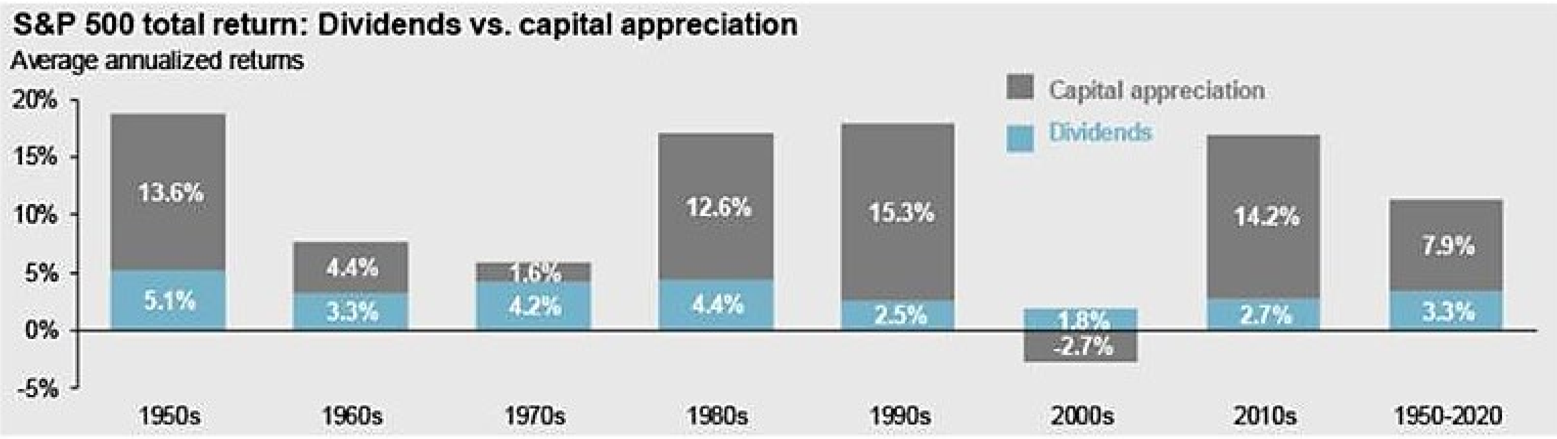
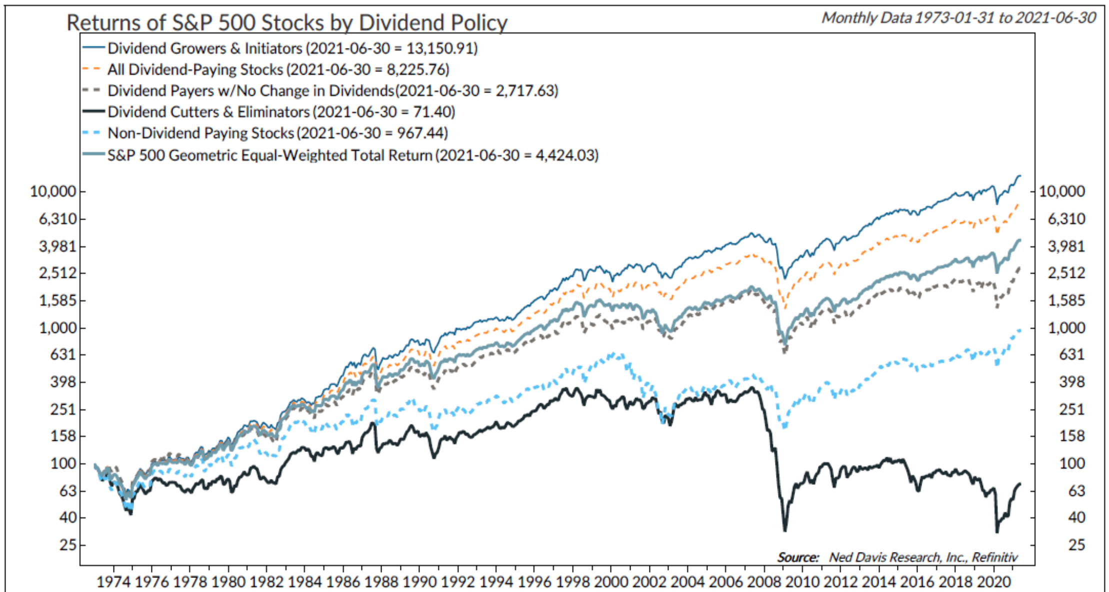
Equity Income SMA Commentary | 2nd Quarter 2021

Dividends matter – that's the simple philosophy underlying the Sterling Capital Equity Income portfolio. From 1950-2020, the S&P 500® Index appreciated (price only) at a 7.9% compound rate, while total return (including reinvested dividends) was 11.2% per year. If that 3.3% per-year difference sounds trivial, consider the beauty of compounding over those 70 years. A $100 investment at 12.31.1950 would have grown to $20,488 from price appreciation alone, but to $168,785 assuming reinvestment of all cash flows. Reinvested dividends provided over 30% of the stock market's total return over time.



