

March 2021 Recap

MarketDesk Research Focused U.S. Dividend Portfolio

The Focused U.S. Dividend Portfolio was up 10.7% in March, leading the FTSE High Dividend Yield Index by 374bps. The portfolio is leading the benchmark by 11.8% YTD and outperformed its benchmark 3 out of the last 4 months.

Monthly Recap

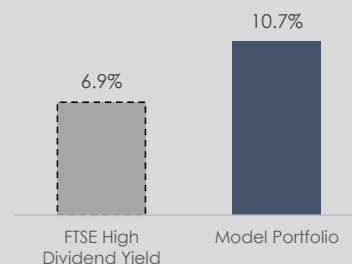
- The portfolio outperformed 16 out of 23 trading days in March.
- 25 of the 30 holdings in the portfolio outperformed the benchmark in March.
- Hawaiian Electric, Altria Group, and Home Depot were the best performers during the month rising 27.1%, 19.3%, and 18.8%, respectively.
- Cabot Oil & Gas, Strategic Education, and Washington Federal were the worst performers in March returning 1.5%, 1.7%, and 1.9%, respectively.
- Technology (+9.6%) was the best performing sector for the portfolio in March with IBM & WU leading the sector.
- Stock selection in Energy weighed down the portfolio's relative performance with COG trailing the sector during the month.
- The quantitative Dividend Model replaced 14 holdings at the start of April.
- The dividend yield of the portfolio is currently 3.13% vs the FTSE High Dividend Yield Index's yield of 2.97%.

Portfolio	Holdings	Div Yield	1m Return	6m Return	1Y Return	Inception
Focused U.S. Dividend	30	3.13%	10.7%	-	-	27.1%
FTSE High Div. Yield Index	418	2.97%	6.9%	-	-	15.0%
Relative		+0.17%	3.7%	-	-	12.2%

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March 2021 Performance



Strategy Overview

The *Focused U.S. Dividend Portfolio* is a quantitatively managed portfolio that aims to earn above-average dividend yields without sacrificing the potential for capital appreciation. Unlike traditional dividend strategies that focus solely on income and overlook a company's growth profile, the *Focused U.S. Dividend Portfolio* seeks to invest in growth companies exhibiting above-average dividend yield. The model is rooted in statistics and uses fundamental data and consensus estimates to maximize objectivity in security selection. The performance information shown herein does not reflect the deduction of advisory and/or other fees normally incurred in the management of a portfolio. **Please see page 6 for important information and disclosures.**

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Portfolio Holdings

The investment objective of the Focused U.S. Dividend Portfolio is to provide exposure to high-quality companies with dividend yields greater than 2.0%. In order to be eligible for inclusion in the portfolio, companies must be forecasted to grow sales and have grown their dividend over the past five years. The portfolio's holdings are selected by calculating the current annual dividend score for companies within the S&P 1500 Index that pass a quality screen. The 30 companies with the highest score are equal-weighted with a max 25% weight for any sector. The quantitative model is updated and rebalanced monthly. Pages 3-5 provide additional portfolio statistics, highlight featured holdings, and track a Dividend watchlist.

