

We have reduced exposure to the Natural Resources and Consumer Discretionary sectors in the domestic and global ICON Tactical Allocation Portfolios (ITAPs) and used the proceeds to increase exposure to the Information Technology sector. The Natural Resources segment of the market would benefit greatly from the potential infrastructure spending being promoted by the President and Congress. While we are not in the business of predicting whether or not the spending will be approved, we have seen stock prices in the sector move higher in anticipation of the proposed spending. As a result of this increase, a few industries with the Natural Resources space appear over-priced in our system. As for the Consumer Discretionary sector, when we initiated the position most of the 34 industries in that sector had value-to-price (V/P) ratios of 1.00 or greater. Now it is down to 19 of the 34. We can still find attractive industries in that sector, just fewer than before. Given this outlook, we don't see these sectors as absolute "sells," but according to our system the Information Technology sector is more attractive. Information Technology has worked its way up to the #2 sector in our sector V/P rankings and the S&P 1500 Information Technology Index has been the best performing sector index year to date. That combination of value and strength makes the sector worthy of an over-weight position according to our system.

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**Past performance does not guarantee future results.**

*Opinions and forecasts regarding sectors, industries, companies, countries and/or themes, and portfolio composition and holdings, are all subject to change at any time, based on market and other conditions, and should not be construed as a recommendation of any specific security, industry, or sector.*

*Investing in securities involves inherent risks, including the risk that you can lose the value of your investment. An investment concentrated in sectors and industries may involve greater risk and volatility than a more diversified investment. There are risks associated with Small and Mid Cap investing such as less liquidity, limited product lines, and small market share.*

*ICON's value-based investing model is an analytical, quantitative approach to investing that employs various factors, including projected earnings growth estimates and bond yields, in an effort to determine whether securities are over- or underpriced relative to ICON's estimates of their intrinsic value. ICON's value approach involves forward-looking statements and assumptions based on judgments and projections that are neither predictive nor guarantees of future results. Value readings are contingent on several variables including, without limitation, earnings, growth estimates, interest rates and overall market conditions. Although valuation readings serve as guidelines for our investment decisions, we retain the discretion to buy and sell securities that fall beyond these guidelines as needed. Value investing involves risks and uncertainties and does not guarantee better performance or lower costs than other investment methodologies.*

*ICON's value-to-price ratio is a ratio of the intrinsic value, as calculated using ICON's proprietary valuation methodology, of a broad range of domestic and international securities within ICON's system as compared to the current market price of those securities.*

*The unmanaged Standard & Poor's (S&P) Composite 1500 Sector Indexes track the performance of sectors that comprise the S&P Composite 1500 Index. The Portfolios' composition may differ significantly from the indexes. Individuals cannot invest directly in an index.*

**Please visit ICON online at [www.InvestwithICON.com](http://www.InvestwithICON.com) or call 1-800-828-4881 for the most recent copy of ICON's Form ADV, Part 2.**

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