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Redhawk's Weekly Update November 11th, 2019 Vol. 3
No. 43

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WEEKLY UPDATE

PERSPECTIVE for BETTER FINANCIAL OUTCOMES

Below is a recording of our Redhawk Live Update to help our clients better understand what we are doing with our portfolios. We hope to send these out every week moving forward. Click the button below below to listen!

Redhawk Live!

Market Commentary

Last week stocks extended their recent gains, finishing higher for the fifth straight week. Recent signs of progress on trade negotiations, along with better-than-expected corporate earnings, have helped recession fears to subside over the past month, boosting investor sentiment. With the global growth backdrop starting to stabilize, Treasury yields climbed to their highest level in three months. Uncertainties, especially on the trade front, remain, but on a positive note, earnings are expected to bottom out this year and reaccelerate next year to a mid-single-digit pace.



With roughly 90% of S&P 500 companies having reported results, the third-quarter earnings season is near its end. Corporate profits are on track to register a small decline (-1% as of 11/8/19) compared with a year ago. Here are three takeaways from the recent corporate earnings results:

Better-than-expected earnings reflect a resilient economy.

With most companies reporting, 78% have exceeded consensus earnings expectations, which is due in part to lowered estimates. In addition to some encouraging economic readings lately, the results from corporate America may be another confirmation that the economy is on better footing than previously feared. That said, overall earnings for 2019 are now expected to grow at a steady 2% pace. This is partly due to the challenging comparison to 2018, when earnings rose by 21% (driven by the tax reform). But lower profit gains also reflect the modest outlook of GDP growth and weak business investment.

Still caution, even as market has rallied.

Defensive sectors that are less sensitive to the economic cycle, like health care and utilities, are seeing the fastest earnings growth this quarter, while cyclical sectors like energy, materials, and consumer discretionary are lagging. Additionally, companies with greater dependence on international revenue are experiencing weaker earnings than those with less international revenue. The outlook for global growth will remain an important driver for stocks. Uncertainty related to ongoing trade tensions, the disruption of supply chains, a stronger U.S. dollar, and lower foreign demand, have all been headwinds for U.S. companies with a significant international presence. While uncertainties remain, several risks have lessened over the past month with some de-escalation in U.S. and China trade tensions, a pullback in the

U.S. dollar from a 52-week high, and signs of stabilization in leading economic indicators.

The weakness in cyclical sectors may be turning slightly. The slowdown in global growth has taken a toll on the demand for commodities, oil prices have declined almost 30% from a year ago, and third-quarter earnings for the energy sector are 38% lower. Positive earnings results from financials, have been solid, highlighting the strength of the U.S. consumer, a key driver of growth for the U.S. economy. The strength of the defensive sectors, relative to cyclicals, as the market has moved to new highs signals that there is still a fair bit of caution in the market.

Earnings are still a pillar of support.

The direction of corporate profits is a powerful driver of the direction of the stock market over time. For periods of time, the two can decouple. For instance, last year's 20%-plus earnings jump wasn't matched by S&P 500 price performance (much of that was anticipated and showed up in 2017's sizable gain). This quarter's earnings deceleration is not the first in this expansion. The S&P 500 earnings in 2015 - 2016 declined for five consecutive quarters, driven by a slowdown in the Chinese economy, a rising U.S. dollar, and a decline in oil prices. Some of the same headwinds are also present today but have not put a dent in profits to the same extent as they did back then. For example, in the first quarter of 2016 earnings declined 8.5% vs. flat to slightly down currently. Rising labor costs will be a headwind to profit margins, while weakness in manufacturing and an elevated U.S. dollar may constrain revenue growth. That said, the earnings growth rate is expected to bottom out this year and reaccelerate next year to a mid-single-digit pace.

Victoria Capital's Strategy Update

Some 54 years ago, as a first lieutenant in the U.S. Army, I found myself on a troop ship sailing from Charleston, SC to Saigon, Vietnam. This is not a trip I would recommend to global cruisers; it took 42 days sailing through the old Panama Canal and having to stop in Los Angeles as the refurbished liberty ship from World War II wasn't quite as refurbished as the defense department thought. A second ship of lesser quality took us over the rough Pacific Ocean, a journey that was not to be believed: the boat doesn't rock; it goes up and down like an elevator going from the first floor to the twentieth floor and back. While I wasn't enamored about landing in Saigon, it seemed preferable to permanent seasickness. Since I have been living in downtown Charleston since 2014, I often wander down to the exact spot where I boarded that ship in 1965. In 2001, Diane and I visited Ho Chi Minh city as it is called, and our cruise ship landed exactly where my troop ship landed some 35 years earlier. The city was almost the same except for the mode of transportation—from beat up electric bikes to brand new Vespas!

Prior to that "adventure," I was assigned to the 82nd Airborne Division as an interrogator in the Dominican Republic, a country we invaded in 1965 for fears of a second "Cuba." My Spanish speaking skills increased markedly during the five months I spent in a tent outside the city of Santo Domingo, the capital. While I wouldn't recommend it, serving in a "war" zone and living on "C" rations does wonders for your weight loss diet. From time to time we did come under fire from the rebel element in town but my most harrowing experience occurred around midnight when I was walking back to my tent in the pitch black. As I negotiated around the tent poles, I bumped up against something that was about chest high. When I reached up to see what I had inadvertently walked into, I felt something that was warm and furry. Yikes, my life was just about over...until I realized that the object was a cow that a local farmer had failed to collect at the end of the day. Apparently, cows don't move when it is dark out.

In 1973, the draft or the required participation in one of the military services ended and since that time all our military are volunteers. Thousands of these volunteers put their lives on the line for us every day and our thoughts should be with them and their families during this day when we recognize all veterans for their service.

