

Campbell Capital Management

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Dear Money Management Client:

We are pleased to enclose beautiful year end portfolio statements. While not having been particularly excited about our presidential choices, we're happy to be cautiously optimistic at this point in time.

Expectations for more growth with a Trump presidency are likely getting ahead of themselves. He has announced big plans for infrastructure spending and tax reform, but there is a "devil in the details" and we believe he'll find Washington a very frustrating place to get much done. The United States, just like all the other industrialized nations, is bogged down with too much debt, too much regulation and too many special interests. Many academic studies have shown that high debt levels relative to GDP lead to secular stagnation, and optimism aside, we'll rely on the math.

In a world with 2% GDP growth, our income earning assets continue to make the most sense. Stocks are cheap relative to bonds based on a 50 year comparison of dividends to interest, so we remain focused on equity type income proxies for yield. Our real estate investment trusts, preferred stocks, high yield bonds and dividend yielding stocks continue to serve us well.

The Federal Reserve will likely continue on a path to normalized yields in 2017, but don't be surprised if it only amounts to one quarter point rate hike during the entire year. Many nations are still conducting quantitative easing policies and any meaningful increase in our interest rates would be disastrous for their currencies. Europe, quite frankly, is a ticking time bomb of political and financial solvency uncertainty. We'll be monitoring their elections, populist movements, technological displacement, protectionism and anything else that might change our outlook, but for now, enjoy the optimism.

As always, we remain committed to a conservative investment philosophy, which emphasizes the preservation of capital. If you have any questions or would like to discuss your portfolio, please do not hesitate to call.

Very truly yours,

Clay Campbell, CPA

SEC Disclosure:

As you know, Campbell Capital Management is registered as an investment adviser under the Investment Advisors Act of 1940. We are required to update the information in our Form ADV periodically, to ensure that it contains up-to-date information about our company. If you would like to receive a free copy of our most recent amendment to Part II of our Form ADV, please call or write us at the address below.

Please send your request to:

*Campbell Capital Management
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Campbell Capital Management Privacy Policy:

Campbell Capital Management (CCM) is committed to protecting your non-public information and considers this safeguarding of information a priority. We maintain procedures and technology designed to prevent access to your personal information. We employ physical, electronic, and procedural protections in accordance with industry standards. We restrict access to personal information to employees, our registered representatives and service providers for legitimate business purposes. We may share personal information we collect about our customers, prospects and former customers to service providers such as:

- Unaffiliated service providers such as securities clearing houses, printers for delivery of statements and other administrative services associated with your account(s).*
- Government agencies, such as tax reporting or court orders.*
- Other organizations such as consumer reporting agencies.*
- Other organizations, as permitted by law that protect your privacy such as fraud prevention.*

If CCM shares nonpublic personal information relating to a consumer with a nonaffiliated company under circumstances not covered by an exception under Regulation S-P, the firm will deliver to each affected consumer an opportunity to opt out of such information sharing.