-17.02	-17.53	-9.50	-11.73	1.81	-0.70	5.76	3.15	4.66	2.20
Tactical ETP Diversified Plus	7/1/09	-12.29	-12.82	-3.09	-5.47	2.75	0.22	5.07	2.49	6.76	4.08
Tactical Mutual Fund Diversified Plus	3/1/08	-14.05	-14.58	-5.35	-7.68	3.12	0.58	5.95	3.34	5.00	2.40
Tax Aware Diversified Plus	3/1/08	-16.02	-16.53	-8.67	-10.91	2.40	-0.13	5.09	2.50	4.04	1.60
Investment Objective Benchmark	N/A	-11.83	N/A	-2.05	N/A	4.96	N/A	7.71	N/A	N/A	N/A
Diversified Benchmark (Tactical and Strategic Models)	N/A	-12.89	N/A	-4.03	N/A	3.90	N/A	6.57	N/A	N/A	N/A
Tax Aware Diversified Benchmark	N/A	-14.11	N/A	-5.72	N/A	3.82	N/A	6.66	N/A	N/A	N/A
Socially Responsible Investing Diversified Benchmark	N/A	-10.47	N/A	-0.34	N/A	4.92	N/A	7.04	N/A	N/A	N/A

Performance data quoted represent past performance, and are not indicative of future results.

Please refer to page 6 and 11 for additional performance disclosures.

ACTUAL PERFORMANCE OF THE INCOME WITH MODERATE GROWTH PORTFOLIOS (%) AS OF 03/31/20

AS OF MARCH 2020

	Inception Date	3-Month		1-Year		5-Year		10-Year		Since Inception	
		Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Alternative Strategies Plus	10/1/12	-8.19	-8.75	-1.30	-3.72	0.18	-2.37	N/A	N/A	1.52	-1.01
American Funds Active Core	12/1/15	-6.69	-7.26	-0.03	-2.49	N/A	N/A	N/A	N/A	4.83	2.24
American Funds Retirement Income Conservative	4/1/18	-6.42	-6.96	0.09	-2.23	N/A	N/A	N/A	N/A	2.26	-0.17
Downside Risk Aware Diversified Plus	3/1/08	-5.76	-6.35	1.63	-0.84	3.55	1.00	4.52	1.94	3.87	1.43
Franklin Templeton Income	5/1/17	-14.14	-14.65	-9.26	-11.38	N/A	N/A	N/A	N/A	-0.90	-3.21
Franklin Templeton Tax Aware	1/1/17	-11.30	-11.80	-5.39	-7.57	N/A	N/A	N/A	N/A	2.32	-0.06
Income Focused	3/1/08	-15.27	-15.79	-9.54	-11.77	0.33	-2.15	3.56	1.00	2.92	0.50
MFS Strategic Value	5/1/17	-9.07	-9.60	-1.12	-3.42	N/A	N/A	N/A	N/A	3.10	0.70
Quad-Core Income	9/1/12	-4.63	-5.22	-1.29	-3.73	1.21	-1.29	N/A	N/A	1.15	-1.35
Sustainable Investing (SI)	3/1/08	-6.80	-7.38	-0.20	-2.47	2.51	0.02	4.95	2.38	4.78	2.33
Strategic ETP	1/1/12	-10.56	-11.10	-2.82	-5.21	3.35	0.80	N/A	N/A	5.90	3.27
Strategic Mutual Fund Diversified Plus	3/1/08	-11.43	-11.96	-4.25	-6.60	2.09	-0.43	5.24	2.64	4.61	2.14
Tactical Absolute Return	1/1/12	-5.91	-6.50	-0.28	-2.75	2.32	-0.21	N/A	N/A	2.72	0.16
Tactical ETP Diversified Plus	7/1/09	-8.04	-8.61	-0.38	-2.83	2.84	0.29	4.25	1.67	5.63	3.02
Tactical Mutual Fund Diversified Plus	3/1/08	-10.04	-10.59	-2.40	-4.80	2.95	0.41	5.15	2.56	4.75	2.29
Tax Aware Diversified Plus	3/1/08	-11.54	-12.08	-4.97	-7.30	2.74	0.20	5.02	2.43	4.07	1.62
Investment Objective Benchmark	N/A	-7.07	N/A	1.43	N/A	4.43	N/A	6.38	N/A	N/A	N/A
Diversified Benchmark (Tactical and Strategic Models)	N/A	-7.81	N/A	0.06	N/A	3.73	N/A	5.63	N/A	N/A	N/A
Tax Aware Diversified Benchmark	N/A	-9.71	N/A	-2.55	N/A	3.62	N/A	5.77	N/A	N/A	N/A
Socially Responsible Investing Diversified Benchmark	N/A	-6.15	N/A	2.57	N/A	4.39	N/A	5.94	N/A	N/A	N/A

Performance data quoted represent past performance, and are not indicative of future results.

