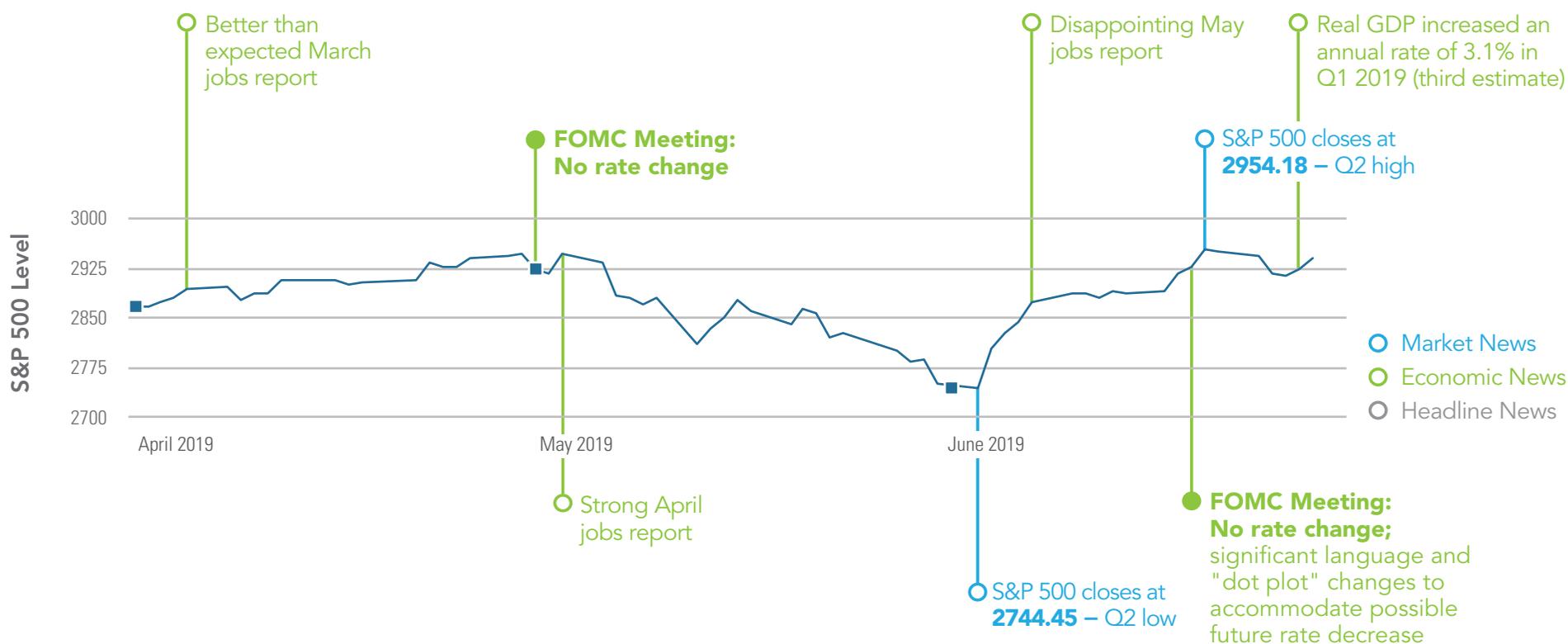


Second Quarter 2019 in Review

THE S&P 500® INDEX AND KEY EVENTS



US and global equities deliver another strong, positive quarter

- Non-US developed stocks outpaced both US large cap and US small cap stocks over the quarter. In the US, large cap outperformed small cap stocks. Emerging markets lagged but remained in positive territory.

Fixed income markets strong

- Fixed income was strong across maturities and sectors in the second quarter of 2019. Treasuries, investment grade corporate bonds, municipal bonds, and corporate high yield all posted positive returns.

Important events

- The Federal Open Market Committee (the Fed) left the fed funds rate unchanged at two meetings during the quarter (May and June). More significantly, after the June meeting the Fed indicated a significant shift toward lower rates in its policy bias and rate projections.
- Last quarter, the US Treasury yield curve (10Y-3M) inverted for the first time since 2007. The yield curve remained inverted during the second quarter, suggesting that investors are less optimistic about economic growth. With many international fixed income securities delivering negative yields, significant demand remains for long-term US fixed income.

Savos positioning

- Savos expectations for the remainder of 2019: slower economic growth; strong corporate profits but slowing profit growth; strong possibility of Fed rate cut.

Data as of 6/28/19, unless noted. Sources: Bloomberg, Bureau of Economic Analysis.

About Savos Investments

Savos Investments specializes in risk-managed strategies for financial advisors and their clients on the AssetMark platform. Savos aims to help clients reach their financial goals with carefully crafted portfolios and personalized investment solutions.

Simply Smart. Simply Savos.

Second quarter 2019 returns: Dow Jones Industrial Average®: 3.2%; Russell 2000® Index: 2.1%; MSCI EAFE Index: 3.9%; MSCI EM Index: 0.7%; Bloomberg Barclays 7 -10 Year Index: 4.0%; S&P 500® Investment Grade Corporate Bond Index: 4.1%; S&P Municipal Bond Index: 2.1%; S&P 500 High Yield Corporate Bond Index: 3.8%.

Important Information

All investments involve the risk of potential investment losses as well as the potential for investment gains. Prior performance is no guarantee of future results. This information is not a solicitation for investment, but is intended only as a discussion of certain economic or finance related topics, or as a general discussion of certain services offered to financial advisors through the AssetMark platform. Opinions are those of Savos and may change at any time. Investors seeking more information about the investments available on the AssetMark platform should discuss with their financial advisor. Prior to making any investment decision, investors should always discuss their particular situation with both a qualified financial advisor and a qualified tax advisor. Financial advisors may seek more information regarding all services offered through the AssetMark platform by contacting Savos at (818) 528-3788.

It is not possible to invest directly in an index. The **Bloomberg Barclays US Treasury 7-10 Year Index** measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. Treasury bills are excluded by the maturity constraint, but are part of a separate Short Treasury Index. The **MSCI EAFE Index** is an equity index which captures large and mid cap representation across 21 Developed Markets countries around the world, excluding the US and Canada. With 921 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. The **MSCI Emerging Markets (EM) Index** captures large and mid cap representation across 24 Emerging Markets countries. With 1,125 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. The **S&P 500 Index** is an unmanaged index that is generally considered representative of the US equity market, consisting of 500 leading companies in leading industries of the US economy (typically large cap companies) representing approximately 75% of the investable US equity market. The **Russell 2000® Index** consists of the smallest 2,000 securities in the Russell 3000® Index. The **Dow Jones Industrial Average® (The Dow®)**, is a price-weighted measure of 30 U.S. blue-chip companies. The index covers all industries except transportation and utilities. The **S&P 500® High Yield Corporate Bond Index**, a subindex of the S&P 500 Bond Index, seeks to measure the performance of U.S. corporate debt issued by constituents in the S&P 500 with a high-yield rating. The **S&P 500® Investment Grade Corporate Bond Index**, a subindex of the S&P 500 Bond Index, seeks to measure the performance of U.S. corporate debt issued by constituents in the S&P 500 with an investment-grade rating. The **S&P Municipal Bond Index** is a broad, market value-weighted index that seeks to measure the performance of the U.S. municipal bond market.

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