During the past week all Target Return portfolios were re-structured. One stock was sold in the Global Equity s and no changes were made to the Growth & Income portfolio.

Redhawk's Strategy Update

For the first time since February, the S&P 500 has risen for five weeks in a row. The major indexes extended their recent steady climb, setting new record highs and gaining around 1% for the week as quarterly earnings season continued to provide some modest lift. While third-quarter earnings results continued to come in slightly ahead of expectations, the outlook for the fourth quarter has recently worsened. Analysts project that fourth-quarter earnings among S&P 500 companies will slip 0.4%, according to FactSet. If there's another decline, it would mark the fourth consecutive quarter of earnings contraction, the first such instance in three and a half years.

The yield of the 10-year U.S. Treasury bond climbed to 1.92% on Thursday, the highest level in more than three months, as selling pressure sent yields higher. As recently as early October, the yield was as low as 1.52%. Growing optimism about prospects for a partial trade agreement between the U.S. and China lifted stocks on Thursday, as Chinese officials indicated they expected the two nations would roll back tariffs imposed earlier in the conflict. However, President Trump said on Friday that the White House hadn't committed to such concessions. Japan's prime minister on Friday asked his cabinet to construct a package of measures to stimulate the economy and build infrastructure. The directive comes after a recent slowdown in Japan's economy, which is expected to post an annual growth rate of less than 1% when new figures are released on November 14.

Redhawk Model Signals

| Time Period: | | | | 11/11/2019 | 11/4/2019 |
|--|--------|--|--------|---------------|---------------|
| Redhawk S&P 500 and Dynamic Portfolios (RSPC, RSPM, RSPA, RDC, RDM, RDA) | Symbol | | Action | Redhawk Score | Redhawk Score |
| Real Estate | XLRE | Real Estate Select Sector SPDR® ETF | XLRE | | |
| Consumer Cyclical | XLY | Consumer Discret Sel Sect SPDR® ETF | VB | | |
| Mid-Cap Value | XMLV | Invesco S&P MidCap Low Volatility ETF | FTEC | | |
| Intermediate Core-Plus Bond | BYLD | iShares Yield Optimized Bond ETF | IGHG | | |
| Ultrashort-Term Bond | GSY | Guggenheim Ultra Short Duration ETF | FLTR | | |
| Corporate Bond | IGIB | iShares Intermediate-Term Corp Bd ETF | FLRN | | |
| Utilities | VPU | Vanguard Utilities ETF | XAR | | |
| Ultrashort-Term Bond | ICSH | iShares Ultra Short-Term Bond ETF | FLRN | | |
| Industrials | XAR | SPDR® S&P Aerospace & Defense ETF | | 150.16 | |
| Foreign Large Value | HDEF | Xtrackers MSCI EAFE High Div Yld Eq ETF | | 140.22 | 117.12 |
| Small Value | XSLV | Invesco S&P SmallCap Low Volatility ETF | | 139.60 | 107.40 |
| Large Value | DGRO | iShares Core Dividend Growth ETF | | 137.42 | 113.01 |
| Technology | FTEC | Fidelity® MSCI Information Tech ETF | | 137.33 | |
| Financials | XLFX | Financial Select Sector SPDR® ETF | | 135.79 | |
| Small Blend | VB | Vanguard Small-Cap ETF | | 130.32 | |
| Large Blend | VOO | Vanguard S&P 500 ETF | | 123.22 | 105.10 |
| Short-term Bond | SLQD | iShares 0-5 Year Invmt Grade Corp Bd ETF | | 100.96 | 102.71 |
| Ultrashort-Term Bond | FLTR | VanEck Vectors Investment Grd FI Rt ETF | | 92.84 | |
| Nontraditional Bond | IGHG | ProShares Investment Grade—Intr Rt Hdgd | | 81.32 | |
| Short-Term Bond | SPSB | SPDR® Portfolio Short Term Corp Bd ETF | | 78.36 | 77.94 |
| Ultrashort-Term Bond | FLRN | SPDR® Blmbg Barclays Inv Grd Flt Rt ETF | | 76.26 | |

| Redhawk Environmental, Social, and Governance Portfolio (RESG) | Symbol | | Action | Redhawk Score | Redhawk Score |
|--|--------|------------------------------------|--------|---------------|---------------|
| Large Value | BEGIX | Sterling Capital Equity Income I | | 128.72 | 104.31 |
| Large Blend | VFTAX | Vanguard FTSE Social Index Admiral | | 120.96 | 102.84 |
| Global Real Estate | CSSPX | Cohen & Steers Global Realty I | | 118.63 | 120.86 |
| Large Growth | CEYIX | Calvert Equity I | | 114.13 | 108.40 |
| Mid-Cap Growth | AVEGX | Ave Maria Growth | | 112.61 | 102.41 |
| Corporate Bond | CBFSX | JPMorgan Corporate Bond I | | 84.62 | 92.21 |