Please refer to page 6 and 11 for additional performance disclosures.

ACTUAL PERFORMANCE OF THE INCOME WITH CAPITAL PRESERVATION PORTFOLIOS (%) AS OF 03/31/20

AS OF MARCH 2020

	Inception Date	3-Month		1-Year		5-Year		10-Year		Since Inception	
		Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
American Funds Active Core	12/1/15	-1.68	-2.29	3.48	0.93	N/A	N/A	N/A	N/A	4.14	1.56
Downside Risk Aware Diversified Plus	3/1/08	-1.85	-2.47	4.74	2.17	3.60	1.04	4.39	1.82	4.12	1.67
Franklin Templeton Income	5/1/17	-9.96	-10.48	-5.94	-8.12	N/A	N/A	N/A	N/A	-0.32	-2.65
Franklin Templeton Tax Aware	1/1/17	-6.70	-7.24	-2.27	-4.54	N/A	N/A	N/A	N/A	2.43	0.04
Income Focused	3/1/08	-12.11	-12.65	-6.38	-8.69	0.52	-1.97	3.32	0.77	3.15	0.72
MFS Strategic Value	5/1/17	-5.03	-5.59	1.58	-0.78	N/A	N/A	N/A	N/A	3.10	0.69
Sustainable Investing (SI)	3/1/08	-3.23	-3.83	2.40	0.16	1.95	-0.52	3.99	1.45	4.36	1.92
Strategic ETP	1/1/12	-5.62	-6.21	1.41	-1.09	3.44	0.88	N/A	N/A	5.12	2.51
Strategic Mutual Fund Diversified Plus	3/1/08	-6.17	-6.76	0.51	-1.98	2.28	-0.25	4.90	2.31	4.56	2.10
Tactical ETP Diversified Plus	7/1/09	-3.73	-4.32	2.80	0.27	2.40	-0.14	3.75	1.18	4.88	2.29
Tactical Mutual Fund Diversified Plus	3/1/08	-5.31	-5.90	1.00	-1.49	2.78	0.24	4.67	2.08	4.61	2.14
Tax Aware Diversified Plus	3/1/08	-7.48	-8.05	-2.03	-4.44	2.51	-0.03	4.41	1.83	3.81	1.37
Investment Objective Benchmark	N/A	-2.21	N/A	4.77	N/A	3.80	N/A	4.95	N/A	N/A	N/A
Diversified Benchmark (Tactical and Strategic Models)	N/A	-2.58	N/A	4.12	N/A	3.43	N/A	4.61	N/A	N/A	N/A
Tax Aware Diversified Benchmark	N/A	-5.15	N/A	0.62	N/A	3.31	N/A	4.79	N/A	N/A	N/A
Socially Responsible Investing Diversified Benchmark	N/A	-1.74	N/A	5.34	N/A	3.77	N/A	4.73	N/A	N/A	N/A

Performance data quoted represent past performance, and are not indicative of future results.

Please refer to page 6 and 11 for additional performance disclosures.

BENCHMARK COMPOSITION

AS OF MARCH 2020

LPL Diversified Benchmark Description (Tactical and Strategic Models)

Benchmark Indexes	AG	G	GW	IMG	ICP
S&P 500 Index	57%	48%	36%	24%	12%
Russell 2000 Index	19%	16%	12%	8%	4%
MSCI EAFE Index	12%	10%	8%	5%	4%
MSCI Emerging Markets Index	7%	6%	4%	3%	0%
Bloomberg Barclays U.S. Aggregate Bond Index	0%	15%	35%	53%	70%
Cash	5%	5%	5%	7%	10%

LPL Socially Responsible Investing Diversified Benchmark Description

Benchmark Indexes	AG	G	GW	IMG	ICP
MSCI KLD 400 Social Index	76%	64%	48%	32%	16%
MSCI World Index ex USA SRI	19%	16%	12%	8%	4%
Bloomberg Barclays U.S. Aggregate Bond Index	0%	15%	35%	53%	70%
Cash	5%	5%	5%	7%	10%

The cash portion of these portfolios is made up of money market instruments.

