

STRATEGIC BALANCE, LLC

August 1, 2018

	Strategic Balance Partners, LP	S&P 500
July (estimate)	0.6%	3.7%

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:

Based on our estimates, we made some progress in July. While growth stocks led the rally for much of the month, investors' tech favorites came under selling pressure late in the period as some skepticism about their future profitability entered the picture. We enjoyed broad strength from our long book as value stocks regained lost ground.

Once again, tariff issues took center stage. Companies and consumers are facing higher costs as a result of these new trade policies and investors are trying to digest just what they may mean for future profits. China moved towards an easier stance as growth worries rose to the surface there. However, most major economies continue to experience tightening central banks in a world where slowing growth outside the U.S. seems to be causing angst. In addition, housing activity in the U.S. is fading along with some other heretofore strong industries.

Please call with questions and comments.

Sincerely,

Scott E. Brown, CFA
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