



"All money is a matter of belief." - Adam Smith

From *The Wealth of Nations* (1776), this quote speaks to the trust of an underlying currencies purchasing power, which can be eroded by devaluation (aka inflation).
IMAGE: PICTURE ALLIANCE / DARCHIVIO

STRATEGY
POSITIONING UPDATE

INFLATION SENSITIVE FOCUS (ISF)

A PROPRIETARY TACTICAL WEALTH INVESTMENT STRATEGY

ISF PURPOSE:

DESIGNED AS AN ACTIVELY MANAGED ALLOCATION OVERLAY TO COUNTER SUSTAINED COST-PUSH INFLATION, THIS STRATEGY ADDRESSES INFLATIONARY PRESSURES TYPICALLY DRIVEN BY THE DECLINING PURCHASING POWER OF A BASE CURRENCY. THE PRIMARY LONG-TERM GOAL IS OPPORTUNISTIC REAL GROWTH, WITH EXPECTED VOLATILITY GENERALLY EXCEEDING BROAD STOCK MARKET AVERAGES DUE TO CONCENTRATED POSITIONING AND THE HIGHER RELATIVE VOLATILITY OF COMMODITY-CENTRIC INSTRUMENTS.

EXECUTIVE SUMMARY

PAGE
REFERENCE

SECTION 1

1

Inflationary inputs (fiscal and monetary accommodation) appear to be driving inflation-sensitive assets

- ▶ The potential for a capital rotation cycle favoring real assets is increasing as inflation-sensitive assets follow gold's upward trend in both nominal and relative terms.

SECTION 2

3

Despite the recent outperformance, the real asset sector continues to be ignored by the investing public

- ▶ Investment flows into real assets remain minimal compared to the consistently strong flows into U.S. large-cap equities.
- ▶ Historical trends suggest that robust nominal and relative performance without significant retail investor interest indicates an early stage in the macro cycle.

SECTION 3

5

Right-Tail risks may be increasing as de-globalization and the rapid adoption of AI could accelerate monetary expansion

- ▶ For over a century, U.S. residents have largely avoided right-tail risks, explaining their general complacency.
- ▶ From our perspective, the potential upside for assets positioned for such an outcome in the coming decade or more is asymmetric, possibly to a generational extent.

SECTION 4

6

Current asset allocation of ISF - positioned for a coming Capital Market Rotation

- ▶ Increased exposure to Nuclear Energy and Digital Assets has the portfolio positioned for a multitude of "outcomes"

SECTION ONE

CAN POLICY MAKERS PUT THE "INFLATION GENIE" BACK INTO THE BOTTLE? THE RECENT SURGE IN GOLD BULLION COULD BE MAKING IT DIFFICULT FOR POLICY MAKERS

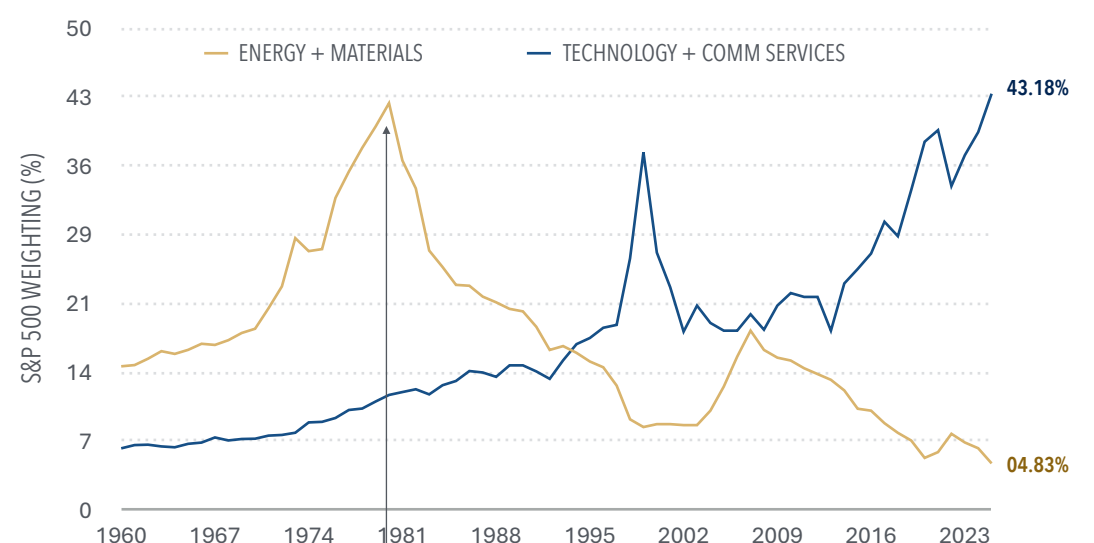
Fiscal and monetary policymakers went into overdrive in response to the 2020–2021 global pandemic. With extended lockdowns added to the mix, the resulting inflationary pressures impacted all facets of the global economy - potentially accelerating a pre-existing (but more deliberate) trend toward currency devaluation.

Russia's invasion of Ukraine in early 2022 further intensified these pressures, prompting several countries to announce efforts to "de-globalize" their supply chains and "de-dollarize" their monetary systems.

If de-globalization trends intensify, the Rest of the World may reduce its purchases of U.S. assets compared to the levels seen over recent decades. With an estimated \$4.6 trillion to \$5 trillion in Treasury debt (per Saint Louis Fed and other sources) needing to be rolled over or issued for the remainder of 2025, we will be closely monitoring participation in upcoming Treasury auctions.

CHART 1

COMPARING SECTOR WEIGHTINGS OVER THE PAST 60+ YEARS
THE WEIGHTING TO MATERIALS AND ENERGY HAS FALLEN BY NEARLY 90% SINCE 1980
DATA SOURCE: YCHARTS / S&P GLOBAL



In 1980, the Energy + Materials sectors accounted for nearly 43% of the S&P 500's capitalization. Today, that share has fallen by nearly 90% to less than 5%.



INFLATION SENSITIVE FOCUS (ISF)

A PROPRIETARY TACTICAL WEALTH INVESTMENT STRATEGY

WORTH THE PONDER:

Will policymakers proactively choose a different course before a major currency crisis emerges?

SECTION ONE / CONTINUED

TABLE 1 QUANTIFYING THE DELTA BETWEEN HOPE AND REALITY: PROJECTED VS. ACTUAL FEDERAL BUDGET DEFICITS
THE ERROR RATE FOR CBO'S PROJECTIONS FOR FUTURE DEFICITS (2010 - 2015): OFF BY OVER 130% (\$14.36 TRILLION)
SOURCE: CBO RECAP OF 2010, 2015 FISCAL YEAR BUDGETS / CBO: CONGRESSIONAL BUDGET OFFICE (CBO.GOV) / FIGURES IN TRILLIONS OF DOLLARS

Actual vs. Projected Annual Deficits	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	TOTAL
US Federal Deficit (Actual)	(1.60)	(1.50)	(1.32)	(1.00)	(0.87)	(0.76)	(0.86)	(0.92)	(1.16)	(1.28)	(3.29)	(3.22)	(1.24)	(2.06)	(2.03)	(2.09)	(25.20)
CBO 2010, 2015 10yr Projections	(1.35)	(0.98)	0.65	(0.54)	(0.48)	(0.47)	(0.47)	(0.49)	(0.54)	(0.65)	(0.74)	(0.81)	(0.95)	(0.98)	(0.95)	(1.09)	(10.84)
Delta (Actual - Projection)	(0.25)	(0.52)	(1.97)	(0.46)	(0.38)	(0.29)	(0.39)	(0.44)	(0.62)	(0.63)	(2.55)	(2.40)	(0.30)	(1.08)	(1.08)	(1.00)	(14.36)

The Path Seems Inevitable. So, How Does One Prepare?