| Redhawk Income Portfolios (RBI, RHY, RTHI) | Symbol | | Action | Redhawk Score | Redhawk Score |
|---|--------|--|--------|------------------|------------------|
| Corporate Bond | IGIB | iShares Intermediate-Term Corp Bd ETF | BKLN | | |
| Intermediate Core-Plus Bond | BYLD | iShares Yield Optimized Bond ETF | IGHG | | |
| Long-Term Bond | SPLB | SPDR® Portfolio Long Term Corp Bd ETF | PBP | | |
| Short-Term Bond | IGSB | iShares Short-Term Corporate Bond ETF | FLTR | | |
| Corporate Bond | LQD | iShares iBoxx \$ Invmt Grade Corp Bd ETF | HSPX | | |
| High Yield Bond | FALN | iShares Fallen Angels USD Bond ETF | | 103.36 | 114.52 |
| Ultrashort-Term Bond | FLTR | VanEck Vectors Investment Grd FI Rt ETF | | 92.83 | |
| Options Based | HSPX | Global X S&P 500® Covered Call ETF | | 81.64 | |
| High Yield Bond | HYLB | Xtrackers USD High Yield Corp Bd ETF | | 81.41 | 101.94 |
| Nontraditional Bond | IGHG | ProShares Investment Grade—Intr Rt Hdgd | | 79.41 | |
| Bank Loan | BKLN | Invesco Senior Loan ETF | | 68.22 | |
| Options Based | PBP | Invesco S&P 500 BuyWrite ETF | | 67.96 | |

| Redhawk Liquid Income Portfolios (LUNCC, LINCM, LINCA, LINCBC) | Symbol | | Action | Redhawk Score | Redhawk Score |
|---|--------|--|--------|------------------|------------------|
| Intermediate Core-Plus Bond | BYLD | iShares Yield Optimized Bond ETF | IGHG | | |
| Ultrashort-Term Bond | GSY | Guggenheim Ultra Short Duration ETF | FLTR | | |
| Corporate Bond | IGIB | iShares Intermediate-Term Corp Bd ETF | FLRN | | |
| Ultrashort-Term Bond | ICSH | iShares Ultra Short-Term Bond ETF | FLRN | | |
| Short-term Bond | SLQD | iShares 0-5 Year Invmt Grade Corp Bd ETF | | 102.24 | 105.78 |
| High Yield Muni | NHMRX | Nuveen High Yield Municipal Bond I | | 101.29 | 114.36 |
| Ultrashort-Term Bond | FLTR | VanEck Vectors Investment Grd FI Rt ETF | | 93.78 | |
| High Yield Bond | HYLB | Xtrackers USD High Yield Corp Bd ETF | | 91.86 | 107.28 |
| Muni National Long | VWAHX | Vanguard High-Yield Tax-Exempt | | 83.57 | 95.86 |
| Short-term Bond | SPSB | SPDR® Portfolio Short Term Corp Bd ETF | | 81.82 | 87.06 |
| Nontraditional Bond | IGHG | ProShares Investment Grade—Intr Rt Hdgd | | 81.46 | |
| Muni National Long | FTABX | Fidelity® Tax-Free Bond | | 79.04 | 83.30 |
| Ultrashort-Term Bond | FLRN | SPDR® Blmbg Barclays Inv Grd Flt Rt ETF | | 76.70 | |
| Muni National Interm | AXBIX | American Century IntermTrm Tx-Fr Bd I | | 66.64 | 70.74 |
| Muni National Interm | VWIUX | Vanguard Interm-Term Tx-Ex Adm | | 64.86 | 73.24 |

| Redhawk Growth Stock Portfolio (RGS) | Redhawk Score & Action | Redhawk High Dividend Stock Portfolio (RHDS) | Redhawk Score & Action |
|---|---------------------------|---|---------------------------|
| Vipshop Holdings (VIPS) | 98 | Buckle Inc (BKE) | 99 |
| Bristol-myers Squibb Co (BMY) | 98 | The Cato Corp Class A (CATO) | 99 |
| Celgene (CELG) | 97 | Westlake Chemical Partners LP (WLKP) | 99 |
| Lockhead Martin (LMT) | 96 | Valero Energy Corp (VLO) | 99 |
| WellCare Health Plans (WCG) | 96 | Bristol-myers Squibb Co (BMY) | 98 |
| Generac Holdings Inc (GNRC) | 94 | Ciner Resources LP (CINR) | 98 |
| Cbre Inc (CBRE) | 93 | Cardinal Health Inc (CAH) | 98 |
| CDW (CDW) | 93 | Janus Henderson (JHG) | 98 |
| Booz Allen Hamilton Holding (BAH) | 92 | Schweitzer-mauduit International Inc (SWM) | 97 |
| Netease Inc (NTES) | 91 | Seagate Technology PLC (STX) | 97 |
| Martin Marietta Materials (MLM) | 90 | CVS Health (CVS) | 97 |
| Microsoft (MSFT) | 89 | Domtar (UFS) | 97 |
| Synopsys Inc (SNPS) | 89 | Enel America SA (ENIA) | 97 |
| Cintas (CTAS) | 88 | Telefonica Brasil SA (VIV) | 96 |
| Teradyne Inc (TER) | 88 | Verizon Communications Inc (VZ) | 95 |
| New Oriental Education & Technology | 87 | Cypress Energy Partners LP (CELP) | 95 |
| Fortinet Inc (FTNT) | 87 | General Mills Inc (GIS) | 95 |
| Edwards Lifesciences (EW) | 85 | AT&T Inc (T) | 95 |
| Burlington Stores Inc (BURL) | 84 | Shell Midstream Partners LP (SHLX) | 94 |
| T-mobile US Inc (TMUS) | 84 | NASB Financial Inc (NASB) | 93 |
| Activision Blizzard Inc (ATVI) | 84 | Ethan Allen Interiors Inc (ETH) | 93 |
| Cadence Design Systems Inc (CDNS) | 83 | Wayside Technology Group Inc (WSTG) | 92 |
| Fleetcor Technologies Inc (FLT) | 82 | Glaxosmithkline (GSK) | 90 |
| L3Harris Technologies Inc (LHX) | 82 | International Business Machines (IBM) | 89 |
| Entegris Inc (ENTG) | 82 | Kellogg Co (K) | 88 |
| Heico (HEI) | 80 | Proctor & Gamble Co (PG) | 87 |
| Thermo Fisher Scientific Inc (TMO) | 80 | Chevron Corp (CVX) | 85 |
| Lululemon Athletica Inc (LULU) | 80 | Innophos Holdings Inc (IPHS) | 79 |