Source: J.P. Morgan Asset Management

To maximize our perceived odds of investment success, we go two steps further in selecting companies for our portfolio. First, we consider only those stocks whose prevailing dividend yield is above that offered by the S&P 500, and second, we demand that dividends have grown for at least three consecutive years or in six of the last ten years. As Ned Davis Research shows below, stocks that are able to increase payouts over time outperform the overall stock market as well as the no-dividend stocks which often garner the most attention. Once again, the difference is meaningful: dividend growers offered a 10.6% compound return over the last ~48 years, compared to 8.1% for equally-weighted members of the S&P 500, 4.8% for no-yield constituents, and a woeful -0.7% for companies that cut their dividends.



Returns Based on monthly equal-weighted geometric average of total returns of S&P 500 component stocks, with components reconstituted monthly.

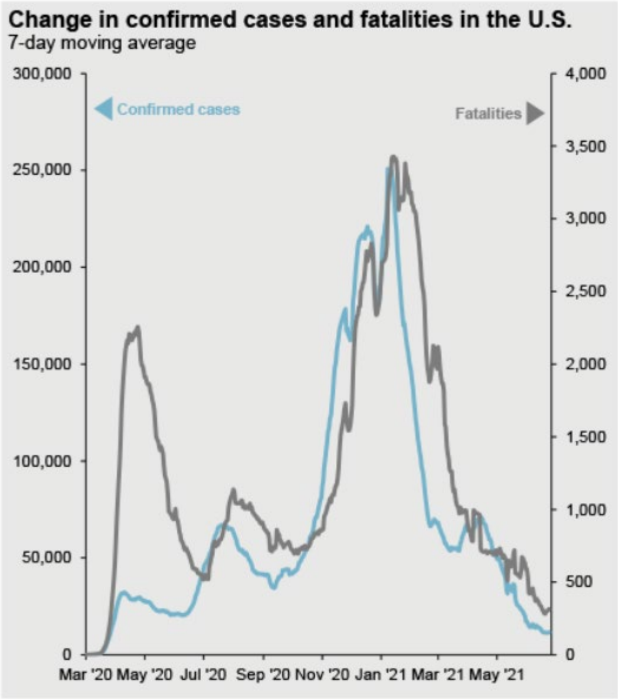
Portfolio Performance Statistics
Analysis Dates: 1973-01-31 - 2021-06-30

Portfolio	Gain/Annum %	Growth of $100
Dividend Growers & Initiators	10.6	13150.9
All Dividend-Paying Stocks	9.5	8225.8
Dividend Payers w/No Change in Dividends	7.1	2717.6
Dividend Cutters & Eliminators	-0.7	71.4
Non-Dividend Paying Stocks	4.8	967.4
S&P 500 Geometric Equal-Weighted Total Return	8.1	4424.0

Source: Ned Davis Research

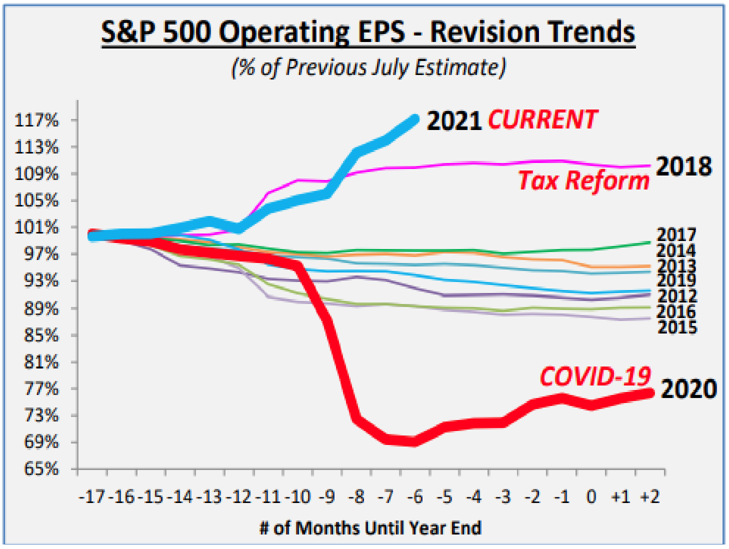
Performance

U.S. equity markets turned in a terrific first half of 2021, chalking up double-digit percentage gains, providing further evidence that stocks do indeed climb a wall of worry. The United States appears to be leading most of the world out of the pandemic, with domestic vaccination rates continuing to climb after the FDA approved COVID-19 immunizations for teenagers, while administration to even younger pediatric cohorts is likely on the immediate horizon. COVID-19 cases have dropped dramatically, Delta variant notwithstanding.



Source: J.P. Morgan Asset Management

Europe appears to be trailing the U.S. by several months, yet even now, cross-border travel is resuming. Consumers everywhere seem eager to get out and spend. Therefore, economic growth is booming, and corporate earnings reflect it.



Source: Wolfe Research

For the quarter, the Equity Income portfolio rose 7.3% (gross of fees) and 7.0% (net of fees), topping the Russell 1000® Value Index's 5.2% total return for the same time period. For the first half of 2021, the portfolio's 16.4% (gross of fees) and 15.7% (net of fees) return nearly matched the Russell 1000® Value Index's 17.1%.

