TODD
Asset Management

April 19, 2022
Intrinsic Value Team
Todd Asset Management

Todd Q1 2022 International Intrinsic Value Opportunity Review

	1Q 2022	1 Year	3 Year*	5 Year*	7 Year*	Since Inception* (07/01/14)
International IV Opportunity (Gross)	1.3%	3.3%	8.6%	5.4%	3.7%	2.6%
(Net)	1.1%	2.4%	7.7%	4.5%	2.8%	1.7%
MSCI ACWI ex-US (Net)	-5.4%	-1.5%	7.5%	6.8%	5.2%	3.9%
MSCI ACWI ex-US Value (Net)	0.1%	3.3%	5.4%	4.7%	3.7%	2.1%

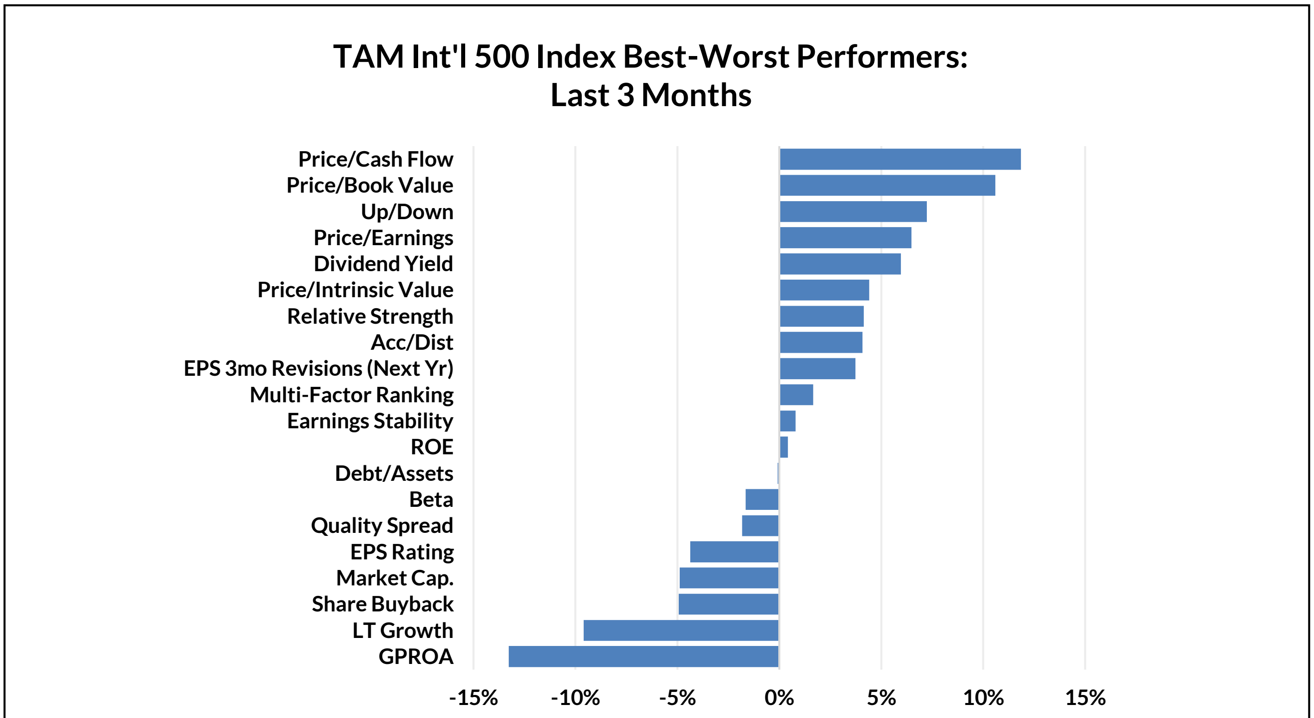
* *Annualized Total Returns. Please refer to the attached Performance Disclosure for further information.*

Performance Review

After a volatile few months, the International IV Opportunity strategy finished the quarter +6.7% ahead (gross) of the ACWI ex-US. Both developed and emerging markets suffered alike, however it was the Value indices that offered material outperformance relative to Growth. This was the first time we've seen meaningful outperformance from Value in a down quarter since the last Value cycle. We've noted the rotation to Value being witnessed in international markets for well over a year now. Recent leadership through a market decline further suggests to us that the cycle has changed and has a number of years left to run. This rotation has provided a nice tailwind to the strategy with the trailing 1yr and 3yr numbers now ahead of the benchmark while longer term numbers (gross) fall largely in between the core and Value indexes.

We just finished quite a quarter with a number of market concerns piling up. Inflation readings continued to run hot forcing many central banks to pivot to more hawkish policies. Russia's invasion of Ukraine and the ensuing war/sanctions further ignited commodity prices, particularly for food and energy. China also began to deal with an Omicron wave, causing a number of cities to lock down due to their "zero-Covid" policy. The end result was a mark down of growth expectations, renewed supply chain concerns and rising recession risks. The inverted yield curve in the US seemed to be the icing on the cake for the bear camp. Adding insult to injury, this was actually one of the worst quarters for global bond returns in over 30 years with the Bloomberg Global Agg down more than -6%. Seemingly investors hated everything. When this is the case, we find it useful to ask what could go right. The inversion of the yield curve in the US garnered much attention, as it should have, however the 2-10 only inverted for a few days while other US curves (3mo-10yr, Fed Funds-10yr, etc.) and curves for international bonds continued to steadily steepen. This is hardly sending a recessionary message. Nominal growth remains quite strong around the globe. This looks to be translating into better company sales and profits as earnings estimates in Europe for 2022 and 2023 continue to march higher. Energy, Materials and Financials are the 3 leading sectors YTD as of the time of this writing. Cyclical leadership certainly sends a different message from the gloom and doom consensus seems to be projecting. Finally, as mentioned above, Value has continued to outpace Growth in international markets. The market seems to be looking through these concerns and into the next few quarters which could see inflation easing, rebounding services activity and easing supply chain issues that allow inventory rebuilding to continue. While markets may remain choppy as we deal with various headwinds, we continue to see a number of signals that keep us constructive.