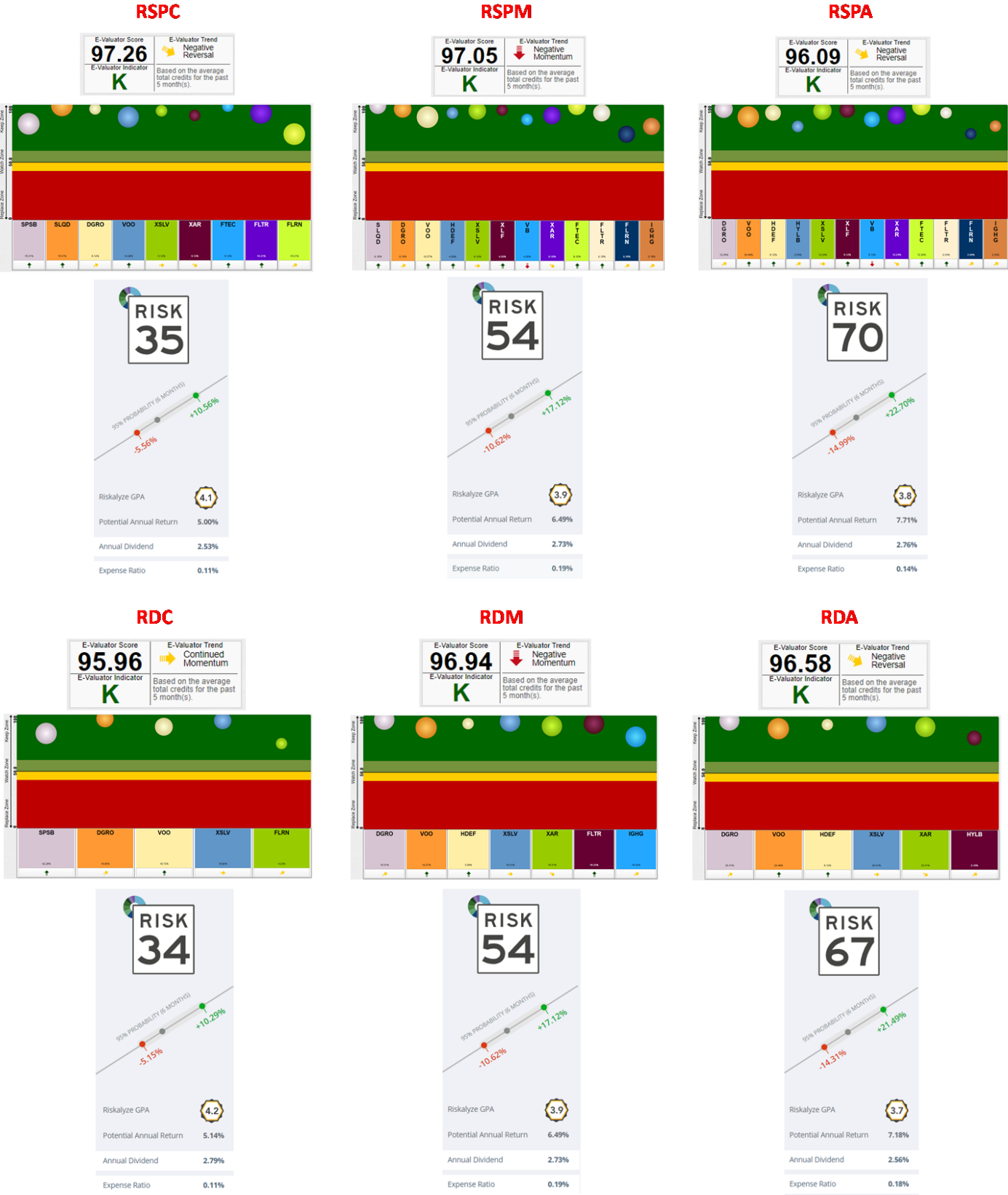
| | | | |
|---------------------------------|----|--------------------------------------|----|
| Estee Lauder Companies Inc (EL) | 78 | Dorchester Minerals LP (DMLP) | 77 |
| Fair Isaac (FICO) | 78 | Gilead Sciences Inc (GILD) | 77 |
| Ansys Inc (ANSS) | 75 | Duke Energy (DUK) | 74 |
| Veeva Systems Inc (VEEV) | 75 | Magellan Midstream Partners LP (MMP) | 73 |
| Alphabet Inc (GOOGL) | 69 | Phillips 66 Partners LP (PSXP) | 64 |