Best and Worst Performers

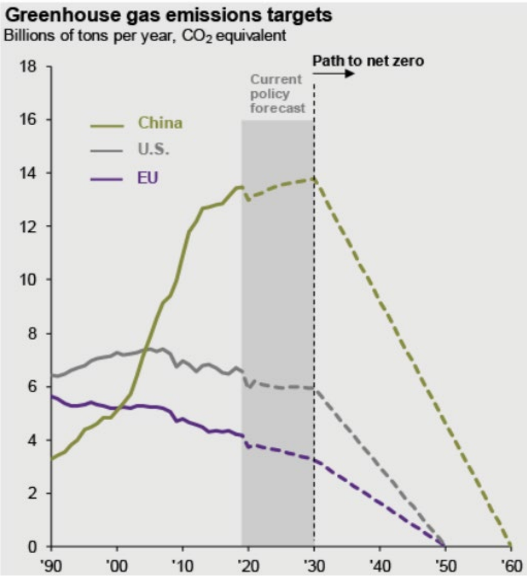
Thirteen of our portfolio constituents registered double-digit percentage gains for the quarter. **Discover Financial** (25%) *rang up* another huge quarter, as flush-with-cash consumers made regular payments on their credit card balances, resulting in minimal charge-offs. **UPS** (+23%) *delivered* another *package* of great results, under the leadership of new CEO Carol Tome. The company is benefiting from accelerating e-commerce transactions, strong pricing gains, and tight global supply chains. There's no *cloud* over **Microsoft** (+15%), where revenue increased 19%, operating income grew 31% and earnings per share (EPS) surged 39% – aside from operating systems, office productivity software, and cloud computing, additional growth vectors in security and gaming provide further runway for this behemoth to keep delivering the goods. We wouldn't *trade* **Goldman Sachs** (+16%), where merger and acquisition advisory, asset management, and online bank Marcus delivered well-above-expectations results. The company repurchased $2.7 billion of its share in the quarter and said it expects to sustain that pace this quarter. Finally, **Analog Devices** *chipped* in (+11%), with supply-chain tightness throughout the electronics industry contributing to strong demand and pricing. We await the closing of the Maxim Semiconductor acquisition, at which time management hints it will unveil a more-expansive capital return program.

On the negative side of the ledger, new purchase **Cummins'** -6% decline for the quarter ranked worst in the portfolio (more about Cummins in the next section of this commentary). **Corning** dipped -5%, despite the company posting very strong quarterly results, a renewal of its relationship with Samsung through 2028, and a rare improving price environment for display glass. **Abbott Labs** (-3%) slid on news that COVID-19 testing is decelerating – good news for society. **Verizon** (-3%) *edged* lower, even as it's poised for sequentially improved subscriber growth, with its retail stores having fully reopened. Lower interest rates likely *account* for a much of the mild weakness in **Citi** shares (-2%).

Portfolio Changes

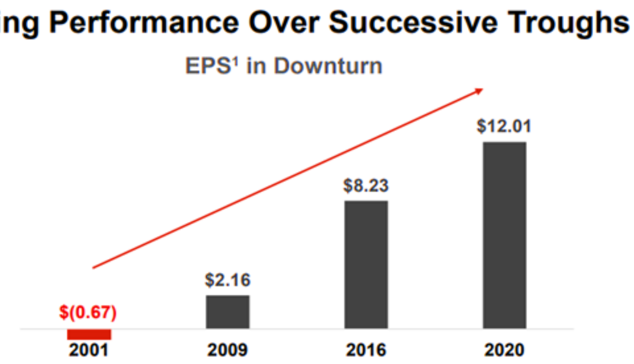
Industrial manufacturer **Cummins** represents a prototypical Equity Income holding: a strong company and industry leader that offers exposure to fast-growing new technologies, such as battery-electric, hydrogen, natural gas, and other bio-fueled engines. Trading at a 30% discount to the S&P 500® at the time of our purchase, we believe the company's "New Power" segment represents an inexpensive call option on the maturation of nascent opportunities. As BofA Securities opines: "Most [investors] continue to value Cummins on historical P/E, which fails to include the value of New Power assets, which are losing $1 per share, but conservatively could be worth $25 per share based on public comparatives."

While the shift from diesel to more environmentally-friendly engines will likely take place over decades, investors appear to be discounting the company's ability to navigate the transition. We see significant opportunity for Cummins to generate strong results, as various environmental regulations require incrementally more-efficient generations of engines for trucks, buses, and other commercial vehicles. BofA points to the California Air Resources Board's low-NOx mandate scheduled for 2024, which could lead to pre-buying of current-generation truck engines in 2023. Hybrid approaches, which pair a traditional engine with a cleaner option, could be a win for Cummins if it is able to sell both engines into the same vehicle. We think the company should be in the *driver's seat* in terms of enabling its customers to meet more-stringent environmental standards.



