

ASTOR ECONOMIC INDEX®
GAUGE ON U.S. ECONOMY
as of 10/31/2019



ASTOR'S MONTHLY
THOUGHTS:

The markets dipped early but enjoyed good performance for the month as a markets rallied on renewed optimism on substantive U.S. and China trade talks.

Rates offered a similar story as 10-yr U.S. Treasury rates bounced from a low around 1.5% early in the month to finish near 1.7%. FOMC "mid-cycle" cuts look to be termed if data stays stable between now and the next meeting. Combine all this with a thaw in trade talks and the 2-10 treasury yield curve has steepened back near year highs.

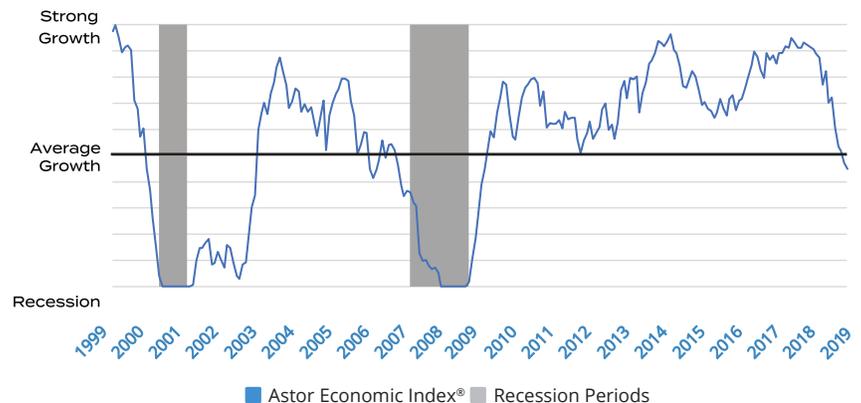
Economic data remained mixed, with consumer data staying generally supportive and manufacturing posting a third straight month of contracting activity (ISM Manufacturing report).

PERFORMANCE as of 10/31/2019

	OCTOBER 2019	QTD	YTD
Dynamic Allocation (net)	0.60%	0.60%	14.87%
HFRI Total Macro Index	-1.29%	-1.29%	5.38%
Sector Allocation (net)	0.94%	0.94%	15.70%
S&P 500 Index	2.17%	2.17%	23.16%
Active Income (net)	-0.18%	-0.18%	6.92%
Barclays Cap U.S. Agg Bond Index	0.30%	0.30%	8.85%

Source: Astor, Bloomberg Data: 10/31/2019. The performance presented is net of fees and assumes the reinvestment of dividends. Past Performance is no guarantee of future results. Please refer to the accompanying disclosures for additional information concerning these.

THE ASTOR ECONOMIC INDEX® DATA-DRIVEN,
REAL TIME, SNAPSHOT OF THE CURRENT STATE
OF THE U.S. ECONOMY
as of 10/31/2019



■ Astor Economic Index® ■ Recession Periods

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The Astor Economic Index® is a proprietary index created by Astor Investment Management LLC. It represents an aggregation of various economic data points: including output and employment indicators. The Astor Economic Index® is designed to track the varying levels of growth within the U.S. economy by analyzing current trends against historical data. The Astor Economic Index® is not an investable product. When investing, there are multiple factors to consider. The Astor Economic Index® should not be used as the sole determining factor for your investment decisions. The Index is based on retroactive data points and may be subject to hindsight bias. There is no guarantee the Index will produce the same results in the future. The Astor Economic Index® is a tool created and used by Astor. All conclusions are those of Astor and are subject to change.

The performance presented is of the composites described below and represents net-of-fees returns. Valuations are computed and performance is reported in U.S. dollars. Performance results assume reinvestment of dividends. Net-of-fee returns are calculated using a model fee charged monthly. Certain accounts pay fees outside of the composite account and thus, require a model fee for performance calculation. In order to maintain consistency, Astor calculates a model fee across all composite accounts. The model fee is representative of the actual fees charged to client accounts which covers trading, advisory, and other costs. The model fee provides a more conservative estimate of performance. The 2018 annual model fees for the Dynamic Allocation Composite, Sector Allocation Composite, and Active Income Composite are 2.00%, 2.00%, and 1.25%, respectively.

