

Holding-Based Statistics

	Short Term Fixed Income	Bloomberg Barclays 1-3yr Gov/Credit
Yield to Maturity	2.82%	2.44%
Effective Duration	1.64 years	1.90 years
Average Credit Quality	A	A

Strategy Statistics

Range of Holdings (Issuers)	100 - 150 est
Annualized Turnover	20% est
Firm Assets	203.07
Product Assets	38.09

Investment Philosophy

The Short Term Fixed Income strategy is managed to provide a high degree of current income with limited interest rate risk by investing in high quality investment grade corporate bonds and U.S. Government securities. The separate account strategy is actively managed with regards to security selection and yield curve exposure with an objective to generate a total return in excess of the index over a full market cycle.

Portfolio Management Team

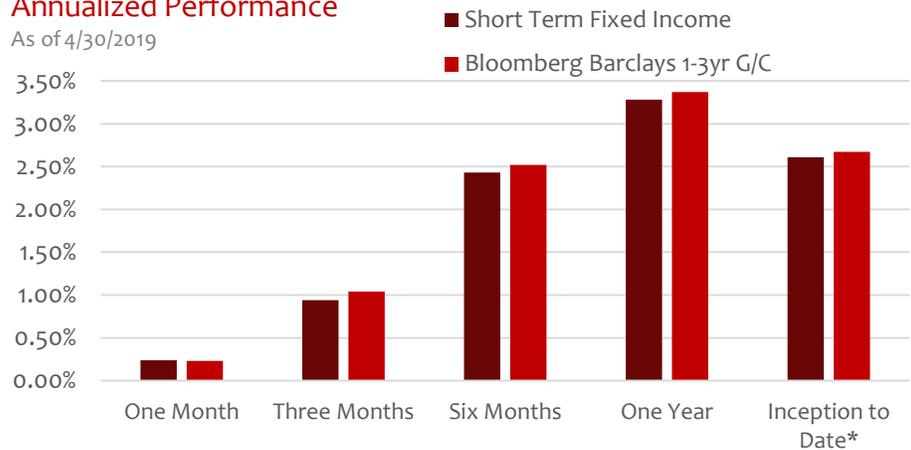
David M. Killian
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Inception Date

1/31/2018

Annualized Performance

As of 4/30/2019

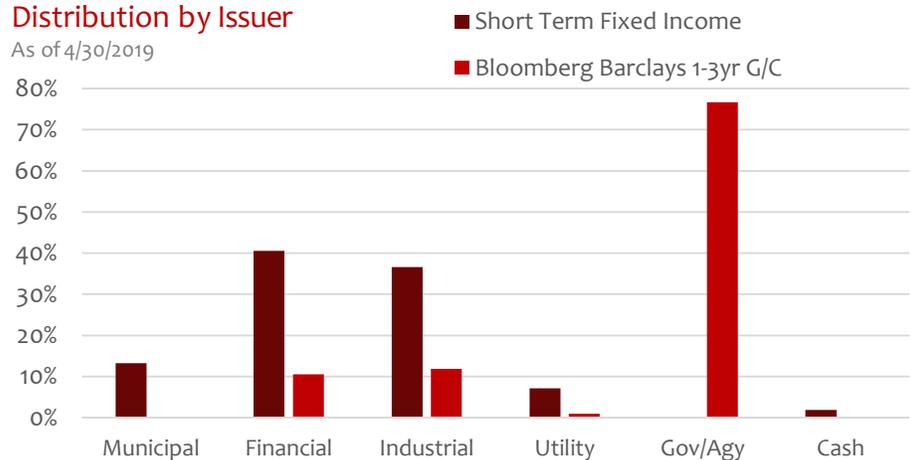


	One Month	Three Months	Six Months	One Year	Inception to Date*
Short Term Fixed Income	0.24%	0.94%	2.43%	3.28%	2.61%
Bloomberg Barclays 1-3yr Gov/Credit	0.23%	1.04%	2.52%	3.37%	2.67%