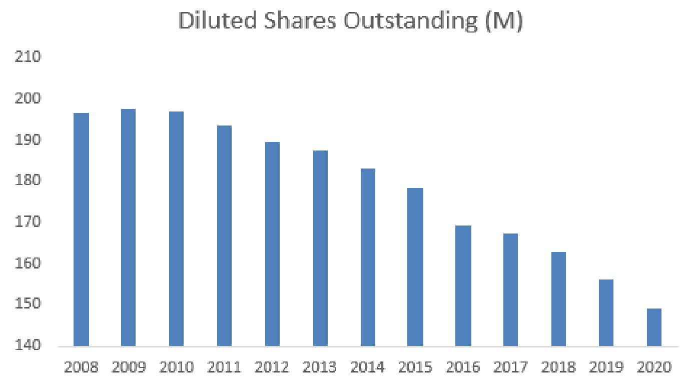
Source: J.P. Morgan Asset Management

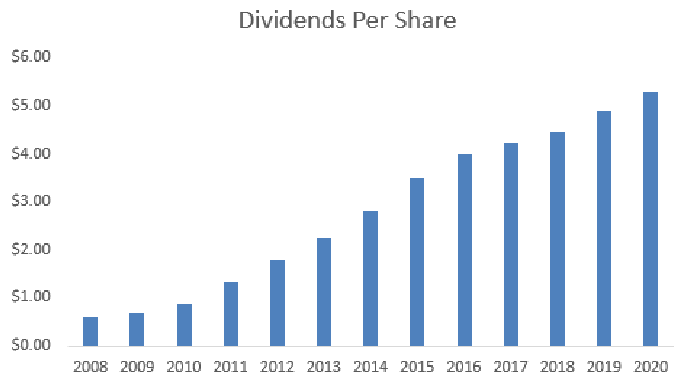
While its end markets are cyclical, Cummins has consistently increased its earnings power over multiple cycles. BofA estimates EPS will grow to $20 in 2022, which would put the stock at a non-demanding multiple of less than 13x year-ahead earnings.



[1]EPS = Diluted Earnings Per Share. Source: Cummins

The company's balance sheet is strong, enabling it to grow its dividend for the 16th consecutive year in 2020. At the time of our purchase, shares yielded approximately 2%. Cummins has also regularly repurchased its own shares, a trend that continued in 2020, the pandemic notwithstanding.



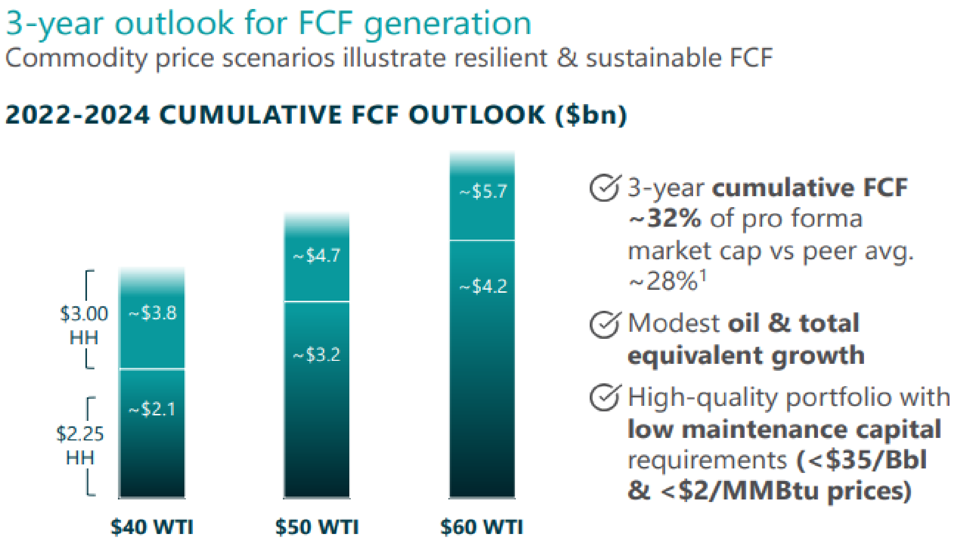


Source: Cummins

On the subject of natural-gas power, we returned **Cabot Oil & Gas** to the portfolio. While many Energy stocks rallied in recent months, natural-gas leader Cabot languished near year-ago levels, in part reflecting uncertainty surrounding its merger of equals with oil-focused Cimarex Energy. We believe both companies are well-run and will complement each other – providing diversification across fuel types and basins. The combined company will sport a strong balance sheet and a progressive dividend policy. Specifically, the company plans to raise its dividend to 50 cents/share annually (+14% from today's 44 cent level), with a one-time 50 cent special dividend at the time the merger closes, while ongoing dividends will get topped off based on the trailing quarter's free cash flow (FCF).

Source: Cabot Oil & Gas

We're particularly attracted to the company's low-cost position, and prevailing oil and gas prices that are well above the highest levels shown in the illustrative schematic below. At the time of this quarterly commentary's publication, West Texas Intermediate (WTI) oil prices surpassed $70/barrel, while Henry Hub (HH) natural gas prices exceeded $3.50. If prices sustain near present levels, the combined company should produce a *gusher* of FCF.