Portfolio Holding	Sector	Dividend Yield	Div Yield Score	3 Year DPS Growth	Debt % of EV	FCF/Dividend Ratio	Market Cap (\$B)	Performance (%)		
								1m	3m	6m
Newmont (NEM)	Materials	3.7%	+5.0	72%	14%	-	48.3	12	1	-4
Allstate (ALL)	Financials	2.8%	+4.1	15%	19%	-	34.8	9	7	23
★ One Gas (OGS)	Utilities	3.1%	+2.5	13%	33%	-	4.1	15	2	13
Strategic Education (STRA)	Cons Disc	2.6%	+2.0	40%	12%	1.6	2.3	2	-4	2
★ Atmos Energy (ATO)	Utilities	2.5%	+1.8	8%	31%	-	12.7	17	6	5
★ Pinnacle West (PNW)	Utilities	4.1%	+1.7	6%	43%	-	9.2	16	4	11
Pfizer (PFE)	Health Care	4.3%	+1.7	6%	17%	-	202.1	8	0	6
★ Consolidated Edison (ED)	Utilities	4.2%	+1.6	3%	52%	-	25.6	14	6	-2
Energy (EVRG)	Utilities	3.6%	+1.6	9%	46%	-	13.5	12	11	19
Merck & Co (MRK)	Health Care	3.4%	+1.4	6%	14%	-	195.1	7	-4	-5
First Bancorp (FBP)	Financials	2.5%	+1.4	333%	63%	-	2.5	7	24	118
Sempra Energy (SRE)	Utilities	3.3%	+1.4	9%	37%	-	40.1	15	6	14
Huntington Ingalls (HII)	Industrials	2.2%	+1.3	20%	23%	4.1	8.3	17	23	48
Edison International (EIX)	Utilities	4.5%	+1.3	7%	49%	-	22.2	10	-4	18
Cabot Oil & Gas (COG)	Energy	2.1%	+1.3	67%	16%	0.7	7.5	1	15	9
Lockheed Martin (LMT)	Industrials	2.8%	+1.1	10%	12%	2.2	103.0	12	5	-2
Eog Resources (EOG)	Energy	2.3%	+1.1	16%	21%	1.5	42.3	12	44	104
Nortonlifelock (NLOK)	Tech	2.4%	+1.1	11%	25%	-4.5	12.4	9	3	3
Diamondback Energy (FANG)	Energy	2.1%	+1.0	39%	41%	0.4	13.3	7	50	147
Hormel Foods (HRL)	Cons Stpls	2.0%	+1.0	13%	5%	-	25.8	3	3	-1
General Dynamics (GD)	Industrials	2.6%	+1.0	10%	27%	2.1	51.5	11	23	33
Mondelez Intl. (MDLZ)	Cons Stpls	2.1%	+1.0	16%	20%	2.0	82.7	11	1	3
Tyson Foods (TSN)	Cons Stpls	2.3%	+0.9	36%	35%	5.0	21.9	10	18	26
Telephone & Data (TDS)	Comm Svcs	3.1%	+0.9	4%	75%	-	2.5	29	28	26
Washington Federal (WAFD)	Financials	2.9%	+0.9	17%	96%	-	2.3	2	21	50
Juniper Networks (JNPR)	Tech	3.1%	+0.9	28%	29%	2.0	8.3	9	15	20
Kinder Morgan (KMI)	Energy	6.3%	+0.9	28%	53%	1.2	37.7	13	25	39
Pacific Premier Bancorp (PPBI)	Financials	2.7%	+0.9	-	18%	-	4.1	8	40	119
Amcor (AMCR)	Materials	4.0%	+0.8	-	28%	-	18.2	7	0	8
Cogent Communications (CCOI)	Comm Svcs	4.3%	+0.8	17%	34%	0.6	3.3	16	18	17

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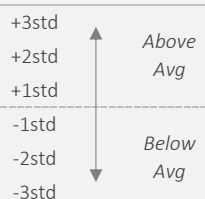
Removed Holdings