* Inception 1/31/2018

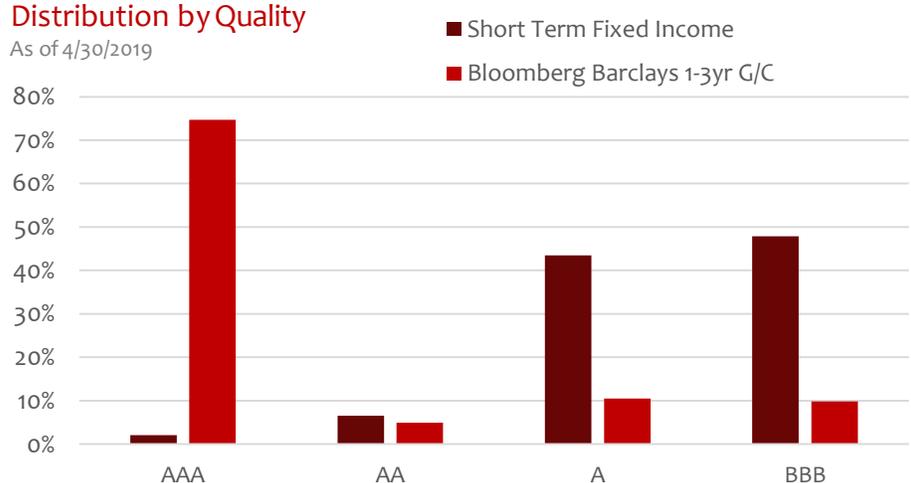
Distribution by Issuer

As of 4/30/2019



Distribution by Quality

As of 4/30/2019



Top 10 Holdings

As of 4/30/2019

Suntrust Banks Inc 2.25% - 1/31/20	2.48%
Fairfax Financial 8.30% - 4/15/26	2.04%
Kinder Morgan Inc 6.85% - 2/15/20	1.64%
American Intl Group 4.875% - 6/1/22	1.63%
Citigroup Inc 2.45% - 1/10/20	1.59%
Morgan Stanley 2.80% - 6/16/20	1.56%
Altria Group Inc 2.625% - 1/14/20	1.55%
BP Capital Markets 1.676% - 5/3/19	1.35%
Dr Pepper Snapple 3.13% - 12/15/23	1.32%
Mosaic Co 4.25% - 11/15/23	1.31%

1Q 2019 Portfolio Commentary

Despite current expectations that real GDP is expected to slow in the coming year to a range of 2%-2.5% from close to 3% last year, the S&P 500 still managed to gain 13.65% during the first quarter; the largest quarterly advance in nearly ten years. During the period the S&P recovered fully from the decline experienced during the December selloff. Positive market catalysts included an oversold technical position as we entered the year, better than expected corporate earnings, and continued progress in U.S./China trade negotiations. The market strength was further supported by the results of the March 19th FOMC meeting after which the Fed Chair indicated that no further interest rate increases would occur this year. The Fed's abrupt shift in policy stemmed from three key factors: tighter financial conditions during the fourth quarter, a significant slowdown in global growth, and limited inflation pressures. Given increasing concern among investors that the Federal Reserve may move too aggressively in raising interest rates, this surprise announcement was welcome news to the market. Interest rates declined for the period with the Ten-Year U.S. Treasury yield ending the quarter at 2.4%, down from the year end level of 2.68%. Contrary to the positive sentiment driving higher stock prices, bond market indicators are signaling a more cautious outlook. As per the fed funds futures, market investors are now expecting the Fed to cut rates this year to combat a slowing economy. This view is also consistent with the recent behavior of the yield curve, which continues to flatten and in some instances invert. The Fed's pivot to a more dovish stance, while positive in the near term, may prove insufficient to overcome both a meaningful slowing in the global economy, particularly China, and the lagged effect of prior rate hikes.

Our overweight position to corporate bonds and tactical allocation to short term municipal securities benefitted results for the period. In the current environment, we continue to have a favorable view toward short term corporate bonds given the attractive absolute level of yield and the recent shift to a more dovish Federal Reserve policy. We believe the combination of stable monetary policy and attractive relative value on short term bonds presents a meaningful opportunity for both a high degree of current income and price appreciation in 2019.



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Birch Run Investments claims compliance with the Global Investment Performance Standards (GIPS) and has prepared and presented this report in compliance with the GIPS standards. Birch Run Investments has been independently verified for the period ending September 30, 2018.

The performance data quoted represents past performance; past performance does not guarantee future results. Current performance may be lower or higher than the performance data quoted.

To receive a complete list and description of Birch Run Investments composites and/or presentation that adheres to the GIPS standards, please contact David Killian by phone 610-321-3453, email info@birchruntime.com, or by mail 211 Welsh Pool Rd, Suite 234 Exton, PA 19341.