Source: Cabot Oil & Gas

We sold refiner **Phillips66**, which saw its share price respond robustly to a reopening of the global economy, and specifically to a rise in miles driven, airline passengers carried, and global maritime cargo transported. Our concern is that the company hasn't earned its dividend in recent quarters, and is unlikely to raise its dividend again in the near future. While the company's stock price returned to pre-pandemic levels, its valuation exceeded pre-pandemic levels – seemingly embedding a significant inflection in fortunes.

While **NASDAQ** reflected a similar case of valuation rising to lofty levels, the stock represented more of a success story, insofar as the company's pivot to recurring software resulted in an upward inflection in valuation versus the legacy stock-listing and stock-trading business. Aside from valuation rising to relatively less-palatable levels, our decision to exit the stock was partly based on the expensive cost of acquisitions, which NASDAQ uses to gradually expand its capabilities.

Dividend Actions

During the quarter, four of our companies announced dividend increases, those being **Chubb** (+3%, its 28th-straight year of higher dividends), **Goldman Sachs** (+60%, following Federal Reserve approval), **Johnson & Johnson** (+5%, 59 consecutive years), and **Medtronic** (+9%, 44 years in a row). **EOG Resources** declared a $1/share special dividend along with its regular quarterly dividend, as the company gushes free cash amid a robust $70+/barrel oil market.

Company Updates

With the IPO market alive and well – especially for untested businesses that aren't generating profits today – we find ourselves particularly attracted to companies that can achieve the trifecta of internally financing their growth, paying a rising stream of dividends, and repurchasing their own shares opportunistically. During the quarter, several of our companies announced sizable share buybacks, including $20 billion from **Home Depot** and an incremental $1 billion for **Amdocs** (roughly 10% of its market value). Meanwhile, **Corning** repurchased 4% of its shares directly from Samsung Display.

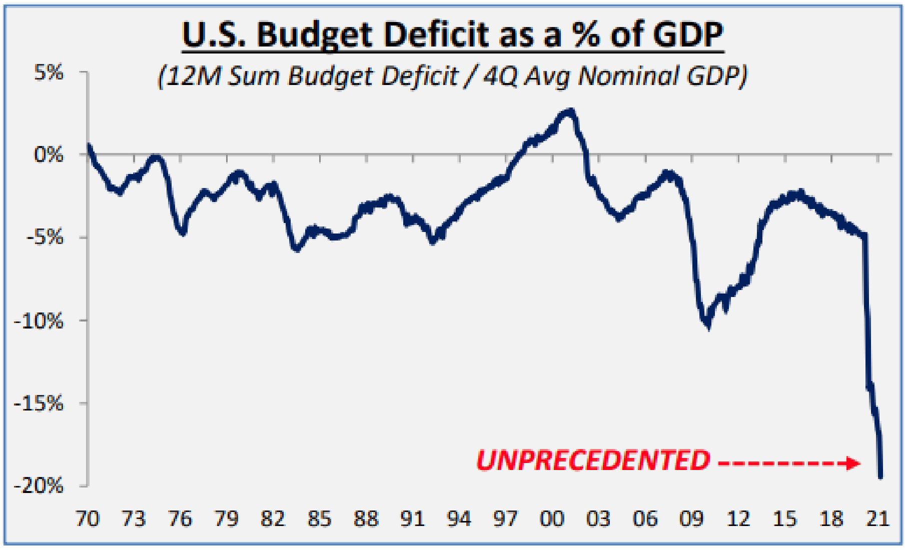
Under the heading of monetizing "hidden assets," several of our companies divested business units during the quarter, including **Tyson Foods** selling its non-core animal treat business for $1.2 billion and **Verizon** selling its media assets for $5 billion. Meanwhile, **Discover Financial** booked a nearly $1 billion gain from its venture stake in payments company Marqeta, which completed a successful IPO, and **Merck** completed the spin-off of its women's health and established pharmaceuticals businesses into **Organon**.

What else encourages us? **CVS** brought in former Aetna executive Shawn Guertin as its new CFO. Elsewhere, **Medtronic** and **Johnson & Johnson** appear poised to gain share in robotic surgery, where "94% of the surgical market has not yet converted to robotic surgery," according to Citi Research. In other words, most surgical procedures are still performed without robots, which can even improve precision compared to accomplished surgeons who use manual techniques. It's only a matter of time, in our view, before robotic surgery follows a growth trajectory similar to that of laparoscopic surgery.