■ AEP, HD, AMGN, BKH, PEP, IBM, WBA, THG, MO, HE, WU, KMB, NTRS, HRB

Portfolio Highlights

- Added
- Removed
- ★ Featured

5 Year Score of Dividend Yield



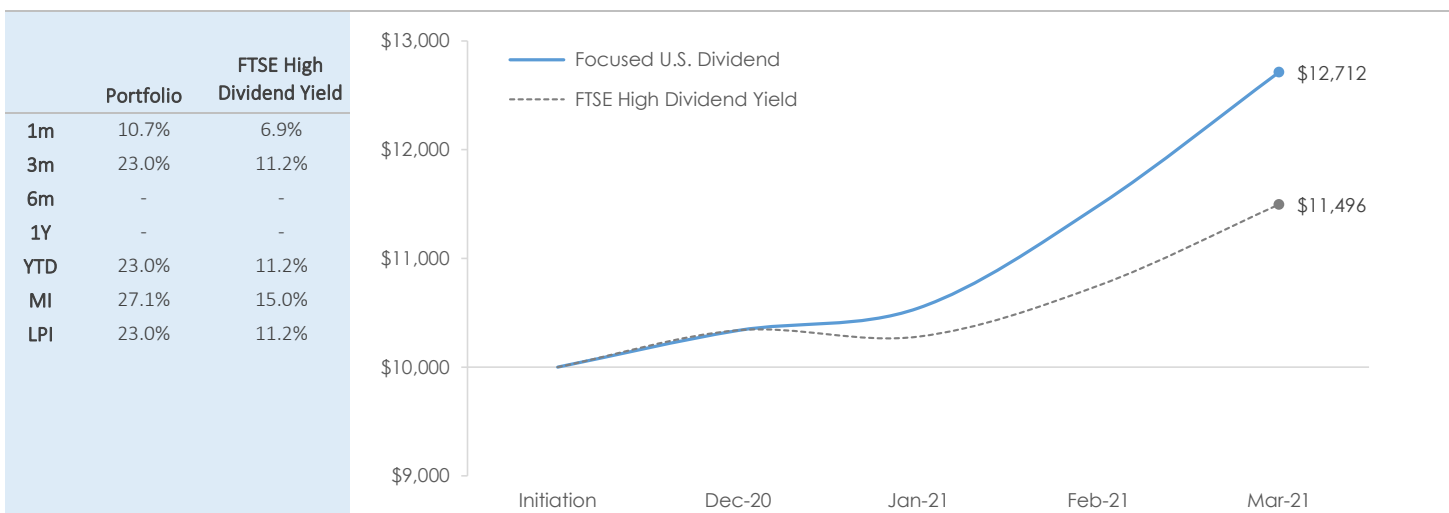
Definitions

Dividend Yield: Current indicated annual dividend rate. **Debt % of Enterprise Value (EV):** Represents the total long- and short-term debt as a percentile of each company's enterprise value. Data as of the most recent quarter. **FCF/Dividend Ratio:** Also referred to as a coverage ratio, this financial health ratio divides annual free cash flow by the annual dividend payment commitment. Higher coverage ratios indicate more of the dividend is covered by free cash flow, which may signal a lower probability of a dividend cut.

Portfolio Statistics

Focused U.S. Dividend Cumulative Performance

Model Inception (MI): 11/30/2020 | Live Portfolio Inception (LPI): 12/31/2020



Source: MarketDesk Research. Note: Past performance does not guarantee future results. Performance includes dividends but not taxes/capital gains.

Portfolio Overview

Statistic	Description
Strategy	Quantitative strategy that aims to hold a diversified basket of high quality U.S. companies paying annual dividend yields above 2.0%
# Holdings	30 companies (S&P 1500 Universe)
Time Frame	6-18 Months
Rebalance	The model is updated and rebalanced monthly
Turnover	30-50% Annually
Benchmark	FTSE High Dividend Yield Index
Weighting	Equal Weight
Sectors	Max 25% Exposure

Portfolio Factor Exposure

# of Holdings by Size & Style			
	Value	Core	Growth
Large	0	15	4
Mid	0	8	3
Small	0	0	0

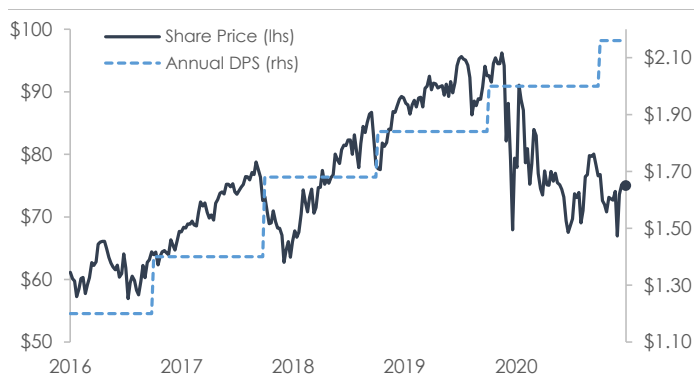
Top / Bottom Performing Holdings Last Month