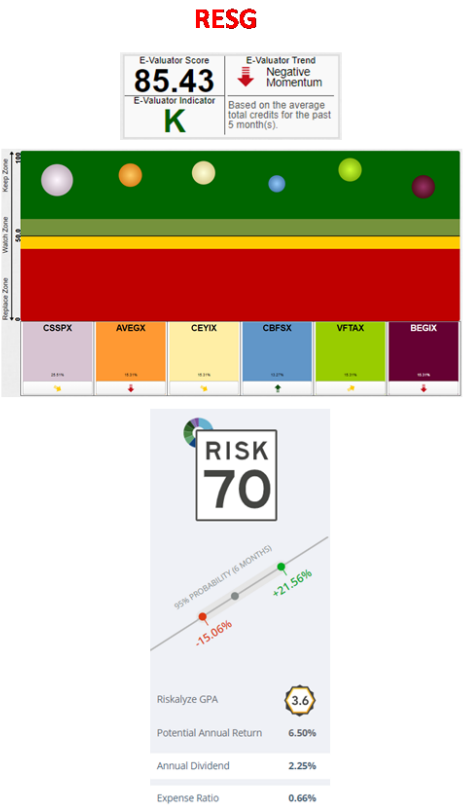
| Victoria Capital Management Target Return Portfolios (TRCI, TRMI, TRAI, TRCE, TRCM, TRAE, TRIP) | Symbol | | Action | Redhawk Score | Redhawk Score |
|---|--------|----------------------------------|--------|------------------|------------------|
| Small Value | VBR | Vanguard SC Val Idx ETF | | 142.26 | 110.06 |
| Large Value | DGRO | iShares Core Div Growth ETF | | 136.88 | 112.47 |
| Small Blend | VB | Vanguard Small-Cap ETF | | 135.37 | 110.64 |
| Small Value | IWN | iShares Russell 2000 Value | | 129.08 | 96.88 |
| Large Blend | SPLG | SPDR Portfolio Large Cap ETF | | 127.90 | 109.78 |
| Large Value | VTV | Vanguard Value Idx ETF | | 124.21 | 99.80 |
| Large Blend | IVV | iShares Core S&P 500 ETF | | 124.02 | 105.90 |
| Large Blend | IWB | iShares Russell 1000 | | 123.49 | 105.37 |
| Mid-Cap Blend | SCHM | Schwab DJ Mid Cap Core | | 123.08 | 101.30 |
| Large Value | VYM | Vanguard High Dividend Yield ETF | | 100.76 | 76.35 |
| Small Growth | VBK | Vanguard SC Gr Idx ETF | | 100.50 | 84.50 |
| Mid-Cap Value | MDYV | SPDR S&P 400 Mid Cap Val ETF | | 91.83 | 63.62 |
| High Yield Bond | HYG | iShares iBoxx \$HY Corp ETF | | 87.21 | 84.60 |
| Small Blend | IJR | iShares S&P Small Cap Core | | 78.95 | 54.22 |
| Corporate Bond | VCIT | Vanguard Int Crp Bd ETF | | 74.55 | 79.31 |
| High Yield Bond | SHYG | iShares 0-5 HY Corp Bd ETF | | 42.19 | 39.58 |
| Mid-Cap Growth | MDYG | SPDR S&P 400 Mid Cap Gro ETF | | 23.04 | 12.84 |

| | | |
|---------|------------------------------------|------|
| Keep | Keep. | |
| Watch | Watch. | |
| Replace | Replace with another fund or cash. | FUND |

S&P and Dynamic Portfolios: Replaced the Real Estate sub-category (XLRE) with the Financial sub-category (XLF), Consumer Cyclical sub-category (XLY) with the Small Blend sub-category (VB), Mid-cap Value sub-category (XMLV) with the Technology sub-category (FTEC), Intermediate Core-Plus Bond sub-category (BYLD) with the Nontraditional Bond sub-category (IGHG), Ultrashort-term bond sub-category (GSY with FLTR), Corporate Bond sub-category (IGIB) and Ultrashort-term Bond sub-category (ICSH) with the Ultrashort-term bond sub-category (FLRN), and Utilities sub-category (VPU) with the Industrials sub-category (XAR) due to lagging performance.

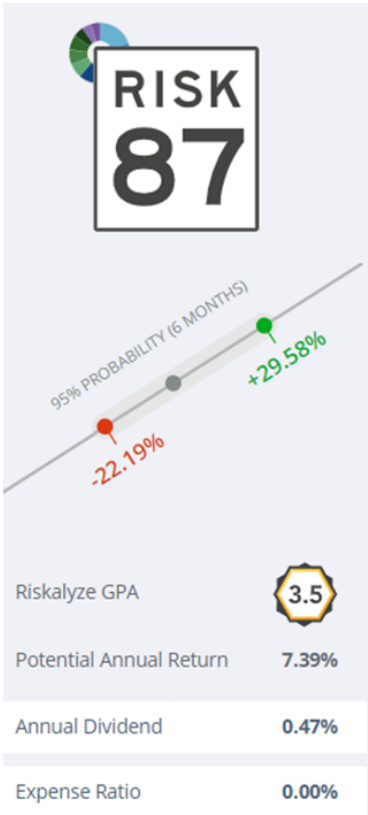
S&P and Dynamic Portfolio Bubble Reports as of 10/31/2019





Growth Stock Portfolio: No changes.