For years, we've argued that the risk landscape for US investors has fundamentally shifted from the lessons of major events a century ago. The Great Depression's deflationary left-tail outcome, marked by an 89% drop in the Dow Jones Industrial Average (1929–1932), took nearly three decades to fully recover in nominal terms, profoundly shaping investor sentiment across generations.

Today, while elevated equity valuations keep the risk of a left-tail event above historical norms, a right-tail outcome has possibly emerged as a significant threat. This scenario remains under-appreciated by the public and investment industry due to the lack of historical analogs for US investors - save a brief period in the mid-1970s.

Historically, right-tail outcomes are tied to currency debasement. While a broad equity index surging at 50% or 75% annualized returns may seem appealing, such gains are almost always accompanied by severe currency devaluation. Though no strategy can fully prevent this scenario, proactive steps can help mitigate its impact.

The essential purpose of the ISF Strategy is to help augment these mitigation efforts on the household level via primarily liquid investment instruments. The level to which can be adjusted upon changes to our outlook and/or long-term objectives.

CHART 2

CHARTING GROWTH OF INTEREST PAYMENTS ON THE NATIONAL DEBT
THE GROWTH RATE HAS ACCELERATED OVER THE PAST HALF DECADE
SOURCE: SAINT LOUIS FEDERAL RESERVE (A091RC1Q027SBEA)

- Interest payments now constitute a quarter of all Federal Receipts.
- With the prospect of Federal debt increasing by more than \$2 trillion annually, interest payments could soon become the largest line item in the Federal Budget—and potentially by a significant margin.

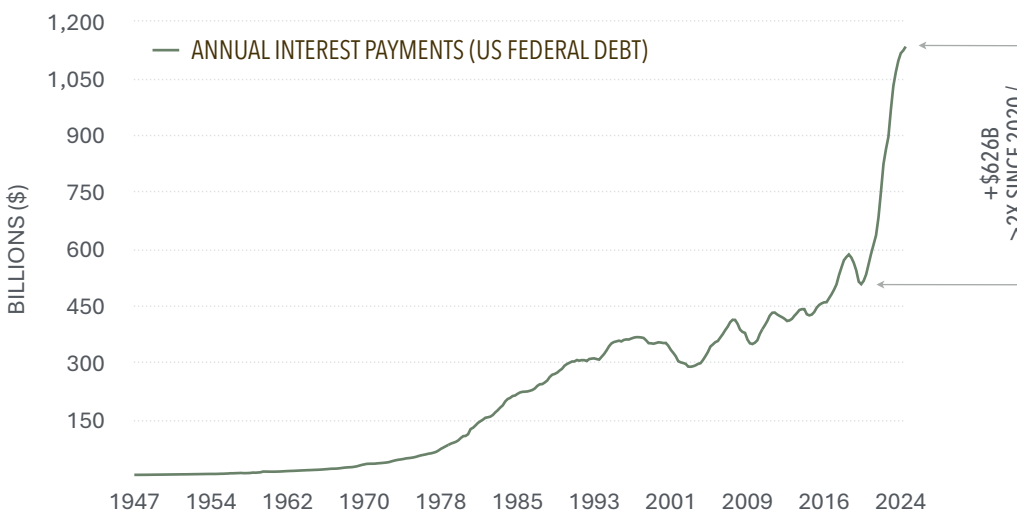


TABLE 2 LISTING OF ASSETS THAT COULD HELP MITIGATE THE LONG-TERM EFFECTS OF CURRENCY DEVALUATION
A BASKET OF THESE TYPES OF INSTRUMENTS MAY BE PREFERABLE OVER THE CONCEPT OF CENTERING ON ONE POSSIBLE SOLUTION
THE POTENTIAL ADVANTAGES AND RISKS LISTED ARE FOR INFORMATIONAL PURPOSES ONLY. OTHER ADVANTAGES AND RISKS MAY EXIST THAT ARE NOT INCLUDED HERE.

POTENTIAL RIGHT TAIL RISK MITIGATORS	POTENTIAL ADVANTAGES	POTENTIAL RISKS AND/OR DOWNSIDES
PRECIOUS METALS: Gold, Silver Bullion, Precious Metals Miners	Gold, and to a lesser extent silver, has served as a monetary standard for thousands of years. That era may soon return.	Although Gold's historical volatility is lower than most equity indexes, related instruments can be quite volatile.
COMMODITY-RELATED: ETF instruments, and equity shares in Energy, Soft and Hard Commodities	The Commodity Complex has been out of favor since the fall of 2008, with the GSCI Commodity to S&P 500 ratio dropping to its lowest level since 2000. As a result, a cycle of outperformance is likely overdue.	Investments in commodities that involve Futures Contracts are complicated and can lead to episodes of performance that may not align with underlying cash markets for a basket of commodities.
SELECT EQUITIES: Equities can perform relatively well in such environments in nominal terms especially.	Equities can serve as an effective hedge against currency devaluation. Organizations with enterprise value that can adapt both tactically and strategically are positioned for real (inflation-adjusted) growth over time.	As inflation rises, the potential for bifurcation typically follows suit. While lower price-to-book and dividend paying equities may perform well, high price-to-book and equities paying no dividends usually may be subject to phases of extended volatility.
REAL ESTATE / FARM LAND Being finite in nature, real estate has the potential to act as a long-term inflation protection vehicle.	Real estate, including both commercial and residential properties, has historically been a robust hedge against currency devaluation. Productive real estate, such as farmland, has also proven to be a strong inflation hedge over time.	The sharp rise in lending rates for real estate instruments has created a historically significant supply-demand imbalance. These instruments are typically illiquid and carry high transaction costs.
DIGITAL ASSETS (E.G. BITCOIN) Although the correlation to inflation-sensitive assets can be quite low at times, select Digital Assets have finite properties and can serve as a currency devaluation hedge.	Certain digital assets, like Bitcoin, are designed with limited supply characteristics. As the money supply expands, these assets can sometimes act as an effective hedge against inflation.	Digital assets, as an investment alternative, have only recently gone mainstream over the past few years. They have not yet experienced a full macro market cycle, leading to uncertainty about their performance during a prolonged bear market in risk assets. Additionally, the scarcity of some digital assets may not match the inherent scarcity of traditional real assets. Additionally, this space can carry a volatility premium of 5-7x.

The information herein reflects the opinions of Tactical Wealth Management, and not those of Raymond James nor New Edge Advisors - subject to change. There is no assurance that any investment strategy will be successful. Asset allocation and diversification does not ensure a profit or protect against loss of capital. Past performance is not a guarantee of future results. Advisory services offered by NewEdge Advisors, LLC, a registered investment adviser.



INFLATION SENSITIVE FOCUS (ISF)

A PROPRIETARY TACTICAL WEALTH INVESTMENT STRATEGY

SECTION TWO

DESPITE RECENT OUTPERFORMANCE, INVESTORS CONTINUE TO SHUN EXPOSURE TO REAL ASSETS - INCLUDING PRECIOUS METALS INSTRUMENTS. SUBSTANTIVE EXPOSURE TO GOLD (& RELATED INSTRUMENTS) REMAINS A HIGHLY CONTRARIAN POSITION.

MANY CONTINUE TO EMPLOY STRATEGIES THAT MAY HAVE WORKED IN THE PAST, BUT PERHAPS NOT OPTIMALLY POSITIONED FOR THE FUTURE.

In the last 20 years or so, many investment advisors and money managers have practiced a buy-and-hold style of portfolio management using the diversification principles of Modern Portfolio Theory (MPT). With regard to its application, the gap between general expectations and the coming reality may be substantially larger than appreciated today. We continually work to contextualize the environment within the publicly-traded financial markets in order to optimize potential risk-reward ratios for our clients.

