

# Core Investment Portfolio



## Fact Sheet

As of 6/30/2020

### Highlights

- Actively managed, equity-centric portfolio with 75% dedicated to long-term appreciation
  - Above-average allocation to stocks with exposure to rapidly growing foreign markets
  - Exposure to large cap global and emerging market stocks as well as small and mid cap U.S. stocks
  - Broadly diversified across major economic sectors
- Tactical equity allocation helps mitigate the impact of large stock market declines by reducing equity exposure
  - Helps to be responsive to market conditions to mitigate significant losses
- High-quality fixed income allocation to provide modest income and reduce volatility over time
- Low-to-moderate turnover offering lower investment costs and consideration of tax consequences

### Objective

A multi-strategy wealth accumulation approach designed to provide long-term capital appreciation while helping to mitigate risk during bear market drawdowns

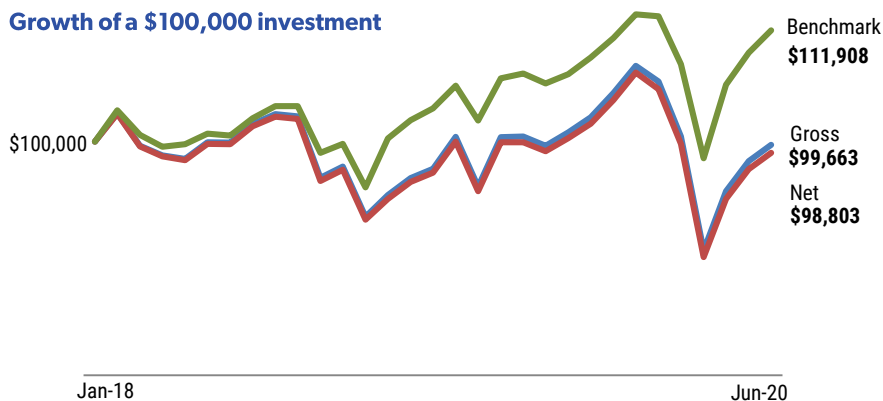
### Portfolio Characteristics

|                            |  |
|----------------------------|--|
| Inception                  | January 1, 2018  |
| Number of Holdings         | 63   |
| Benchmark                  | 25% S&P 500 TR<br>25% MSCI ACWI Index<br>25% HFRI Equity Hedge Index<br>25% Barclays Intermediate US Govt/Credit Index |
| Annual Turnover - 2019 (%) | 28.8   |

### Performance Overview

January 1, 2018 — June 30, 2020 | Past performance is no guarantee of future results.

#### Growth of a \$100,000 investment



The growth of \$100,000 chart presented herein is for illustrative purposes only. The chart illustrates the growth of \$100,000 should it had been invested at the time of inception and includes reinvestment of dividends. It does not assume withdrawals or contributions. Any results shown above may not represent the actual experience of individual investors. Individual account performance may differ due to, e.g., account size, cash flows, investment restrictions, economic factors, and fees.

|             | Total Returns |       |       | Annualized Returns |           | Calendar-Year Returns |       |
|-------------|---------------|-------|-------|--------------------|-----------|-----------------------|-------|
|             | 3-Mos         | 6-Mos | YTD   | 1-yr               | Inception | 2018                  | 2019  |
| Gross %     | 12.83         | -7.82 | -7.82 | -0.80              | -0.14     | -8.04                 | 17.57 |
| Net %       | 12.74         | -7.98 | -7.98 | -1.14              | -0.48     | -8.36                 | 17.17 |
| Benchmark % | 13.94         | -1.50 | -1.50 | 4.81               | 4.60      | -4.89                 | 19.45 |

The information provided herein is supplemental to the GIPS performance presentation. To obtain a compliant presentation or a list of our composite descriptions and/or policies for valuing portfolios, calculating performance, and preparing compliant presentations, please call (443) 224-1231 or send an e-mail to [info@equitycompass.com](mailto:info@equitycompass.com).

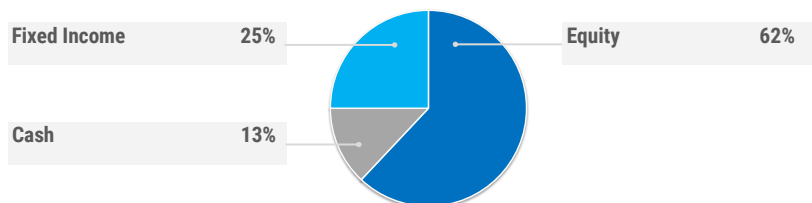
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As of 6/30/2020



### Portfolio Allocation



### Holdings By Market Cap

| Market Cap                    | Percentage |
|-------------------------------|------------|
| Large Cap - > \$10 bn (%)     | 84.68      |
| Mid Cap - \$3.5 - \$10 bn (%) | 6.79       |
| Small Cap - < \$3.5 bn (%)    | 8.54       |