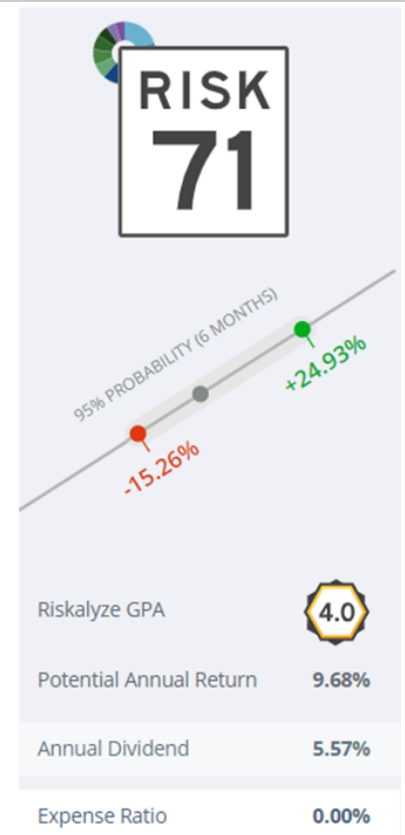
| RGS | | | | | | |
|--------|---|------------|--------|----------|-------|-------------|
| Ticker | Name | Last Price | Change | % Change | Yield | Stock Rank™ |
| VIPS | Vipshop Holdings | 11.55 | +0.1 | +1.1 | | 99 |
| BMJ | Bristol-myers Squibb Co | 56.76 | -0.4 | -0.7 | 2.9 | 98 |
| CELG | Celgene | 107.88 | -0.6 | -0.6 | | 98 |
| LMT | Lockheed Martin | 377.18 | -2.0 | -0.5 | 2.5 | 96 |
| WCG | Wellcare Health Plans Inc | 291.99 | -1.3 | -0.5 | | 96 |
| CBRE | Cbre Inc | 54.79 | 0.0 | 0.0 | | 95 |
| CDW | Cdw | 131.87 | +0.7 | +0.5 | 1.2 | 92 |
| GNRC | Generac Holdings Inc | 93.45 | +1.7 | +1.8 | | 93 |
| BAH | Booz Allen Hamilton Holding | 73.89 | -0.4 | -0.5 | 1.5 | 93 |
| NTES | Netease Inc | 304.57 | +15.0 | +5.2 | 0.9 | 92 |
| MLM | Martin Marietta Materials Inc | 262.93 | -0.4 | -0.2 | 0.8 | 91 |
| MSFT | Microsoft | 144.68 | +1.0 | +0.7 | 1.4 | 91 |
| SNPS | Synopsys Inc | 135.66 | -0.4 | -0.3 | | 89 |
| CTAS | Cintas | 269.69 | +0.8 | +0.3 | 0.9 | 88 |
| TER | Teradyne Inc | 62.87 | +0.5 | +0.8 | 0.6 | 88 |
| EDU | New Oriental Education & Technology Inc | 120.37 | +0.8 | +0.6 | | 87 |
| ANSS | Ansys Inc | 217.68 | -2.3 | -1.1 | | 86 |
| EW | Edwards Lifesciences | 237.47 | +0.7 | +0.3 | | 86 |
| FTNT | Fortinet Inc | 92.30 | +2.2 | +2.4 | | 85 |
| LHX | L3harris Technologies Inc | 199.78 | -1.6 | -0.8 | 1.5 | 84 |
| CDNS | Cadence Design Systems Inc | 66.01 | +0.5 | +0.8 | | 84 |
| BURL | Burlington Stores Inc | 195.21 | +3.3 | +1.7 | | 84 |
| FLT | Fleetcor Technologies Inc | 293.30 | -1.0 | -0.4 | | 83 |
| HEI | Heico | 123.41 | -1.0 | -0.8 | 0.1 | 83 |
| TMO | Thermo Fisher Scientific Inc | 302.89 | -0.7 | -0.2 | 0.3 | 83 |
| TMUS | T-mobile Us Inc | 80.76 | -1.7 | -2.1 | | 82 |
| ATVI | Activision Blizzard Inc | 55.11 | -0.7 | -1.3 | 0.7 | 82 |
| ENTG | Entegris Inc | 48.28 | +0.0 | +0.1 | 0.7 | 81 |
| FICO | Fair Isaac | 305.00 | -4.1 | -1.3 | | 80 |
| LULU | Lululemon Athletica Inc | 195.48 | -5.2 | -2.6 | | 79 |
| VEEV | Veeva Systems Inc | 145.98 | +1.6 | +1.1 | | 78 |
| EL | Estee Lauder Companies Inc | 182.26 | -4.3 | -2.3 | 1.0 | 76 |
| GOOGL | Alphabet Inc | 1,287.34 | +15.1 | +1.2 | | 68 |



High Dividend Stock Portfolio: No changes.

RHDS

| Ticker | Name | Last Price | Change | % Change | Yield | Stock Rank™ - |
|--------|---------------------------------------|------------|--------|----------|-------|---------------|
| BKE | Buckle Inc | 21.20 | +0.1 | +0.4 | 4.7 | 99 |
| CATO | Cato | 17.81 | +0.1 | +0.5 | 7.4 | 99 |
| WLKP | Westlake Chemical Partners Lp | 23.05 | +0.1 | +0.5 | 8.1 | 99 |
| SWM | Schweitzer-mauduit International Inc. | 39.60 | -0.5 | -1.2 | 4.4 | 98 |
| BMJ | Bristol-myers Squibb Co | 56.75 | -0.4 | -0.7 | 2.9 | 98 |
| CINR | Cinor Resources Lp | 18.03 | -0.5 | -2.8 | 7.3 | 98 |
| STX | Seagate Technology | 57.63 | +0.0 | +0.0 | 4.5 | 98 |
| VLO | Valero Energy | 101.75 | +1.9 | +1.9 | 3.6 | 98 |
| VIV | Telefonica Brasil Sa | 13.32 | -0.1 | -0.4 | 14.1 | 97 |
| CVS | Cvs Health | 68.18 | +0.9 | +1.4 | 3.0 | 97 |
| CAH | Cardinal Health Inc | 51.52 | +1.1 | +2.1 | 3.8 | 97 |
| UFS | Domtar | 37.04 | +0.1 | +0.3 | 4.9 | 97 |
| JHG | Janus Henderson | 23.92 | +0.3 | +1.1 | 6.1 | 97 |
| VZ | Verizon Communications Inc | 59.96 | -0.4 | -0.7 | 4.1 | 95 |
| GIS | General Mills Inc | 51.34 | +0.2 | +0.3 | 3.8 | 95 |
| ENIA | Enel Americas Sa | 9.84 | +0.2 | +2.3 | 4.2 | 95 |
| WSTG | Wayside Technology Inc | 14.33 | -0.3 | -1.8 | 4.7 | 94 |
| CELP | Cypress Energy Partners Lp | 9.77 | +0.2 | +1.7 | 8.7 | 94 |
| IPHS | Innophos Holdings Inc | 32.45 | -0.1 | -0.4 | 5.9 | 94 |
| CVX | Chevron | 121.60 | +5.4 | +4.6 | 4.1 | 94 |
| SHLX | Shell Midstream Partners Lp | 20.80 | +0.6 | +2.8 | 8.8 | 93 |
| NASB | Nasb Financial Inc | 43.75 | 0.0 | 0.0 | 4.6 | 93 |
| T | At&t Inc | 38.99 | +0.0 | +0.1 | 5.2 | 93 |
| ETH | Ethan Allen Interiors Inc | 19.80 | +0.1 | +0.3 | 4.3 | 91 |
| GSK | Glaxosmithkline | 45.11 | -0.2 | -0.4 | 4.5 | 90 |
| K | Kellogg Co | 63.39 | -0.3 | -0.5 | 3.6 | 90 |
| PG | Procter & Gamble Co | 120.03 | -3.8 | -3.1 | 2.4 | 89 |
| IBM | International Business Machines | 137.28 | +1.8 | +1.3 | 4.8 | 86 |
| MMP | Magellan Midstream Partners Lp | 63.10 | +0.4 | +0.7 | 6.5 | 85 |
| DMILP | Dorchester Minerals Lp | 17.84 | +0.0 | +0.1 | 11.3 | 78 |
| DUK | Duke Energy | 93.69 | -0.7 | -0.7 | 4.0 | 76 |
| GILD | Gilead Sciences Inc | 65.20 | +0.5 | +0.8 | 3.9 | 72 |
| PSXP | Phillips 66 Partners Lp | 55.77 | -0.2 | -0.3 | 6.2 | 69 |