Index returns are presented as a general indicator of market performance during the periods depicted. Index performance is not indicative of the performance of any investment and do not reflect fees, expenses, or sales charges. The index composition may not reflect the manner in which the portfolio is constructed and portfolio characteristics including volatility, risk and return features may deviate from those of the benchmark. All indexes are unmanaged and cannot be invested into directly.

The Diversified Benchmarks are a tool to assist in capturing and explaining client portfolio performance. They represent a more encompassing asset class mix than the IO benchmarks. By incorporating additional asset classes in the benchmarks, the diversified benchmarks are more aligned with clients' typical investment portfolios.

The Investment Objective Benchmarks are an integral part of assessing a client's profile at LPL Financial, from the moment an account is opened through ongoing performance reviews. This assessment includes looking at a client's investment preference, time horizon, risk tolerance, income needs, tax preferences, and other special situations.

INVESTMENT OBJECTIVES

Aggressive Growth (AG) – Emphasis is placed on aggressive growth and maximum capital appreciation. This portfolio has a very high level of risk and is for investors with a longer time horizon. This portfolio is considered to have the highest level of risk.

Growth (G) – Emphasis is placed on achieving high long-term growth and capital appreciation. This is considered higher than average risk.

LPL Tax Aware Diversified Benchmark Description

Benchmark Indexes	AG	G	GW	IMG	ICP
S&P 500 Index	57%	48%	36%	24%	12%
Russell 2000 Index	19%	16%	12%	8%	4%
MSCI EAFE Index	12%	10%	8%	5%	4%
MSCI Emerging Markets Index	7%	6%	4%	3%	0%
Bloomberg Barclays U.S. Municipal Bond Index	0%	15%	35%	53%	70%
Cash	5%	5%	5%	7%	10%

Weighted Average Investment Objective Benchmark Description (Tactical and Strategic Models)

Benchmark Indexes	AG	G	GW	IMG	ICP
Russell 3000 Index	95%	80%	60%	40%	20%
Bloomberg Barclays U.S. Aggregate Bond Index	0%	15%	35%	53%	70%
Cash	5%	5%	5%	7%	10%

Growth with Income (GW) – Emphasis is placed on modest capital growth. Certain assets are included to generate income and reduce overall volatility.

Income with Moderate Growth (IMG) – Emphasis is placed on current income with some focus on moderate capital growth.

Income with Capital Preservation (ICP) – Emphasis is placed on current income and preventing capital loss. This is considered the lowest risk portfolio available and is generally for investors with the shortest time horizon.

IMPORTANT DISCLOSURES

This material has been prepared for informational purposes only, and is not intended as specific advice or recommendations for any individual. There is no assurance that the views or strategies discussed are suitable for all investors and they do not take into account the particular needs, investment objectives, tax and financial condition of any specific person. To determine which investment(s) may be appropriate for you, please consult your financial advisor prior to investing. Any economic forecasts set forth may not develop as predicted and are subject to change.

Model Wealth Portfolios (MWP) are centrally managed fee-based portfolios constructed by LPL Research. Investment choices include mutual funds and exchange-traded products (ETPs). Optimum Market Portfolios (OMP) are centrally managed fee-based portfolios constructed by LPL Research. Investments are composed of the Optimum funds (mutual funds) that feature 10 or more money managers. The MWP and OMP portfolios benefit from ongoing monitoring and rebalancing implemented by LPL Financial Overlay Portfolio Management Group. Strategic Asset Management (SAM) is an open-architecture, fee based investment platform, giving advisors the ability to create customized portfolios. The strategies displayed are composed of Analyst Top Picks in each represented asset class.

RISK DISCLOSURES

Investing involves risks including possible loss of principal. No investment strategy or risk management technique can guarantee return or eliminate risk in all market environments. There can be no assurance that any stated investment objectives will be achieved.