### Top Equity Holdings By Weight

| Security                            | Weight (%) |
|-------------------------------------|------------|
| iShares Russell 2000 ETF            | 4.90       |
| SPDR S&P 500 ETF Trust              | 4.58       |
| Vanguard FTSE Emerging Markets ETF  | 4.46       |
| iShares MSCI EAFE ETF               | 4.35       |
| Amazon.com, Inc.                    | 1.66       |
| LVMH Moët Hennessy Louis Vuitton SE | 1.61       |
| QUALCOMM Inc.                       | 1.53       |
| PayPal Holdings Inc.                | 1.49       |
| Alphabet Inc. Class A               | 1.42       |
| Kroger Co.                          | 1.30       |

For illustrative purposes only and not intended as personalized recommendations. The yield information included is as of the period indicated and should not be considered a recommendation to purchase, hold, or sell any particular security. There is no assurance that any of the yields noted will remain and may vary over time. The specific securities identified and described herein do not represent all of the securities purchased, sold, or recommended to advisory clients, and the reader should not assume that investments in the securities identified and discussed were or will be profitable. A complete list of all recommendations made by the firm is available upon request.

### About EquityCompass

EquityCompass is a Baltimore-based SEC registered investment adviser offering a broad range of portfolio strategies and custom plans for individuals, financial intermediaries, and institutional clients in the U.S. and Europe. Formally organized in 2008, EquityCompass provides portfolio strategies with respect to total assets over \$3.6 billion as of June 30, 2020.\*

The EquityCompass team of professionals represents deep industry experience in security analysis, capital markets, and portfolio management. We are committed to a consistent investment process that relies on enduring principles, sound empirical reasoning, and the recognition of a dynamic investment environment with a global reach.

### Equity Sector Allocation

| Sector                 | Percentage |
|------------------------|------------|
| Information Technology | 23.56      |
| Consumer Discretionary | 15.71      |
| Consumer Staples       | 13.30      |
| Financials             | 12.84      |
| Health Care            | 10.25      |
| Communication Services | 8.82       |
| Industrials            | 7.06       |
| Materials              | 2.37       |
| Utilities              | 2.25       |
| Energy                 | 1.96       |
| Real Estate            | 1.88       |

### Fixed Income Stats

| Stat                    | Portfolio |
|-------------------------|-----------|
| Wtd. Avg. Coupon        | 1.62      |
| Wtd. Avg. Maturity      | 3.04      |
| Effective Duration      | 2.82      |
| Wtd. Avg. Div Yield     | 0.81      |
| Inv. Grade or Above (%) | 99.88     |

### Portfolio Management Team



**Robert G. Hagstrom, CFA**  
Chief Investment Officer  
Senior Portfolio Manager



**Timothy M. McCann**  
Senior Portfolio Manager



**James J. DeMasi, CFA**  
Senior Portfolio Manager

All charts and tables are calculated by EquityCompass using data provided by FactSet Research Systems, Inc.

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\*Total assets combines both Assets Under Management and Assets Under Advisement as of June 30, 2020. Assets Under Management represents the aggregate fair value of all discretionary and non-discretionary assets, including fee paying and non-fee paying portfolios. Assets Under Advisement represent advisory-only assets where the firm provides a model portfolio and does not have trading authority over the assets.

Foreign investments are subject to risks not ordinarily associated with domestic investments, such as currency, economic and political risks, and different accounting standards. There are special considerations associated with international investing, including the risk of currency fluctuations and political and economic events. Investing in emerging markets may involve greater risk and volatility than investing in more developed countries. Due to their narrow focus, sector-based investments typically exhibit greater volatility and are generally associated with a high degree of risk. Changes in market conditions or a company's financial condition may impact the company's ability to continue to pay dividends. Companies may also choose to discontinue dividend payments. Diversification and/or asset allocation does not ensure a profit or protect against loss. Any investment involves risks, including a possible loss of principal. Rebalancing may have tax consequences, which should be discussed with your tax advisor. **Exchange Traded Funds (ETFs) are subject to market risk, including the possible loss of principal, and may trade for less than their net asset value. ETFs trade like a stock, and there will be brokerage commissions associated with buying and selling exchange traded funds unless trading occurs in a fee-based account. Investors should consider an ETF's investment objective, risks, charges, and expenses carefully before investing. The prospectus, which contains this and other important information, is available from your Financial Advisor and should be read carefully before investing.**

The S&P 500 Index is a broad market index that tracks the performance of 500 stocks from major industries of the U.S. economy. This index is generally considered representative of the U.S. large capitalization market. The Bloomberg Barclays U.S. Intermediate Government/Credit Bond Index measures the performance of U.S. Dollar denominated U.S. Treasuries, government-related and investment grade U.S. corporate securities that have a remaining maturity of greater than one year and less than ten years. MSCI All Country World Index captures large and mid cap representation across 23 Developed Markets and 21 Emerging Markets countries. The index returns are presented on a total return basis, which assume reinvestment of all cash distributions (such as dividends). With 2,434 constituents, the index covers approximately 85% of the global investable equity opportunity set. The HFRI Equity Hedge (Total) Index (HFRIEHI) is a fund-weighted index of strategies that maintain positions both long and short in primarily equity and equity derivative securities. Indices are unmanaged, do not reflect fees and expenses, and it is not possible to invest directly in an index.

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

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