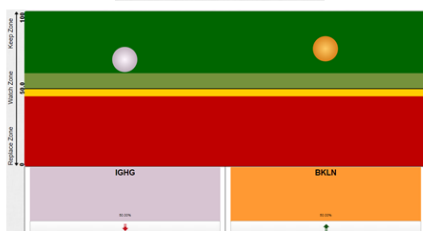


High Income Portfolios: Replaced the Corporate Bond sub-category (IGIB) with the Bank Loan sub-category (BKLN), Intermediate Core-Plus Bond (BYLD) with the Nontraditional Bond sub-category (IGHG), Long-term bond sub-category (SPLB), with the Options based sub-category (PBP), Short-term Bond sub-category (IGSB), with the Ultrashort-term Bond sub-category (FLTR), and Corporate Bond sub-category (LQD), with the Options Based sub-category (HSPX) due to underperformance.

High Income Portfolio Bubble Reports as of 10/31/2019

RBI

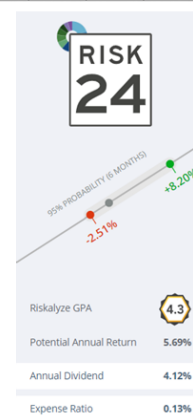
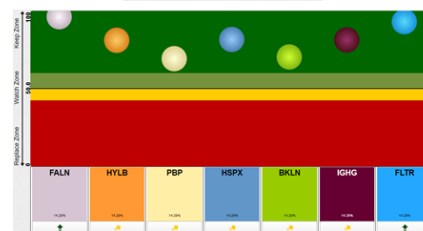
| | |
|----------------------------------|---|
| E-Valuator Score 66.10 | E-Valuator Trend Negative Momentum |
| E-Valuator Indicator K | Based on the average total credits for the past 3 month(s). |

**RHY**

| | |
|----------------------------------|---|
| E-Valuator Score 86.82 | E-Valuator Trend Positive Reversal |
| E-Valuator Indicator K | Based on the average total credits for the past 3 month(s). |

**RTHI**

| | |
|----------------------------------|---|
| E-Valuator Score 87.95 | E-Valuator Trend Positive Reversal |
| E-Valuator Indicator K | Based on the average total credits for the past 5 month(s). |



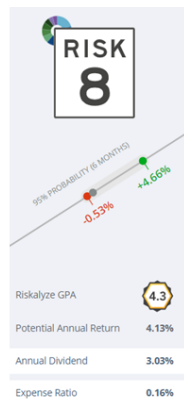
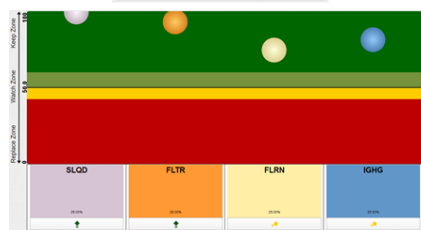
Liquid Income Portfolios: Replaced the Intermediate Core-Plus Bond sub-category (BYLD) with the Nontraditional Bond sub-category (IGHG), Ultrashort-term bond sub-category (GSY with FLTR), Corporate Bond sub-category (IGIB) and the Ultrashort-term Bond sub-category (ICSH) with the Ultrashort-term bond sub-category (FLRN), and Utilities sub-category (VPU) with the Industrials sub-category (XAR) due to lagging performance.