Investing in mutual funds involves risk, including possible loss of principal. The fund's value will fluctuate with market conditions and may not achieve its investment objective. Upon redemption, the value of fund shares may be worth more or less than their original cost. Exchange Traded Funds (ETF) are subject to risks, including but not limited to, the loss of principal, price volatility, competitive industry pressure, international political and economic developments, possible trading halts, and index tracking errors and are not diversified. For fund specific risks please refer to the prospectus.

Investors should consider the investment objectives, risks, charges, and expenses of the underlying investment company holdings carefully before investing. The prospectus and, if available, the summary prospectus contain this and other important information about the investment company. You can obtain a prospectus and summary prospectus from your financial representative. Please read carefully before investing.

DEFINITIONS

The Bloomberg Barclays U.S. Aggregate Bond Index is a broad-based flagship benchmark that measures the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS, and CMBS (agency and non-agency).

The Bloomberg Barclays High Yield Index covers the universe of publicly issued debt obligations rated below investment grade. Bonds must be rated below investment grade or high yield (Ba1/BB+ or lower), by at least two of the following ratings agencies: Moody's, S&P, and Fitch. Bonds must also have at least one year to maturity, have at least \$150 million in par value outstanding, and must be U.S. dollar denominated and nonconvertible. Bonds issued by countries designated as emerging markets are excluded.

The Bloomberg Barclays U.S. Treasury Index is an unmanaged index of public debt obligations of the U.S. Treasury with a remaining maturity of one year or more. The index does not include T-bills (due to the maturity constraint), zero coupon bonds (strips), or Treasury Inflation-Protected Securities (TIPS). (The long and the intermediate are subindexes of the U.S. Treasury Index, based on duration length.)

The Bloomberg Barclays Municipal Index covers the U.S. dollar denominated long term tax exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

The MSCI EAFE Index is recognized as the pre-eminent benchmark in the United States to measure international equity performance. It comprises the MSCI country indexes that represent developed markets outside of North America: Europe, Australasia, and the Far East.

The MSCI Emerging Markets Index captures large and mid cap representation across 23 emerging markets (EM) countries. With 822 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The MSCI KLD 400 Social Index is a capitalization weighted index of 400 U.S. securities that provides exposure to companies with outstanding Environmental, Social and Governance (ESG) ratings and excludes companies whose products have negative social or environmental impacts. The parent index is MSCI USA IMI, an equity index of large, mid and small cap companies.

The MSCI World ex USA SRI Index includes large and mid cap stocks from 22 Developed Markets countries (excluding the US). The index is a capitalization weighted index that provides exposure to companies with outstanding Environmental, Social and Governance (ESG).

The Russell 2000 Index is an unmanaged index generally representative of the 2,000 smallest companies in the Russell 3000 index, which represents approximately 10% of the total market capitalization of the Russell 3000 Index.

The Russell 3000 Growth Index is an unmanaged index comprised of those Russell 3000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 3000 Value Index measures the performance of those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values.

Gross Domestic Product (GDP) is the monetary value of all the finished goods and services produced within a country's borders in a specific time period, though GDP is usually calculated on an annual basis. It includes all of private and public consumption, government outlays, investments and exports less imports that occur within a defined territory.

The PE ratio (price-to-earnings ratio) is a measure of the price paid for a share relative to the annual net income or profit earned by the firm per share. It is a financial ratio used for valuation: a higher PE ratio means that investors are paying more for each unit of net income, so the stock is more expensive compared to one with lower PE ratio.

U.S. Treasuries may be considered "safe haven" investments but do carry some degree of risk including interest rate, credit, and market risk. 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.

This research material has been prepared by LPL Financial LLC.

Securities and advisory services offered through LPL Financial (LPL), a registered investment advisor and broker-dealer (member FINRA/SIPC). Insurance products are offered through LPL or its licensed affiliates.

To the extent you are receiving investment advice from a separately registered independent investment advisor that is not an LPL affiliate, please note LPL makes no representation with respect to such entity.

Not Insured by FDIC/NCUA or Any Other Government Agency | Not Bank/Credit Union Guaranteed | Not Bank/Credit Union Deposits or Obligations | May Lose Value

RES 05625 0420 | For Public Use | Tracking #1-05010105 (Exp. 08/20)