MONEY PRINTING: THE FACTOR

The current financial market environment can be seen as atypical amidst **unprecedented levels of monetary and fiscal accommodation**. Such action increases the probability of a “policy error” which **can catalyze extreme events and sharp price movements** in all major asset classes.

BULL MARKET AMNESIA

Sixteen years into an equity bull market cycle, the **appreciation for the benefits of diversification has noticeably deteriorated**. The pattern by which this occurs has many precedents. Just when the concept of having lower correlating instruments is perhaps most important in a market cycle, the appreciation of this by most investors and advisors is negligible.

PRICE WILL ULTIMATELY MATTER

Valuations for public and private equity shares (from a multitude of angles) **are at or near generational highs**. **Individual investors** who have been largely underweight equities for much of the past decade have been **starting to change behavioral tendencies from fear to FOMO**.

Classic signs of a late-stage environment for Large-Cap U.S. Equities are evident from multiple perspectives, including earnings-based valuations and the high level of equity participation by the investing public. The risk-reward ratio going forward is likely to differ significantly from the past decade and a half.

TABLE 3

TABULATING EXCESSIVE VALUATIONS AND HIGH PARTICIPATION IN EQUITIES JUXTAPOSED TO RELATIVELY LOW PARTICIPATION IN THE PRECIOUS METALS SPACE
DATA AS OF JUNE-2025

VALUATIONS AND SENTIMENT INDICATORS	DESCRIPTION	LATEST READING	PERCENTILE RANK
CAPE Ratio	Cyclically Adjusted Price-to-Earnings ratio - normalizing earnings over a 10-year period	36.29	96th
Stock Market Concentration	Extreme levels of concentration generally leads to an increase in systematic risk exposure	76.60	98th
15-Year Annualized Return (SPX)	This figure recently peaked at 13.43% in February-2024 and has fallen to 11.68%	11.68	93rd
Investor Market Participation (Equity % Allocation)	US Investor allocation to equities is currently at an all-time highs dating back to 1956	44.13	100th
Precious Metals Allocation (US Investors)	Allocation to Precious Metals is notably low - despite the recent performance of Gold (0.5%)	0.51%	16th

CAPE RATIO: Price earnings ratio is based on average inflation-adjusted earnings from the previous 10 years, known as the Cyclically Adjusted PE Ratio (CAPE Ratio), Shiller PE Ratio, or PE 10
STOCK MARKET CONCENTRATION: S&P Global, U.S. Equities Market Attributes May 2025
15-YEAR ANNUALIZED RETURN FOR S&P 500: Stock Charts
INVESTOR ALLOCATION TO EQUITIES: Saint Louis Federal Reserve (BOGZ1FL153064486Q)
PRECIOUS METALS ALLOCATION: MacroTrends / World Gold Council / Federal Reserve Flow of Funds Report (2024)

CHART 3

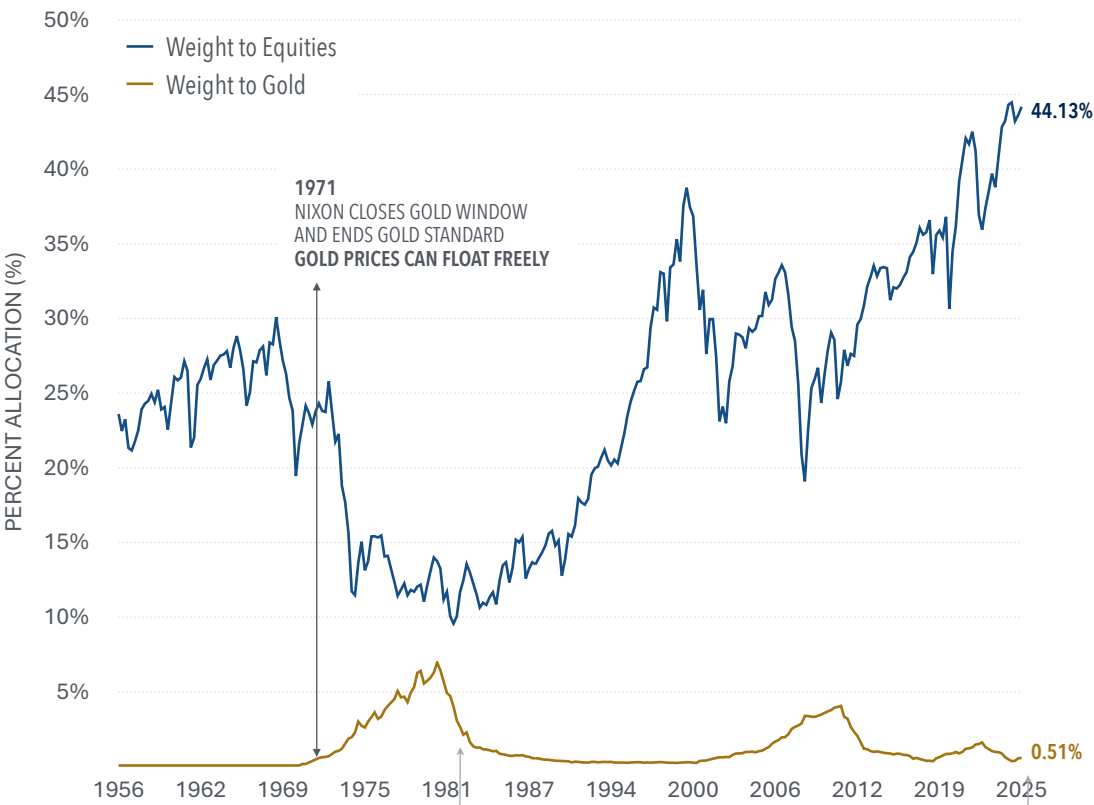
COMPARING HISTORICAL ALLOCATION TO EQUITIES VERSUS GOLD (INSIDE INVESTMENT PORTFOLIOS)

RATIO:
EQUITIES
VS. GOLD

HOUSEHOLDS AND NONPROFIT ORGANIZATIONS: DIRECTLY AND INDIRECTLY HELD CORPORATE EQUITIES AS A PERCENTAGE OF FINANCIAL ASSETS
SOURCE: SAINT LOUIS FEDERAL RESERVE (BOGZ1FL153064486Q)

US INDIVIDUAL INVESTORS ESTIMATED ALLOCATION TO GOLD AS A PERCENTAGE OF TOTAL INVESTMENT PORTFOLIOS
SOURCE: MACROTRENDS / WORLD GOLD COUNCIL / FEDERAL RESERVE FLOW OF FUNDS REPORT (2024)

- Allocations to equities are currently near century-highs (99th percentile)
- Allocations to Gold are near multi-decade lows (16th percentile)



In 1981, on the cusp of a multi-decade bull market for US equities, American investors held just 10% of their portfolios in stocks compared to nearly 7% in gold—a gold-to-equity allocation ratio of 68%. Over the next two decades, the S&P 500 annualized at over 13%, while gold declined by an annualized -5%.

Despite gold outperforming the S&P 500 in US dollar terms over the past 25 years, investor allocations to equities are near century-high levels, while gold allocations are at multi-decade lows, with a current gold-to-equity allocation ratio of 1% - a 97% decline in the ratio from 1981.

Based on these variables alone, we find the argument to go against the crowd in this regard quite compelling.

Of course, a contrarian-minded approach can at times fail to participate for times in which the crowd appears to be right. As “markets can remain irrational for longer than one may be solvent”, such strategic inputs should be considered as primary inputs in the portfolio construction process.

The degree to which one may wish to adopt such a contrarian approach (with regard to percentage allocation levels) should only be decided once the temperament to withstand the temptations of FOMO (perhaps for extended periods) can be defined and conceivably controlled, we would argue.



