

## GLOBAL EQUITY

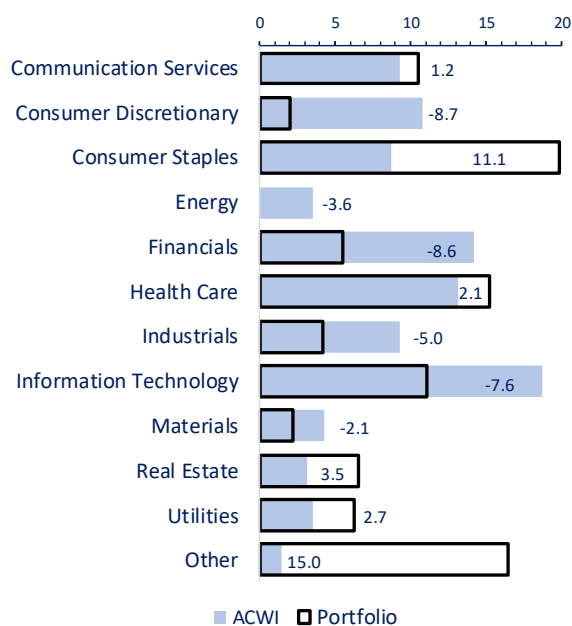


SGI Performance	1Q20	1 Yr	3 Yrs	5 Yrs
Global Large Cap Gross	-19.28%	-9.52%	3.91%	5.83%
Global Large Cap Net	-19.46%	-10.19%	3.22%	5.38%
MSCI ACWI Total Return	-21.27%	-10.80%	2.05%	3.43%

The first quarter of 2020 brought about stunning changes in the markets and the global economy. A global pandemic and oil price shock created conditions for a severe recession. On a gross basis, the SGI Global equity strategy outperformed its benchmark, the MSCI ACWI Index, by 1.99%. All SGI equity strategies maintain lower overall portfolio risk than their respective benchmarks.

In response to the coronavirus, many governments mandated lockdowns or stay-at-home policies for nearly everyone except essential workers. The global economy came to an abrupt halt creating tremendous damage. Initial jobless claims exceeded 16.7 million in the U.S. in the three-week period ending April 3, 2020. The federal government and the Fed acted quickly with economic stimulus packages and a litany of programs to support the financial markets and the banking system. Many companies pulled their guidance due to lack of visibility of future demand. The degree of economic contraction will be highly dependent on the world effectively dealing with the coronavirus.

Portfolio sector weights are shown below:



The three best contributing companies were:

- **The Clorox Company (CLX)** returned 13.60% as the company enjoyed a demand surge for household and industrial-level cleaners, sparked by the Covid-19 outbreak.
- **Eli Lilly (LLY)** returned 6.10% as the company enjoyed a demand surge for its Trulicity drug and its Humalog insulin from people with diabetes since those patients are the most at risk from Covid-19.
- **Waste Connections (WCN)** returned 7.88% as investors favored defensive waste companies which have recurring revenue and free cash flow characteristics.

The three worst contributing companies were:

- **ICICI Bank (IBN)** declined -53.16% as financial stocks dropped dramatically amid recession fears in India.
- **Ares Capital Corporation (ARCC)** declined -36.48% as investors turned negative on business development companies with exposure to middle-market companies.
- **HDFC Bank (HDB)** returned -47.98% as financial stocks dropped dramatically amid recession fears in India.

Characteristics	Portfolio	ACWI
Strategy Assets (\$ Million)	39.3	-
Number of Holdings	57	2,283
Beta*	0.82	1.00
Standard Deviation*	12.9%	14.7%
Market Cap. (\$ Billion)	52.0	57.5
Price to Trailing Earnings	22.9	20.0
Price to Cash Flow	14.2	13.9
Price to Book	3.9	3.4
Enterprise Value to Sales	4.3	3.5
Debt as % of Assets	31.1	27.8
Dividend Yield (%)**	2.46	2.80
Return on Equity (%)	20.2	16.9

\* Beta & Standard Deviation 36 months

\*\* Dividend Yield index method, all other data weighted median

Top 10 Holdings	Ticker	Position
WALMART INC	WMT	2.5%
MICROSOFT CORP	MSFT	2.3%
NICE LTD -SP ADR	NICE	2.0%
AMAZON.COM INC	AMZN	2.0%
LANCASTER COLONY	LANC	2.0%
CLOROX CO	CLX	2.0%
VERIZON COMMUNICATIONS	VZ	1.8%
MERCK & CO	MRK	1.8%
DUKE ENERGY CORP	DUK	1.8%
COSTCO WHOLESALE	COST	1.8%

This document is provided to you solely as an informational piece. It does not constitute an offer, a solicitation of an offer, advice, or a recommendation to invest with Summit Global Investments and may not be construed as such. This informational piece should not serve as the only basis of any investment decision. This document is intended exclusively for the use of those to whom it was delivered. Please refer to the Summit Global Investments ADV Part 2 for information regarding fees. Past performance is no guarantee of future results. Your actual returns may vary. Factors which will impact returns include, but are not limited to, the advisory fee charged by SGI, directed brokerage costs and fees charged by the Custodian. Other factors which may affect the return of your investment include, but are not limited to, the custodian selected, additional fees on transactions, timing of your investment, timing of trades placed with the custodian and when advisory fees are taken out of your account. See SGI's ADV for additional information regarding this strategy. Before investing, consider the investment objectives, risks, charges, and expenses of the strategy's various investment options. See [www.summitglobalinvestments.com](http://www.summitglobalinvestments.com) for a fund prospectus and statement of additional information. Please read carefully.