The Dynamic Allocation Composite is a multi-asset, tactical allocation strategy that exclusively uses exchange-traded funds (ETFs). The Composite will invest in a mix of asset classes, including equity, fixed income, commodities and currencies depending on the economic and market environment. During economic contractions, the Composite seeks to reduce risk by utilizing defensive positioning such as inverse equity and fixed income. The strategy may employ the use of unleveraged inverse exchange-traded funds, designed to track a single multiple of the daily inverse performance of a given index. For purposes of defining the composite of accounts, a minimum account size of \$50,000 is imposed monthly. The portfolio managers may, at their discretion, depart from the targeted allocation range when they feel that certain sections of the financial markets are over or under valued. The benchmark is the HFRI Macro (Total)

Index. The HFRI Macro (Total) Index is an unmanaged, equal-weighted composite of funds listed in the HFRI Database having either \$50 million or greater in assets or a 12- month track record. HFRI is a registered trademark of Hedge Fund Research, Inc. Prior to 12/31/12, the benchmark was a 60%/40% blend of the S&P 500 Index and the Barclays Capital U.S. Aggregate Bond Index, respectively, rebalanced monthly.

The Sector Allocation Composite is a tactical strategy focused on the generation of returns through shifts in domestic equity sector allocations. The Composite exclusively uses exchange-traded funds (ETFs) and focuses on investing in domestic equities during economic expansions while reducing equity exposure for fixed income and cash in weak economic periods. Prior to May 2014, the Composite previously invested in various other asset classes, including commodities, international equity, and currencies. These asset classes were removed due to evolution of the strategy model and investment universe. The Composite includes a minimum 15% domestic equity allocation and does not invest in inverse funds. The portfolio managers may, at their discretion, depart from the targeted allocation range when they feel that certain sections of the financial markets are over or under valued. The benchmark is the S&P 500 Index. The S & P 500 Index is an unmanaged composite that measures the performance of 500 large capitalization stocks, which together represent approximately 80% of the total equities market in the United States. The S & P 500 is a registered trademark of McGraw Hill Financial.

The Active Income Composite is an actively managed strategy designed to produce income and to generate long-term capital appreciation by exclusively investing in exchange-traded funds ("ETFs"). The Composite invests primarily in fixed income securities and dividend yielding equities. The strategy may employ the use of unleveraged inverse ETFs, designed to track a single multiple of the daily inverse performance of a give index." The portfolio managers may, at their discretion, depart from the targeted allocation range when they feel that certain sections of the financial markets are over or under valued. The benchmark is the Barclays Capital U.S. Aggregate Bond Index. The performance of the Barclays Capital U.S. Aggregate Bond Index is shown for comparison because Astor uses index instruments tied to these products. Although the program invests in securities which may invest in assets besides fixed income securities and may invest in assets that move inversely with fixed income, the performance of the Barclays Capital U.S. Aggregate is presented because it is a widely used benchmark and indicator of bond market performance. Barclays Capital U.S. Aggregate annual returns are calculated using Barclays Capital U.S. Aggregate cash monthly prices with dividends reinvested. The Barclays Capital U.S. Aggregate Bond is comprised of approximately 6,000 publicly traded bonds including U.S. Government, mortgage-backed, corporate and Yankee bonds with an average maturity of approximately 10 years.

The Composite can also purchase unleveraged, inverse fixed income ETFs. Inverse ETFs attempt to profit from the decline of an asset or asset class by seeking to track the opposite performance of the underlying benchmark or index. Inverse products attempt to achieve their stated objectives on a daily basis and can face additional risks due to this fact. The effect of compounding over a long period can cause a large dispersion between the ETF and the underlying benchmark or index. Inverse ETFs may lose money even when the benchmark or index performs as desired. Inverse ETFs have potential for significant loss and may not be suitable for all investors.

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