Liquid Income Portfolio Bubble Reports as of 10/31/2019**LINCC**

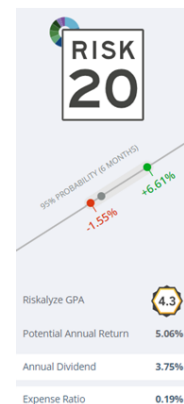
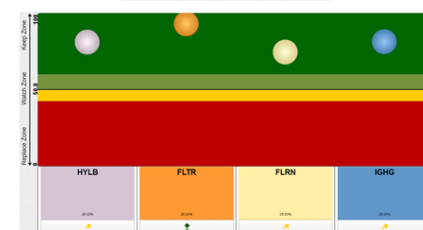
| | |
|----------------------------------|---|
| E-Valuator Score 93.12 | E-Valuator Trend Positive Momentum |
| E-Valuator Indicator K | Based on the average total credits for the past 5 month(s). |

**LINCM**

| | |
|----------------------------------|---|
| E-Valuator Score 91.89 | E-Valuator Trend Positive Reversal |
| E-Valuator Indicator K | Based on the average total credits for the past 5 month(s). |

**LINCA**

| | |
|----------------------------------|---|
| E-Valuator Score 89.43 | E-Valuator Trend Positive Reversal |
| E-Valuator Indicator K | Based on the average total credits for the past 5 month(s). |



LINCB

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Economic Data for this Week

Monday:

1. Veterans Day holiday, U.S. stock market open, bond market closed.

Tuesday:

1. No major reports scheduled.

Wednesday:

1. Consumer Price Index, U.S. Bureau of Labor Statistics; federal budget, U.S. Department of the Treasury.

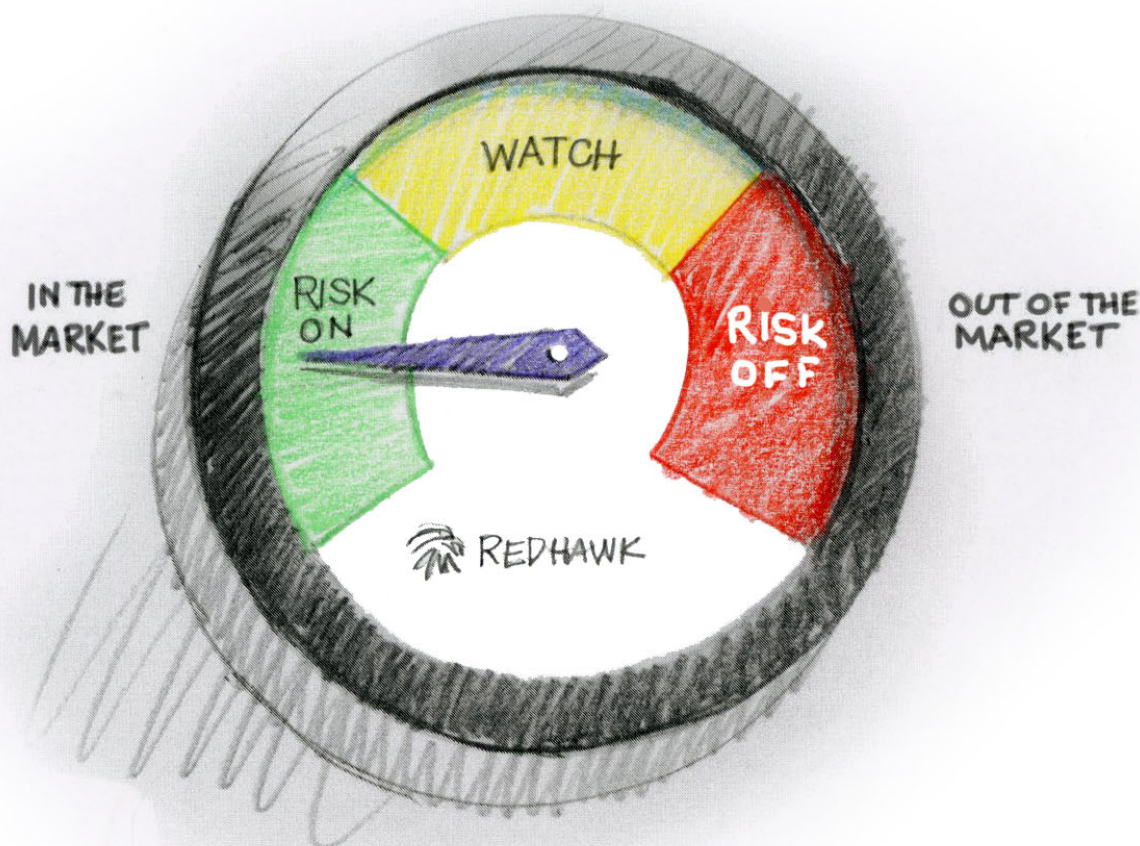
Thursday:

1. Producer price index, U.S. Bureau of Labor Statistics.

Friday:

1. Retail sales, U.S. Census Bureau.
2. Business inventories, U.S. Census Bureau.
3. Industrial production and capacity utilization, U.S. Federal Reserve.

On 9/13, the "Risk On" algorithm tripped, and we continue to stay invested in equities.



Portfolio Managers



The Target Return (TR) portfolios consist of a blend of exchange-traded funds (ETFs)

to provide a range of risk and return characteristics that should meet the needs of investors saving for retirement. Each of these portfolios is designed to achieve a long-term target rate of return. By utilizing low cost ETFs and by keeping portfolio turnover low, the ability to produce targeted rates of return is dramatically increased. For investors seeking current income, the TR Income Portfolio (TRIP) has been structured to focus on producing both high current income and growing dividend income. The goal of the Victoria Capital Growth (VCG) portfolio is to provide long-term growth through a diversified portfolio of individual equities. A theme-based investment strategy concentrates investments in common stocks of companies that are expected to grow faster than the overall economy. Owning individual stocks gives greater flexibility to make changes on a stock by stock basis for each client. By applying a bottom-up defensive tactical trading discipline, substantial portfolio reserves can be generated.

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