INFLATION SENSITIVE FOCUS (ISF)

A PROPRIETARY TACTICAL WEALTH INVESTMENT STRATEGY

SECTION TWO

DESPITE RECENT OUTPERFORMANCE, INVESTORS CONTINUE TO SHUN EXPOSURE TO REAL ASSETS - INCLUDING PRECIOUS METALS INSTRUMENTS
SUBSTANTIVE EXPOSURE TO GOLD (& RELATED) REMAINS A HIGHLY CONTRARIAN POSITION

Reserve Currency Status: The Unites States' Dutch Disease

In the late 1950s, the discovery of the Groningen gas field in the North Sea triggered a natural gas export boom for the Netherlands. The surge in export revenues initially drove economic growth, leading to significant appreciation of the Dutch guilder.

However, this currency strength eventually weakened other sectors of the Dutch economy, particularly manufacturing and agriculture. These industries struggled to compete globally as the stronger guilder made Dutch goods more expensive compared to those from countries with weaker currencies, resulting in a notable decline in output and employment in these critical sectors.

The United States faces a comparable challenge today. Decades of maintaining reserve currency status have allowed monetary authorities and, more recently, politicians to increasingly exploit the system, printing vast amounts of new currency without a corresponding increase in its underlying value or utility.

Given the politically challenging nature of pursuing a corrective path—where substantial cuts to deficit spending would likely trigger sharp increases in unemployment—such an approach should not be considered the most likely scenario for the future. Instead, historical patterns from monarchs, emperors, and republics suggest that accommodative policies will likely be the only politically viable solution. However, these measures may intensify inflationary pressures already embedding themselves within the economic framework.

Furthermore, the rise of artificial intelligence and the widespread deployment of robotics could disrupt human labor across nearly every industry simultaneously. This emerging factor has the potential to accelerate monetary and fiscal accommodation to an even higher trajectory, we contend.

Why Investors Seem to Ignore This Realization

The foundations of modern banking and finance trace back to Italy in the late 15th century. As humans, our instinct for survival, honed over millennia, may require countless generations to evolve beyond behavioral tendencies that often undermine our financial decisions.

To evade predators, we instinctively form groups to reduce the risk of being targeted. In finance, however, the "herd" becomes our adversary. The herd relies on recent experiences and projects the future in a linear fashion, leading many to repeatedly "buy high" and "sell low."

Today, the herd assumes the U.S. dollar will perpetually maintain its reserve currency status and that every stock market dip is an opportunity to buy aggressively.

To counter this phenomenon, we strive to rely on quantitative data within a historical context, keeping our own cognitive biases in check.

STEALTH BREAKOUT?

This technical breakout occurred a day after the S&P 500 Index topped on February 19, 2025.

CHART 4

RATIO CHART:
MEASURING RELATIVE PERFORMANCE OF INFLATION BASKET VS. S&P 500 INDEX
THE INFLATION BASKET APPEARS TO HAVE MADE A SUBSTANTIVE LOW IN JANUARY, 2022
SOURCE: STOCKCHARTS / DAILY PRICE DATA AS OF 06.13.2025

- ▶ The ratio of the Inflation Basket to the S&P 500 Index appears to have bottomed in January 2022. Since then, the Inflation Basket has outperformed the S&P 500 Index by over 46 percentage points.
- ▶ The breakout from a multi-year declining wedge pattern in March 2025 serves as further confirmation that a Capital Rotation Event may be underway, potentially shifting market focus from intellectual property to more tangible assets.



DEFINITION: INFLATION BASKET
40% Gold, 20% Gold Mining Equities, 20% Oil & Gas Equities, 10% Nuclear & Uranium Equities, 10% Commodities

TABLE 4

NET RETURNS SINCE JAN-2022 & CORRESPONDING NET FLOWS
SELECT ASSET CLASSES
ETF.COM / FINANCE.YAHOO.COM / AS OF: 06.16.2025

- ▶ Despite U.S. large-cap equities underperforming year-to-date, retail investors have continued to direct significant net inflows into the sector (see below).
- ▶ Equally striking is that the top-performing sector of 2025, precious metals miners, has experienced substantial outflows so far this year.

NET ETF FUND FLOWS (SORTED BY ASSET CLASS) / 01.03.2022 TO 06.16.2025

ASSET CLASS	ANNUALIZED (%)	NET FLOWS (\$B)
Nuclear Energy	23.21	4.89
Precious Metals Miners	19.08	(4.46)
Oil & Gas Energy	17.33	(12.18)
US Large-Cap Core & Growth	8.16	312.32
US Large-Cap Value	5.43	17.75
Long Duration US Treasuries	(4.46)	82.84



INFLATION SENSITIVE FOCUS (ISF)

A PROPRIETARY TACTICAL WEALTH INVESTMENT STRATEGY

SECTION THREE

RIGHT-TAIL RISKS MAY BE RISING AS “DE-GLOBALIZATION” AND EFFECTS OF A.I. ADOPTION CAN ACCELERATE MONEY PRINTING FOR OVER A CENTURY, U.S. RESIDENTS HAVE LARGELY AVOIDED RIGHT-TAIL RISKS, EXPLAINING THEIR GENERAL COMPLACENCY.

The Importance of Preparing for a Potential Two-Tail Scenario

For most of the past century, the primary risks for managers of US-centric investment portfolios have been left-tail events in the return distribution (see green bubble below). Significant drawdowns can disrupt goals, objectives, and the psychological well-being of decision-makers and investors alike. America’s reserve currency status has largely insulated investors from right-tail scenarios over the past century. While annual returns exceeding 60% may seem appealing, historical data suggests such elevated returns are almost always tied to super-inflationary or hyper-inflationary episodes, where a suboptimal asset allocation can lead to exponentially negative outcomes.

Given the persistent pursuit of inflationary fiscal and monetary policies globally, combined with a widespread shift in the global supply chain from efficiency to redundancy (e.g., on-shoring production capacity), the likelihood of a right-tail outcome to manifest in the near future, even in the US, may be at its highest in modern times.

