

STRATEGIC BALANCE, LLC

December 1, 2017

	Strategic Balance Partners, LP	S&P 500
November (estimate)	-0.9%	3.1%

The information provided is historic and should not be taken as any indication of future performance. SBPLP returns are unaudited for this year and net of 1% management fee and 10% incentive allocation. Actual returns may differ due to differences in contribution date, fee structure and new issue eligibility. All returns are time weighted with dividends reinvested. S&P 500 returns are provided strictly for informational purposes to reflect general equity market performance. Fund Inception 8/1/03.

Dear Fellow Investor:

According to our estimates, we lost ground as a solid performance from our long book was not enough to keep pace with our short book in a frenzied month. Once again, our individual positions exhibited higher volatility than one might expect if just looking at the indices with some big moves both up and down. Late in the month, investors rotated into value stocks and away from growth for the first time in quite a while. That should favor us if it continues. Either way, we are quite comfortable with our positioning based on the historical evidence that value wins over time.

Tax cut fever gripped markets for much of the month with little concern for the fact that globally central banks are moving away from emergency monetary policies that have been in place for years. Also, China is trying to tap its economic brakes. We continue to remain well hedged as we can only marvel at investors' risk appetites in what we view as the most expensive equity market ever with fundamentals seemingly ignored. Please call with questions or comments.

Sincerely,

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