Honeywell expanded its exposure to quantum computing, by merging its efforts with Cambridge Quantum Computing's software and algorithms. The global enterprise quantum computing market is expected to grow at a better-than-31% compound annual growth rate (CAGR) from 2017-2025, according to *Barron's*. Meanwhile, Honeywell has an expected $21 billion of discretionary cash capacity through 2023, which should facilitate ample dividend growth, buyback firepower, and acquisition funding. For **Accenture** and **Microsoft**, it's encouraging that "cloud [computing] is consistently one of the top CIO priorities, yet we are roughly only a quarter penetrated in a massive opportunity," according to Morgan Stanley. "**Cisco** is preparing [for] an IT spending recovery … [with] visibility rising on return-to-office planning," according to Wolfe Research, backed by 135% quarter-over-quarter growth in Cisco's purchase commitments. Robust federal funding to municipalities provides "a multi-year tailwind to **Motorola Solution**s, with $350 billion available through the American Rescue Plan, which will run through 2024," according to Credit Suisse. A separate bi-partisan infrastructure bill, still in consideration by Congress, may steer upwards of half a trillion dollars to airports and other Motorola customers. In June, the FCC banned equipment in U.S. telecommunications networks from five Chinese vendors that it has deemed security threats, paving the way for Motorola to gain market share. Meanwhile, "Public Safety spending ranks in the top three mayoral priorities in 2021 across all communities, [and] is the number one priority spending area for mayors in urban areas," according to Jefferies Research.

Conclusion

That's the good news. The bad news is that a lot of that incremental jingle in consumers' and corporations' collective pockets was provided by government deficit spending. American economist Herbert Stein, channeling his inner Yogi Berra, once quipped: "If something cannot go on forever, it will stop."



Source: Wolfe Research

At some point, we presume, the largesse will slow. Whether sooner or later, the proverbial baton will pass to a fully-functioning, but no-longer-artificially-propped-up, economy. Even the Federal Reserve is finally "talking about talking about" dialing back some of the emergency monetary measures it deployed a year ago to assist the pandemic-depressed economy. As Bleakley Advisory Group's CIO said: "I'm someone who thinks the Fed has been doing 200 miles per hour in a 50 mph zone. I saw [Fed Chair] Powell slow down to 175."

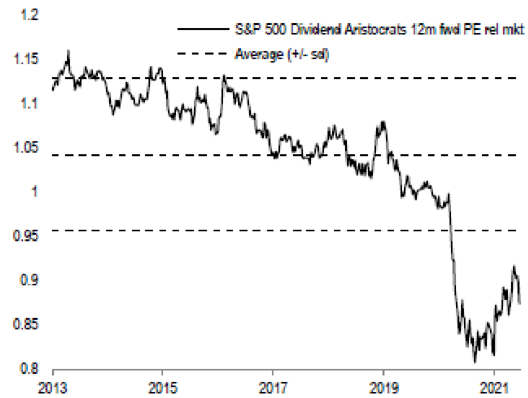
Can the transition occur gradually and smoothly, or will it be choppier? No one can truly predict the answer, but history indicates that dividend growth stocks, such as those owned in Equity Income, have a legacy of outperformance during choppier economic environments. As Wolfe Research strategist Chris Senyek opines: “If you had just one dividend theme for the long term, it would be the consistent increasers.”

Consistent Dividend Increasers Usually Outperform When Volatility Spikes

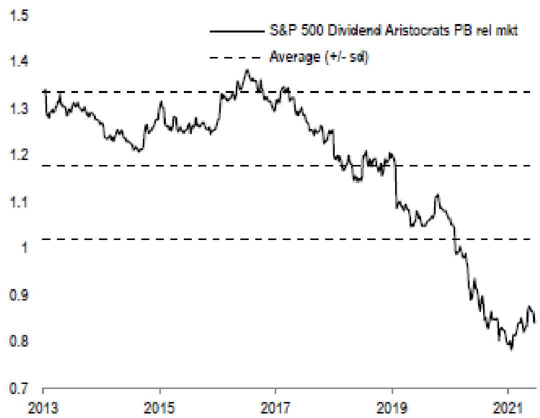
Source: Wolfe Research

Those stocks seem timely, too, considering their valuation sits well below historical averages, measured on both price-to-earnings (P/E) and price-to-book (P/B) yardsticks.

Dividend aristocrats in the US remain extremely cheap on 12m fwd P/E …



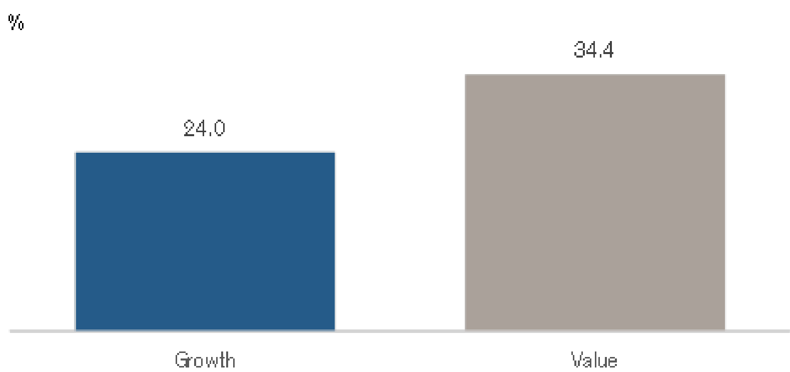
… and P/B relatives



Source: Credit Suisse

As we frequently point out, we seek to pay a below-average valuation for above-average growth, and that’s exactly the situation that presents itself to the so-called “Value” cohort that comprises the majority of Equity Income’s investable universe. With the economy rebounding, these companies are expected to grow their earnings faster than their supposed “Growth” counterparts.