Defining Tail Risk for Investment Portfolios

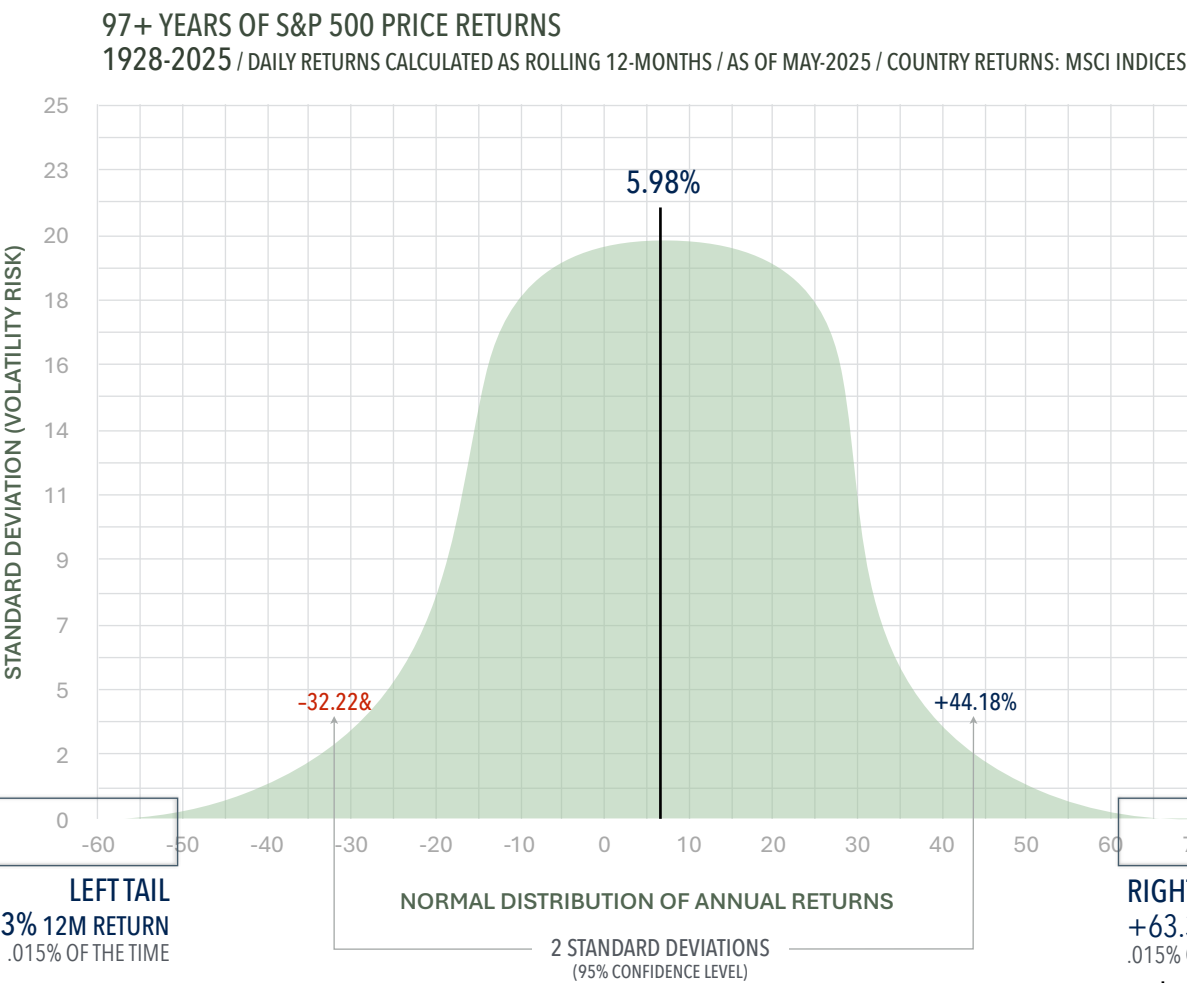
Tail risk is the probability that the asset performs far below or far above its average past performance. Investors are most concerned with “left” tail risk, or the likelihood that observations fall three standard deviations below the average expected return. All else being equal, volatile assets have higher standard deviations because there’s greater variability in their observed returns. In the event of a left tail market movement, returns for these assets could derail even more significantly.

Tail risk is defined as the possibility that return will be more than three standard deviations from the mean, which means it’s targeting observations with 0.3% odds of happening. While a probability of 0.15% on each side seems extremely low, left tail events have historically decimated portfolios, typically leading to a multi-decade time period needed just to fully recover capital in nominal terms.

97+ YEARS OF S&P 500 PRICE RETURNS	
1928-2025 / 05.31.2025	S&P 500 INDEX
Annualized Price Return	5.98
Standard Deviation of Returns	19.10
+2 Standard Deviations	44.18
-2 Standard Deviations	(32.22)
+3 Standard Deviations	63.28
-3 Standard Deviations	(51.32)

DEFINING LEFT TAIL RISK

Based on blended daily returns of the S&P 500 Composite and S&P 500 Index from January 1928 to May 2005, a left-tail outcome is defined as a 12-month return of -51%. This is calculated using the annualized price return of the S&P 500 Index over this period, which is 5.98%, and subtracting three times the standard deviation (19.1%), resulting in -51.3%. This outcome represents a 0.3% probability at a 99.7% confidence level, based on historical data.



DEFINING RIGHT TAIL RISK

Based on blended daily returns of the S&P 500 Composite and S&P 500 Index from January 1928 to May 2005, a right-tail outcome is defined as a 12-month return of +63%. This is calculated using the annualized price return of the S&P 500 Index over this period, 5.98%, plus three times the standard deviation (19.1%), yielding +63.3%. This outcome has a 0.3% probability at a 99.7% confidence level, based on historical data.

03.05.2009	12 MONTHS
Ireland	(73.09)
Finland	(62.75)
Greece	(65.40)
UAE	(75.47)
Argentina	(62.67)
United States	(51.81)

BEWARE OF THE RIGHT TAIL:

Throughout history, Right Tail outcomes have primarily resulted from significant currency devaluation rather than robust economic growth. During these periods, investments with the most negative real returns are typically those contractually tied to the devalued currency, such as money market instruments, bank CDs, municipal, corporate, and government bonds, and insurance contracts.

06.16.2025	5 YRS ANN
Zimbabwe	289.93
Turkey	49.53
Lebanon	45.88
Argentina	43.71
Ivory Coast	28.59
United States	13.97



INFLATION SENSITIVE FOCUS (ISF)

A PROPRIETARY TACTICAL WEALTH INVESTMENT STRATEGY

SECTION FOUR

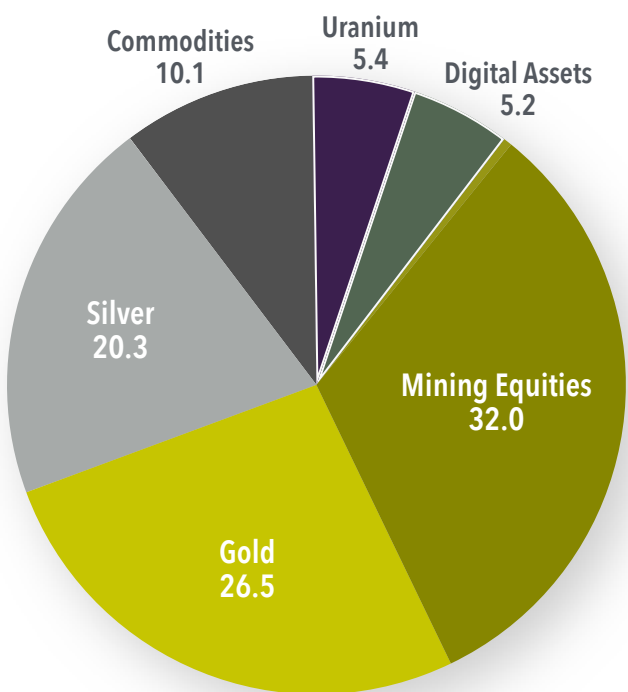
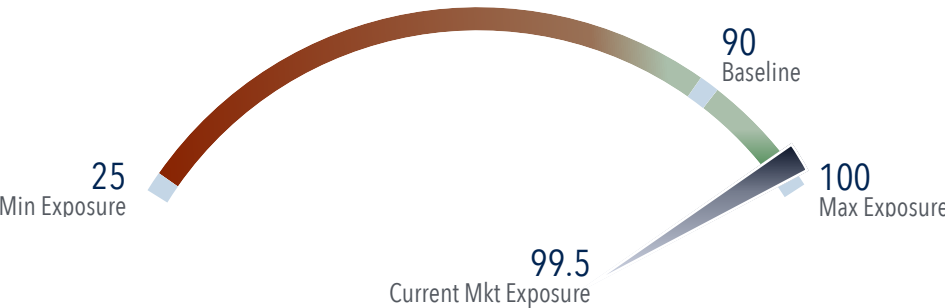
CURRENT ASSET ALLOCATION OF ISF

POSITIONED FOR CAPITAL MARKET ROTATION

NOTE:
THE ALLOCATION FIGURES BELOW REFLECT OUR BASELINE MODEL.
ACTUAL ALLOCATIONS MAY VARY FROM THESE LEVELS.

Positioning Update:

- ▶ In 2025, we increased our exposure to Mining Equities and Digital Assets while adding investments in Uranium and Nuclear Energy.
- ▶ As the charts to the right show, these assets have generally performed strongly over the past year. However, many are significantly extended relative to their long-term moving averages, raising the likelihood of a coming consolidation period.
- ▶ Although prices appear extended in the short term, we are actively seeking opportunities to buy during significant price pullbacks.
- ▶ The ISF Strategy is nearly fully invested, with only 0.45% allocated to cash or money market instruments.