Top 10 Holdings	Bottom 10 Holdings
27.1% Hawaiian Electric (HE)	1.5% Cabot Oil & Gas (COG)
19.3% Altria Group (MO)	1.7% Strategic Education (STRA)
18.8% Home Depot (HD)	1.9% Washington Federal (WAFD)
17.0% Huntington Ingalls (HII)	3.0% Hormel Foods (HRL)
14.7% H&R Block (HRB)	6.8% Amcor (AMCR)
14.5% Walgreens (WBA)	7.1% Merck & Co (MRK)
13.2% American Electric Power (AEP)	7.2% Western Union (WU)
12.9% Black Hills (BKH)	7.3% First Bancorp (FBP)
12.8% Hanover Insurance (THG)	7.8% Pacific Premier Bancorp (PPBI)
12.0% IBM (IBM)	8.2% Pfizer (PFE)

Sector Composition vs Benchmark

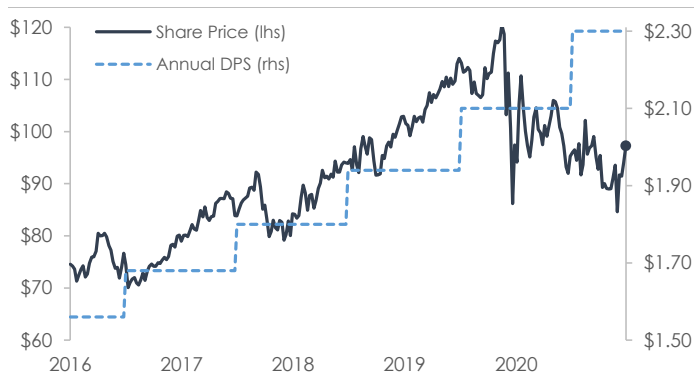
Sector	Portfolio	Benchmark	+/-
Utilities	23.3%	8.0%	+15.3%
Financials	13.3%	22.4%	-9.1%
Energy	13.3%	7.3%	+6.0%
Industrials	10.0%	9.9%	+0.1%
Consumer Staples	10.0%	12.5%	-2.5%
Technology	6.7%	9.2%	-2.6%
Health Care	6.7%	13.2%	-6.6%
Communication Services	6.7%	7.7%	-1.0%
Materials	6.7%	3.8%	+2.9%
Consumer Discretionary	3.3%	5.9%	-2.5%

Featured New Holdings



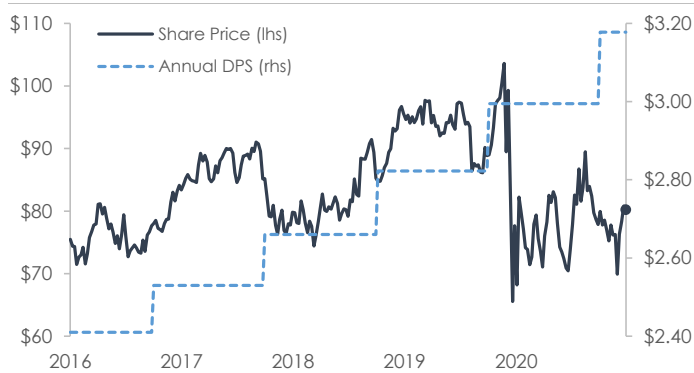
One Gas	Mkt Cap	Div Yield	Score
OGS	\$4.1 B	3.1%	+2.5 std

ONE Gas provides natural gas distribution services. It also offers natural gas to residential, commercial, industrial, and transportation customers.