2021 Consensus EPS Growth – Russell 1000 Growth vs. Value



Source: Credit Suisse

Post Script

After more than 20 years at the helm, and an investment career spanning four decades, Senior Portfolio Manager George Shipp has announced his planned retirement in January 2022. Effective July 12, 2021, we're pleased to share that we've added more eyeballs devoted to managing the Equity Income portfolio. Specifically, Chip Wittmann, who has been a significant asset to the team since joining us in 2014, has been added as an Associate Portfolio Manager. Meanwhile, Adam Bergman, who joined the team in 2007 and has served as Associate PM since 2016, has been promoted to Co-Manager. We believe that the more pairs of eyes, the better, as we examine companies for potential investment consideration. In addition, the firm will be investing in another generation of incoming talent over the next 12-24 months, building even more analytical depth and client service capabilities.

The team's disciplined investment philosophy will remain consistent with the approach that delivered double-digit annualized returns since inception (12.31.2000), and a top-decile peer ranking over the past 3, 5, and 15 years, according to eVestment (as of 03.31.2021).

As always, we greatly appreciate your interest in our thoughts. All of us are available for dialogue, should you have questions.

George Shipp, CFA®
Co-Portfolio Manager

Adam Bergman, CFA®
Co-Portfolio Manager

Chip Wittmann, CFA®
Associate Portfolio Manager

Performance Disclosure: Performance is preliminary and is annualized for periods longer than one year. Net of fees performance returns are presented net of the investment management fees and trading expenses. "Pure" Gross of fees performance returns do not reflect the deduction of any fees including trading costs; a client's return will be reduced by the management fees and other expenses it may incur. Investment management fees are described in Sterling's Form ADV 2A. Performance reflects the reinvestment of interest income and dividends and realized capital gains. The performance presented represents past performance and is no guarantee of future results. Performance is compared to an index, however, the volatility of an index varies greatly and investments cannot be made directly in an index. Market conditions vary from year to year and can result in a decline in market value due to material market or economic conditions. The Performance is considered Supplemental Information to the GIPS Composite Report which is attached.

The Russell 1000® Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000® companies with lower price-to-book ratios and lower expected growth values. The Russell 1000® Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics.

The Russell 1000® Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000® companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000® Growth Index is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect growth characteristics.

The S&P 500® Index is a readily available, carefully constructed, market-value-weighted benchmark of common stock performance. Currently, the S&P 500 Composite includes 500 of the largest stocks (in terms of stock market value) in the United States and covers approximately 80% of available market capitalization.

Technical Terms: **Earnings Per Share (EPS)**: a key metric used to determine the common shareholder's portion of the company's profit. EPS measures each common share's profit allocation in relation to the company's total profit. **Price Earnings Ratio** (**P/E)**: the relationship between a company's stock price and earnings per share (EPS). The P/E ratio shows the expectations of the market and is the price you must pay per unit of current earnings (or future earnings, as the case may be). **Free Cash Flow (FCF):** measures a company's financial performance. It shows the cash that a company can produce after deducting the purchase of assets such as property, equipment, and other major investments from its operating cash flow. **Compound Annual Growth Rate (CAGR):** the measure of an investment's annual growth rate over time, with the effect of compounding taken into account. It is often used to measure and compare the past performance of investments, or to project their expected future returns. **Price to Book Ratio (P/B)**: a financial valuation metric used to evaluate a company's current market value relative to its book value. The market value is the current stock price of all outstanding shares (i.e. the price that the market believes the company is worth). The book value is the amount that would be left if the company liquidated all of its assets and repaid all of its liabilities. (Technical definitions are sourced from Corporate Finance Institute.)

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Sterling Capital Management – Equity Income SMA Composite

December 31, 2000 – December 31, 2020

Description: Consists of all discretionary separately managed wrap Equity Income portfolios. Sterling's Equity Income portfolios invest primarily in companies with a dividend yield greater than the S&P 500 and a history of growing the dividend, either three consecutive years or six of the prior ten years.