Goals for the ISF

- ✓ Positions in non-US Dollar Instruments
- ✓ Diversify between bullion holdings, mining shares and commodity-centric vehicles
- ✓ ISF Benchmark: 50% Gold Bullion, 50% Dow Jones Commodity Index

Risk Mitigation Strategy

- ✓ Raise cash to reduce net exposure to risk assets
- ✓ Use options to hedge individual equity & ETF positions
- ✓ Single Inverse ETFs and/or positions in volatility (on a limited basis)

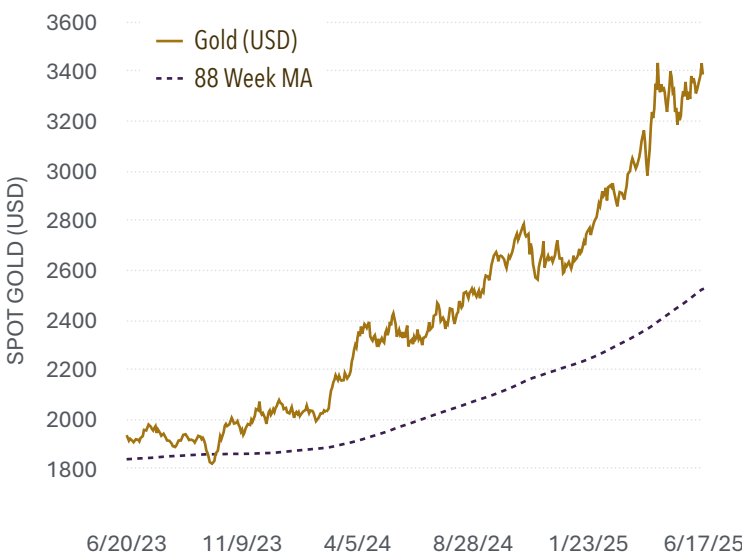


CHART 5

Spot Gold
TRAILING 2 YEARS
FINANCE.YAHOO.COM / AS OF: 06.16.2025

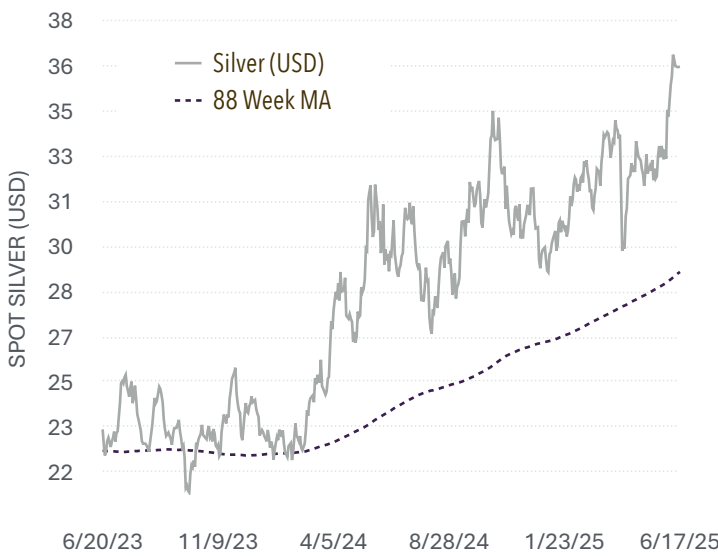


CHART 6

Spot Silver
TRAILING 2 YEARS
FINANCE.YAHOO.COM / AS OF: 06.16.2025

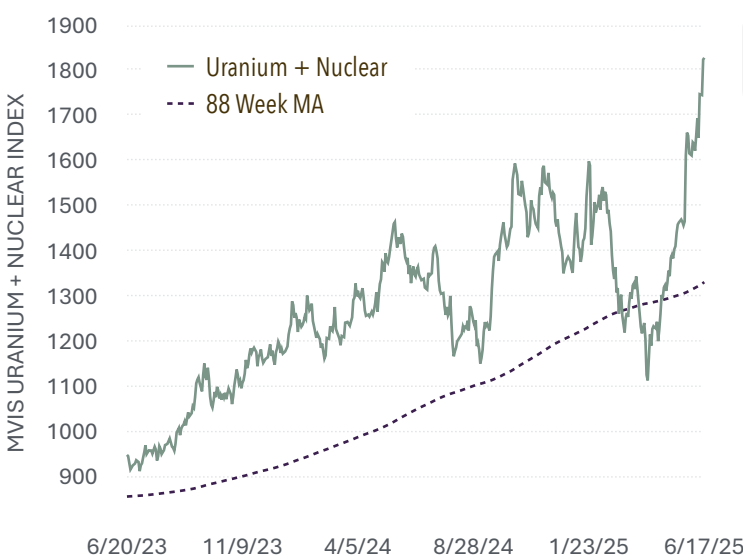


CHART 7

MVIS Uranium
+ Nuclear Index
TRAILING 2 YEARS
FINANCE.YAHOO.COM / AS OF: 06.16.2025

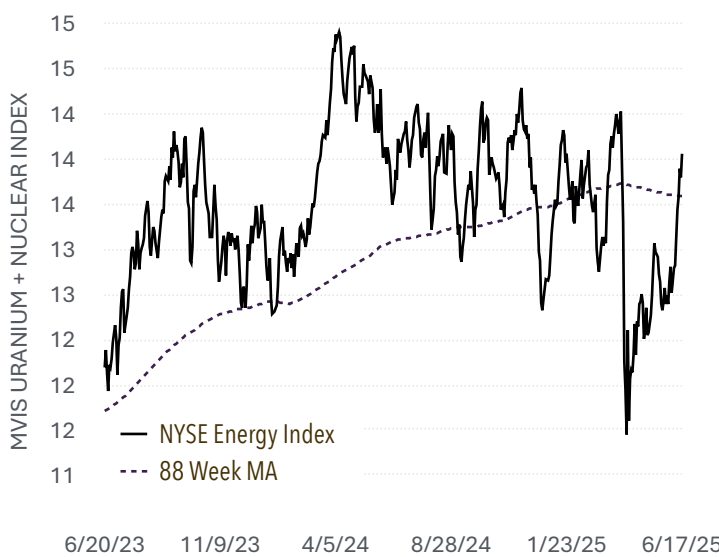


CHART 8

NYSE Energy Index
TRAILING 2 YEARS
FINANCE.YAHOO.COM / AS OF: 06.16.2025



MEET THE TEAM



Marty Ruether
Managing Partner

INVESTMENT MANAGEMENT

Prior to joining Raymond James in 2017, Marty served as a vice president and financial advisor with J.P. Morgan Securities for six years and with Merrill Lynch for seven years. He earned a bachelor's degree from Missouri State University.

Marty oversees the daily management operations for the team's various discretionary strategies. He has specialized in technical and relative strength analysis for nearly 20 years.

Marty and his wife, Britney, make their home in Lake St. Louis with their children, John, Kate and Leo. An active member of Assumption Catholic Church in O'Fallon, Marty enjoys golf and baseball.



Jill Lohr
Managing Partner

RELATIONSHIP MANAGEMENT

Jill served as a financial advisor with J.P. Morgan Securities for six years and with Merrill Lynch for four years, prior to joining Raymond James in 2017. She previously held various private banking roles at Bank of America for more than 10 years. Jill earned a bachelor's degree in finance from the University of Illinois and a master's degree in business administration from Arkansas State University.

Jill is the lead relationship manager for the team's high net worth clientele. She specializes in securities-backed and customized loans.

A lifelong resident of St. Louis, Jill and her husband, Lane, have two daughters, Lindsey and Erin. When she's not spending free time with her family, Jill enjoys reading, photography and golf.