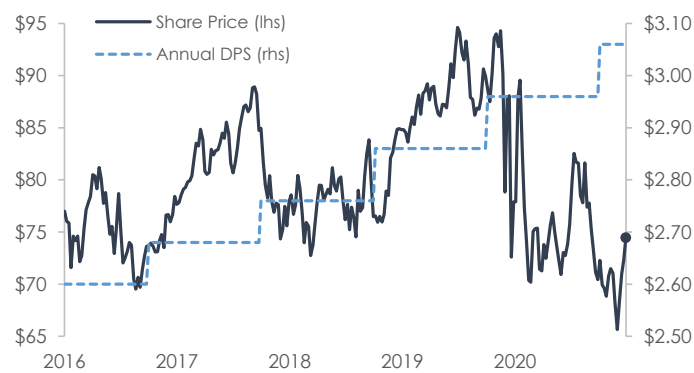
Atmos Energy	Mkt Cap	Div Yield	Score
ATO	\$12.7 B	2.5%	+1.8 std

Atmos Energy engages in the regulated natural gas distribution and pipeline and storage businesses. It operates through the Distribution, and Pipeline and Storage business segments. The Distribution segment comprises regulated natural gas distribution and related sales operations. The Pipeline and Storage segment includes the pipeline and storage operations of Atmos Pipeline-Texas division and natural gas transmission operations in Louisiana.



Pinnacle West	Mkt Cap	Div Yield	Score
PNW	\$9.2 B	4.1%	+1.7 std

Pinnacle West Capital provides energy and energy-related products. It offers regulated retail and wholesale electricity businesses and related activities, such as electricity generation, transmission and distribution through its subsidiary, Arizona Public Service Co.



Consolidated Edison	Mkt Cap	Div Yield	Score
ED	\$25.6 B	4.2%	+1.6 std

Consolidated Edison operates as holding company, which through its subsidiaries engages in the business of regulated electric, gas, and steam delivery. It operates through the following segments: Consolidated Edison Company of New York, Inc. (CECONY), Orange and Rockland Utilities, Inc. (O&R), Con Edison Clean Energy Businesses, Inc. and Con Edison Transmission, Inc.

Dividend Watchlist

This page lists the companies with the next 50 highest dividend yield scores beyond the 30 holdings on page 2. The Dividend Watchlist is provided for two primary reasons: (1) new holdings within the Focused U.S. Dividend Portfolio tend to come from this list and (2) it provides additional idea generation. This page is updated each month as the model is refreshed.