Year	Total Return "Pure" Gross of Fees	Total Return Net of Fees	No. of Portfolios	Composite Assets End of Period ($MM)	Total Firm Assets ($MM)	Composite Dispersion (%)	Russell 1000 Value	Composite 3-yr St Dev (%)	Benchmark 3-yr St Dev (%)
2020	7.16	5.83	4	588	70,108	Not Meaningful	2.80	18.87	19.62
2019	25.30	23.73	5	739	58,191	Not Meaningful	26.54	11.32	11.85
2018	-0.26	-1.53	5	619	56,889	Not Meaningful	-8.27	11.01	10.82
2017	20.54	18.94	4	643	55,908	Not Meaningful	13.66	9.78	10.20
2016	15.43	13.84	3	989	51,603	Not Meaningful	17.34	10.40	10.77
2015	-2.70	-4.15	3	1,100	51,155	Not Meaningful	-3.83	10.20	10.68
2014	4.61	2.98	3	1,501	47,540	Not Meaningful	13.45	8.33	9.20
2013	26.70	24.74	3	1,574	45,638	Not Meaningful	32.53	9.72	12.88
2012	12.39	10.63	3	1,272	4,422	Not Meaningful	17.51	11.83	15.73
2011	10.24	8.54	2	1,159	3,932	Not Meaningful	0.39	14.88	20.98
2010	15.64	13.87	2	992	3,548	Not Meaningful	15.51	17.82	23.51
2009	18.92	17.05	2	811	2,839	Not Meaningful	19.69	16.17	21.40
2008	-26.17	-27.26	2	620	1,907	Not Meaningful	-36.85	13.18	15.58
2007	9.20	7.66	1	668	2,059	Not Meaningful	-0.17	6.52	8.17
2006	23.09	21.35	1	442	1,314	Not Meaningful	22.25	6.00	6.78
2005	10.19	8.63	1	263	904	Not Meaningful	7.05	9.51	9.59
2004	23.23	21.39	1	128	522	Not Meaningful	16.49	12.76	14.97
2003	31.36	29.24	1	31	158	Not Meaningful	30.03	12.94	16.22
2002	-12.34	-13.78	1	15	51	Not Meaningful	-15.52		
2001	5.76	4.46	1	4	24	Not Meaningful	-5.59		

Sterling Capital Management LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Sterling Capital Management LLC has been independently verified for the periods 01/01/01 to 12/31/19. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of the CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Notes:

1. Sterling Capital Management LLC (SCM) is a registered investment advisor with the SEC. Registration does not imply a certain level of skill or training. Sterling manages a variety of equity, fixed income and balanced assets. Prior to January 2001, Sterling was a wholly owned subsidiary of United Asset Management (UAM). In January 2001, Sterling Capital Management LLC purchased all the assets and business of Sterling Capital Management Company from UAM to become an employee owned firm. In April 2005, BB&T Corporation purchased a majority equity ownership stake in Sterling Capital Management LLC. In October 2010, the management group of Sterling Capital entered into an agreement with BB&T Corporation that reduced and restructured management's interest in Sterling Capital Management. Additionally, BB&T Asset Management merged into Sterling Capital Management. In January 2013, CHOICE Asset Management firm merged into Sterling Capital Management. "Percent of Firm Assets" and "Total Firm Assets" prior to 2013 are for CHOICE Asset Management. In August 2015, eight new employees joined Sterling Capital management via Stratton Management Company following the close of BB&T's purchase of Susquehanna Bancshares. In December 2019, BB&T Corporation and SunTrust Banks, Inc. Holding Company merged as equals to form Truist Financial Corporation. Sterling Capital Management LLC is a wholly owned subsidiary of Truist Financial Corporation. In August 2020, new employees joined Sterling Capital Management via the Investment Advisory Group of SunTrust Advisory Services. This reorganization aligns all of the discretionary fixed income asset management activities within Truist under Sterling.
2. George F. Shipp, CFA, has managed the portfolio since inception. No alterations of composites, as presented herein, have occurred due to changes in personnel or other reasons at any time.
3. Inception date of composite: December 31, 2000. Creation date: December 31, 2000. The appropriate benchmark for this composite is the Russell 1000 Value Index. The Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. The index is reconstituted annually. Total return includes price appreciation/depreciation and income as a percent of original investment. A complete list of all of SCM's composites and SCM's broad distribution pooled funds and their descriptions is available upon request. Policies for valuing investments, calculating performance, and preparing GIPS Composite Reports are available upon request.
4. Performance reflects reinvested interest income and dividends and realized and unrealized capital gains and losses. Portfolios utilize trade-date accounting. Valuations and performance are reported in US dollars. Composite returns are calculated monthly by weighting the aggregate SMA/Wrap sponsor returns using beginning of period market values. Periodic time weighted returns are geometrically linked. Returns are not calculated net of non-reclaimable withholding taxes due to immaterial dollar amounts.
5. "Pure" gross of fees returns are presented as supplemental information and do not reflect the deduction of any fees including trading costs. The net of fee return reflects the actual SMA fee of the individual portfolios in each platform except for one platform where the maximum fee is deducted from the gross return. The SMA fee includes all charges for trading costs, portfolio management, custody and other administrative fees. The actual fee may vary by size and type of portfolio. The maximum SMA or bundled external platform fee is 2.82% annually and includes Sterling's actual management fee of 0.32%. Sterling's actual management fees are 50 basis points annually or less. Since inception, the composite is comprised 100% of wrap fee portfolios.
6. The annual composite dispersion presented is measured by an asset-weighted standard deviation calculation method of all portfolios in the composite for the entire year, and is calculated using gross of fee returns. It is not meaningful when there have been less than six portfolios in composite for entire calendar year. The three year annualized standard deviation measures the variability of the composite and benchmark returns over the preceding 36 month period. The composite 3-year standard deviation is calculated using gross of fee returns. It is not required to be presented for annual periods prior to 2011 or when a full three years of composite performance is not yet available.
7. The performance presented represents past performance and is no guarantee of future results. Stock market conditions vary from year to year and can result in a decline in market value due to material market or economic conditions.