Raj Bhuyan
Managing Partner

INSTITUTIONAL RELATIONS
MACRO STRATEGY

Raj began his career as a financial advisor with Merrill Lynch in 1990. Prior to joining Raymond James in 2017, he served as a vice president and financial advisor with J.P. Morgan Securities for six years. Raj earned his bachelor's degree in economics from DePauw University.

Raj has developed a time-tested, quantitative model on which the team's investment methodology is based. He specializes in strategic asset allocation to customize the degree of risk management for a composite portfolio. Raj is also astute in U.S. and international macroeconomics.

Originally from Guwahati, India, Raj makes his home in Webster Groves, Missouri, with his wife, Melinda. They have three children, Lucy, Graham and Jillian. Raj is an active member at The Country Club of St. Albans near Wildwood, Missouri and Old Memorial Golf Club in Tampa, Florida.



Andrew Gildehaus

HEAD OF TRADING

Andrew began his career as an intern for Marty Ruether in 2008 at Merrill Lynch. He then earned a bachelor's degree in finance with an emphasis in financial planning from Missouri State University. Prior to joining Raymond James in 2017, Andrew served as a marketing associate with his team at J.P. Morgan Securities for three years.

Andrew's primary role is portfolio execution within the team's discretionary models. His trading responsibilities include stocks, bonds, commodity centric instruments and covered hedges. He assists with technical market analysis as well as goal and retirement planning.

Andrew lives in Augusta, Missouri where he is a member of the Augusta Athletic Association. Andrew likes spending time outdoors where he enjoys skiing, hunting and golfing.



Karen Johnson

HEAD OF ADMINISTRATION

Prior to joining Raymond James with her team in 2017, Karen served as a senior registered client associate at J.P. Morgan Securities for six years and at Merrill Lynch for 30 years. She holds Series 7 and 66 securities licenses. Karen manages the team's administrative operations. She implements processes and service oriented tasks in order to provide an exceptional level of client service.

A lifelong resident of Missouri, Karen makes her home in O'Fallon. She has two sons, Andrew and Samuel. Karen enjoys practicing yoga and going to the gym.



Maggie Lauer

SR. OPERATIONS
ADMINISTRATOR

Prior to joining Tactical Wealth Management, Maggie worked as a Senior Client Associate at Raymond James. She earned her degree in Applied Science at Jefferson College. Maggie now works with Karen Johnson in managing the team's administrative functions.

She resides in Columbia, Illinois with her husband, Nathan, and their three children, Lucille, Scarlett, and Weston. She enjoys reading, gardening, and exploring the outdoors with her family.



Cory Paton

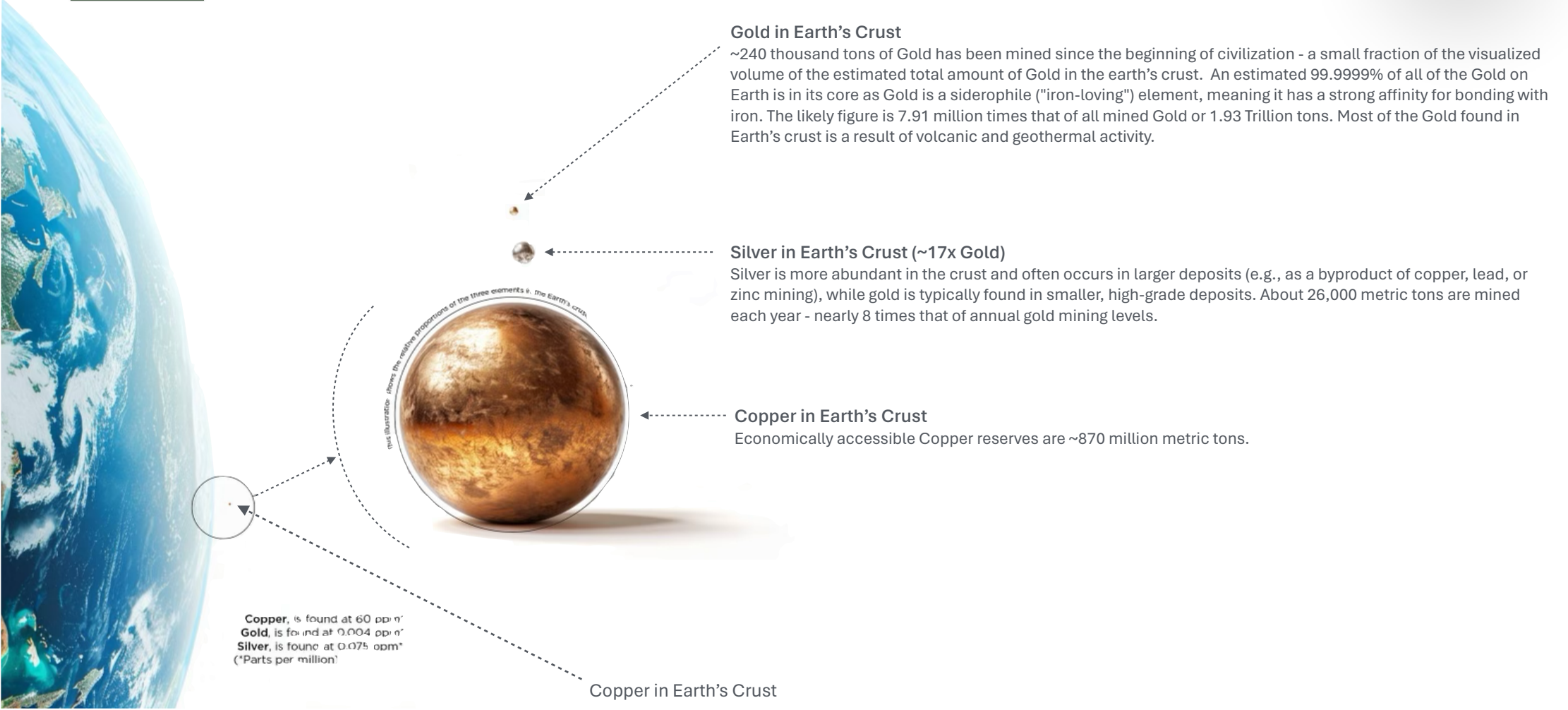
TECHNOLOGY
CASH FLOW MODELING

Prior to joining Tactical Wealth Management, Cory served as a Settlement Operations Associate at Stifel Investment Bank. He was responsible for instructing and receiving in share's of Traded or Transferred securities in order to maintain proper holdings.

Cory and his wife Hannah, Make their home in Central West End. When Cory's not working he enjoys Golfing, Running, and trying new Restaurants.



APPENDIX



Appreciating the Power of Super Large Numbers

In September 1977, Voyager 1, the second of two identical probes, was launched to study the planets of our solar system. Nearly 48 years later, this nuclear-powered spacecraft has far exceeded its projected lifespan, continuing to travel through interstellar space at approximately 38,000 mph. Having covered over 15.4 billion miles from Earth, its distance is difficult for most to comprehend.

However, expressing this distance in terms of light travel time makes it more relatable: while light takes about 8 minutes to travel from the Sun to Earth, it now takes over 23 hours to reach Voyager 1. Additionally, calculating that it would take the spacecraft nearly 70,000 years to reach the nearest star (if it were headed that way) underscores the immense scale of the known universe.