Portfolio Holding	Sector	Dividend Yield	Div Yield Score	3 Year DPS Growth	Debt % of EV	FCF/Dividend Ratio	Market Cap (\$B)	Performance (%)		
								1m	3m	6m
Northwest Natural (NWN)	Utilities	3.6%	+1.0	0%	50%	-2.2	1.7	12	19	21
Black Hills (BKH)	Utilities	3.4%	+0.9	7%	49%	-	4.2	13	11	27
Spire (SR)	Utilities	3.5%	+0.9	7%	48%	-	3.8	12	18	41
Allete (ALE)	Utilities	3.7%	+0.9	4%	33%	-	3.5	8	10	32
American Electric Power (AEP)	Utilities	3.5%	+0.7	6%	46%	-	42.1	13	5	5
Cms Energy (CMS)	Utilities	2.9%	+0.5	7%	46%	-	17.7	13	3	1
Chevron (CVX)	Energy	4.9%	+0.5	4%	24%	0.4	201.9	5	24	49
Northern Trust (NTRS)	Financials	2.6%	+0.5	21%	-	-	21.9	11	15	37
Northwestern (NWE)	Utilities	3.8%	+0.5	5%	45%	-	3.3	13	15	37
Firstenergy (FE)	Utilities	4.5%	+0.5	2%	63%	-	18.8	5	17	24
Baker Hughes (BKR)	Energy	3.3%	+0.5	2%	34%	0.7	16.6	-12	3	65
M&T Bank (MTB)	Financials	2.9%	+0.5	14%	24%	-	19.5	0	22	67
Western Union (WU)	Tech	3.8%	+0.4	8%	30%	2.1	10.1	7	14	17
Medifast (MED)	Cons Stpls	2.7%	+0.4	-	1%	-	2.5	-16	11	30
Avista (AVA)	Utilities	3.6%	+0.4	4%	46%	-	3.3	19	21	42
Philip Morris (PM)	Cons Stpls	5.4%	+0.3	4%	21%	-	138.3	7	10	22
Oneok (OKE)	Energy	7.4%	+0.3	13%	46%	-0.1	22.5	14	35	102
National Fuel Gas (NFG)	Utilities	3.5%	+0.3	2%	42%	-	4.6	11	23	25
Dte Energy (DTE)	Utilities	3.3%	+0.3	8%	46%	-	25.8	14	12	18
First Horizon National (FHN)	Financials	3.5%	+0.3	26%	39%	-	9.4	5	33	83
Bancorpsouth (BXS)	Financials	2.3%	+0.3	16%	28%	-	3.3	9	19	70
Lincoln National (LNC)	Financials	2.7%	+0.3	15%	41%	-	12.0	9	26	101
Everest Re Group (RE)	Financials	2.4%	+0.2	7%	18%	-	9.9	3	8	27
Hanover Insurance (THG)	Financials	2.1%	+0.2	48%	15%	-	4.7	13	12	40
Provident Financial (PFS)	Financials	4.1%	+0.2	10%	56%	-	1.7	10	25	86
Essential Utilities (WTRG)	Utilities	2.3%	+0.2	7%	32%	-	11.0	6	-3	12
Energizer (ENR)	Cons Stpls	2.5%	+0.2	6%	55%	-	3.2	14	11	23
Netapp (NTAP)	Tech	2.7%	+0.2	42%	20%	2.3	16.2	16	12	68
United Community (UCBI)	Financials	2.1%	+0.2	32%	12%	-	3.0	4	21	104
Bank Ozk (OZK)	Financials	2.7%	+0.2	14%	41%	-	5.3	-1	32	94
Huntington Bank (HBAN)	Financials	3.7%	+0.1	27%	50%	-	16.1	3	26	75
Synchrony Financial (SYF)	Financials	2.1%	+0.1	54%	62%	-	23.7	5	19	57
Avnet (AVT)	Tech	2.0%	+0.1	6%	33%	-	4.1	10	20	62
Brookline Bancorp (BRKL)	Financials	3.0%	+0.1	7%	62%	-	1.2	5	27	76
Pepsico (PEP)	Cons Stpls	2.9%	+0.1	9%	19%	-	195.2	10	-3	4
American International (AIG)	Financials	2.7%	+0.0	0%	53%	-	40.0	6	24	70
Cathay General (CATY)	Financials	3.0%	+0.0	18%	12%	-	3.2	8	29	91
Snap On (SNA)	Industrials	2.1%	+0.0	15%	15%	-	12.6	14	36	58
Alliant Energy (LNT)	Utilities	3.0%	-0.0	6%	36%	-	13.5	17	7	6
Old Republic (ORI)	Financials	4.0%	-0.0	15%	14%	-	6.6	14	18	58
Janus Henderson Group (JHG)	Financials	4.6%	-0.1	4%	10%	-	5.4	7	-3	47
PNC Financial Services (PNC)	Financials	2.6%	-0.1	26%	259%	-	74.4	4	20	62
Hope Bancorp (HOPE)	Financials	3.6%	-0.1	8%	36%	-	1.9	14	40	102
Nu Skin Enterprises (NUS)	Cons Stpls	2.8%	-0.1	1%	17%	-	2.7	3	-2	7
Principal Financial (PFG)	Financials	3.7%	-0.1	11%	25%	-	16.3	6	24	52
Compass Minerals (CMP)	Materials	4.6%	-0.1	1%	41%	0.9	2.1	1	3	8
Raytheon (RTX)	Industrials	2.4%	-0.2	4%	25%	0.7	117.1	7	9	36
B&G Foods (BGS)	Cons Stpls	6.0%	-0.2	3%	58%	-	2.0	4	12	15
Colgate-Palmolive (CL)	Cons Stpls	2.3%	-0.3	3%	10%	-	66.9	5	-6	3
Wec Energy Group (WEC)	Utilities	2.9%	-0.3	6%	33%	-	29.5	16	4	-2

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List of Model Portfolios

- Focused U.S. Large Cap
- Focused U.S. Small Cap
- Focused U.S. Dividend
- ESG Active Opportunities
- Enhanced U.S. Momentum
- Tactical All Cap

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