

*The following commentary is the opinion of our Portfolio Manager at the time of its writing. Please see important disclosures.*

## OVERVIEW

Optimism for the economy in 2026 was in full view during this first full week of trading. The economic data releases did not dissuade that view. The Services side of the economy is still steady and solid. Although the December *Jobs Report* had a modest 50,000 new jobs versus 56,000 the prior month, the *unemployment rate* ticked down to a positive reading at 4.4% versus 4.5% the prior month. Moreover, other jobs reports showed employers continuing to hold onto current employees. Overseas, business activity reports displayed steady, solid growth in select major Foreign Developed and Emerging Market countries.

The S&P 500 ended the week up 1.57% with Foreign Developed at 1.42% and Emerging Markets at 1.61%. In the US, Small Caps substantially outperformed Large Cap and Value substantially outperformed Growth, both patterns giving a nod to economic growth optimism.

Bond yields declined marginally leading to positive fractional returns in Interest with Blend and Credit at larger fractional returns. The Dollar rose which led to a fractional loss in Global Bonds.

Natural Resources were broadly positive led by Precious and Industrial Metals.

## PERFORMANCE

### ***TAG TACTICAL STRATEGIES: Global Macro***

All three *Core Strategies* substantially outperformed their proxies. Positions in Natural Resources, US and Global Credit Bonds and US Small Cap Equities drove the outperformance.

*Tactical Income* substantially outperformed its proxies due to allocations in Credit Income Securities. The yield as of January 9, 2026, is at 5.71%.

*Tactical Equity* significantly outperformed its proxies. Positions in Metals Miners, Brazil Small Cap, Aerospace & Defense and US Small Caps drove the outperformance.

### ***RPg STRATEGIES: Quantitative Formula***

*Tactical US Equity* outperformed the S&P 500 due to its overweight in Value Sectors. *Tactical US Equity FT* further outperformed due to its Small/Mid Cap weighting.

*Tactical Global Balanced* substantially outperformed its proxies due to allocations in Natural Resources, Foreign Developed Equities and US Equity Sectors with their Small/Mid Cap weighting.

## OUTLOOK

The international order has been further shaken by the US intervention in Venezuela which seems to be the accelerant for the Iranian uprising. These events and the ongoing US involvement clearly pose some risks, but they may unleash new opportunities for global economic growth.

### **Your RPg Investment Team**

*We welcome your comments and questions regarding the foregoing.*

Please direct them to: [support@riskparadigmgroup.com](mailto:support@riskparadigmgroup.com)

***Please read and refer to important disclosures that follow.***

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References to Indexes: The S&P 500 Index is an unmanaged index of 500 stocks that is generally representative of the equity performance of larger companies in the U.S. Please note that an investor cannot invest directly into an index.

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