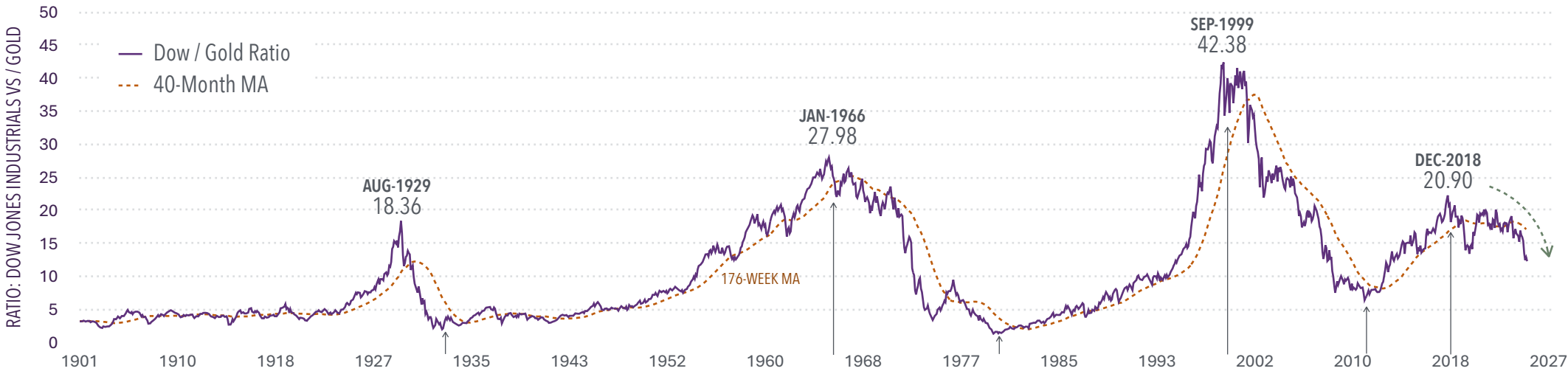
If we apply the concept of time within the arena of macroeconomics, one may more greatly appreciate the daunting nature of today's issues at large. 80 trillion is not coincidentally the current estimated size of total unfunded liabilities of the US Government in USD.

/ US unfunded liabilities = \$79.9 Trillion as of May-2023. Source: Cato Institute

# Of Seconds	Number of Days	Number of Years
1 Million	12	0.03
1 Billion	11,574	32
1 Trillion	11,574,074	31,688
80 Trillion	925,925,926	2,535,047

CHART 9

CONTEXTUALIZING THE CURRENT MARKET ENVIRONMENT
TRACKING THE RATIO OF THE DOW JONES INDUSTRIALS VERSUS AN OUNCE OF GOLD (USD)
SOURCE: TRADINGVIEW MONTHLY RETURNS / DECEMBER 1901 TO JUNE 2025



PERIOD (ANN)	DEC-1901 AUG-1928	'29 '42 ¹	MAR-1933 JAN-1966	FEB-1966 JAN-1980	FEB-1980 AUG-1999	SEP-1999 AUG-2011	'11 '18 ²	DEC-2018 JUN-2025
DOW JONES	6.66	(42.63)	9.16	(0.60)	13.85	0.98	12.94	9.55
GOLD (USD)	0.00	7.42	0.87	23.74	(4.54)	16.30	(3.89)	16.42
TIME SPAN	27.67	3.42	32.84	13.91	19.50	11.92	7.17	6.50

¹ SEP-1929 TO FEB-1933 / ² SEP-2011 TO NOV-2018



DISCLAIMERS AND NOTES

In a fee-based account, clients pay a quarterly fee, based on the level of assets in the account, for the services of a financial advisor as part of an advisory relationship. In deciding to pay a fee rather than commissions, clients should understand that the fee may be higher than a commission alternative during periods of lower trading. Advisory fees are in addition to the internal expenses charged by mutual funds and other investment company securities. To the extent that clients intend to hold these securities, the internal expenses should be included when evaluating the costs of a fee based account. Clients should periodically re-evaluate whether the use of an asset-based fee continues to be appropriate in servicing their needs. These additional considerations, as well as the fee schedule, are listed more fully in the Client Agreement with the associated Form ADV Part2A.

The investments and strategies presented may not appropriate for every investor. Individual clients should review with their advisors the terms and conditions and risks involved with specific products or services.

Opinions and statements of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice. We believe the information provided here is reliable but should not be assumed to be accurate or complete. The views and strategies described may not be suitable for all investors

Past performance is not a guarantee of future results. There is no assurance that any investment strategy will be successful. Investing involves risk and investors may incur a profit or a loss.

Technical Analysis is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity.

Relative Strength is a measure of price trend that indicates how a stock is performing relative to other stocks in its industry.

An Exchange-Trade Fund (ETF) is a security that trades an index, a commodity or a basket of assets like an index fund, but trades like a stock on an exchange. ETFs experience price changes throughout the day as they are bought and sold. Inverse ETFs seek to provide a return that is inverse or opposite of the performance of its benchmark often to provide a hedge against securities held in a portfolio. To accomplish this goal inverse ETFs may use margin and sell securities short in addition to investing in various derivative instruments. These funds are not suitable for all investors and are intended for short holding periods. There is no assurance that the funds will achieve their objectives and an investment in a fund could lose money.

Asset allocation and diversification does not guarantee investment returns and does not eliminate the risk of loss.

Remember, when investing in mutual funds or exchange-traded and index funds, you should carefully consider the investment objectives, risks, charges, and expenses associated with the funds before investing. You may obtain a fund's prospectus by contacting your Financial Advisor. The prospectus contains this and other information, which should be carefully read before investing.

Rebalancing a non-retirement account could be a taxable event that may increase your tax liability.

The price of equity securities may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. Equity securities are subject to "stock market risk" meaning that stock prices in general may decline over short or extended periods of time. Standard deviation is applied to the annual rate of return of an investment to measure the investment's volatility.

Investing in fixed income products are subject to certain risks, including; interest rates, credit, inflation, call, prepayment and reinvestment risk.

Investing primarily in securities of small and mid-sized companies have historically had greater share price volatility than funds that invest in large companies. In addition, investments in these types of securities may be less liquid, which may negatively affect a fund's returns.

International investing involves a greater degree of risk and increased volatility. Changes in currency exchange rates and differences in accounting and taxation policies outside the U.S. can raise or lower returns. Also, some overseas markets may not be as politically and economically stable as the United States and other nations. Investments in emerging markets can be more volatile. Investments in commodities may have greater volatility than investments in traditional securities, particularly if the instruments involve leverage.

Dividends are not guaranteed and will fluctuate. While we are familiar with the tax provisions of the issues presented herein, we are not qualified to render advice on tax or legal matters.

Asset Class / Security	Benchmark Index	Description
Nuclear Energy	MVIS ® Global Uranium & Nuclear Energy Index (MVNLR)	Tracks the performance of the largest and most liquid companies in the global uranium and nuclear energy industries.
Precious Metals Miners	PHLX Gold/Silver Index index	An index of thirty precious metal mining companies that is traded on the Philadelphia Stock Exchange.
Oil & Gas Energy	NYE / New York Stock Exchange Energy Index	Tracks the performance of companies within the energy sector listed on the New York Stock Exchange (NYSE).
US Large-Cap Core & Growth	S&P 500 Index	A stock market index that tracks the performance of 500 large-cap companies listed on U.S. stock exchanges, primarily the NYSE and NASDAQ. It is widely regarded as a leading indicator of overall U.S. stock market performance and economic health.
US Large-Cap Value	Dow Jones Large-Cap Value Index	Designed to measure the performance of large-cap U.S. equity securities that are classified as "value" based on a multi-factor analysis.
Digital Assets	iShares Bitcoin Trust /	<p>The iShares Bitcoin Trust ETF is not an investment company registered under the Investment Company Act of 1940, and therefore is not subject to the same regulatory requirements as mutual funds or ETFs registered under the Investment Company Act of 1940.</p> <p>The Trust is not a commodity pool for purposes of the Commodity Exchange Act. Before making an investment decision, you should carefully consider the risk factors and other information included in the prospectus.</p>