Factor performance



Source: Bloomberg, William O'Neill + Co. and Todd Asset Management

Above is our customary factor analysis that compares the performance of the best 100 and worst 100 companies within the TAM Int'l 500 index (or the 500 largest companies in our international universe) for each of the 20 factors shown above. Value metrics topped the list, which was consistent with the outperformance from Value indices. The leadership from Value certainly helped this particular strategy overcome the larger underperformance from the GPROA and Share Buyback factors given that the strategy is exposed to the most attractively valued names within these sleeves. Several other quality and growth metrics also lagged. Dividend yield was again one of the best performing factors and has been for the past year.

Sector positioning has increased it's weighting in Materials, Financials and Discretionary over the past few rebalances. Within Discretionary, the uptick is being driven by a number of Auto related names making it into the Relative Strength tranche. Our Materials and Financials names are more broadly spread across the three tranches, however the resumption of share repurchase authorization in the Financials sectors following pandemic related freezes has led to more Banks and Financials ranking highly on Share Repurchase. The newly rebalanced portfolio for April holds a much higher weight in Financials within the Relative Strength tranche. While still the strategy's second largest sector by weight, many of the Materials names in the last portfolio continued to perform well and thus no longer ranked in the most attractive third of the universe on valuation for the rebalance.

Commodity prices soared in the first quarter. Strong demand and tight supply had already pushed prices to multi-year highs in 2021. Russia's invasion of Ukraine in February exacerbated these imbalances and prices spiked. Four of our top five performing names this quarter were beneficiaries of rising commodity prices. Our top five performers were Sasol, Teck Resources, Vale, Carrefour and Agnico Eagle Mines. Sasol provides oil and chemicals to the auto market (to be used for fuels, lubricants, etc.). Strong pricing in the oil market has lifted their results and improved the prospects that they will be able to reinstate dividend payments. Momentum continued for a variety of metal prices due to supply issues from Russia/Ukraine (which are meaningful sources of production for many commodities) with Chinese stimulus providing further support. Tech Resources is a miner of coal (for steelmaking), copper and zinc; Vale is a large miner of iron ore; and Agnico Eagle Mines is a Canadian gold miner. Each of these companies saw shares and profits rise with underlying strength in metals prices. Finally, Carrefour (who runs European grocery chains) saw shares rise in early January on renewed buyout interest from Auchan (a rival French grocer).

Our bottom five performers were Capri Holdings, Seagate, Fujitsu, Aisin and Braskem. Capri is a luxury retailer with high end brands like Michael Kors and Versace. The planned successor to the current CEO left the company, bringing uncertainty to succession plans and the ongoing turnaround of the Michael Kors brand. Seagate makes storage components for personal computers and enterprise customers. Weakness in China and rising logistic costs have weight on results recently. Management expected these pressures to subside, however investors questioned a rebound in demand from Chinese consumers and shares sold off late in the quarter. Fujitsu is an IT consultant that also makes a number of devices and has had issues procuring parts. This has weighed on their order growth and forced management to cut their outlook. Aisin is a Japanese auto parts manufacture of drive trains, clutches, transmissions, brakes systems, etc. Supply chain issues that tempered auto production estimates in Europe and higher input costs both weighed on earnings estimates for the company. Finally, Braskem is a Brazilian chemicals company who has seen profitability squeezed in a number of their businesses.

In summary, market participants are worried about the headlines we are seeing regarding war, inflation, Covid disruptions in China, potential recession and monetary tightening. We believe the lasting message investors should take from the recent market action is that there's a new regime in place. Rates have backed up, and likely need to go higher, just to get to normal levels. If we can see this occur without the global economy sliding into a recession, we believe this sets the stage for Value to continue the recovery it has seen. We are watching first quarter earnings closely to get a sense for what company managements think, and thus far we do not hear that a recession is imminent. If investors embrace that thought, we expect another leg up in the Value versus Growth trade.

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04/19/22
MSCI ACWI ex-US (Net) – 274
MSCI ACWI ex-US Value (Net) – 270

Refer to Performance Disclosure on the following page for more information on the performance numbers presented. These notes are an integral part of this letter and should not be reproduced or duplicated without these notes.

TODD ASSET MANAGEMENT LLC
INTERNATIONAL INTRINSIC VALUE OPPORTUNITY COMPOSITE DISCLOSURE

Past performance does not provide any guarantee of future performance, and one should not rely on the composite or any security's performance as an indication of future performance. Investment return and principal value of an investment will fluctuate so that the value of the account may be worth more or less than the original invested cost. There is no guarantee that this investment strategy will work under all market conditions. Registration of an investment adviser does not imply any level of skill or training.

Specific stocks discussed in this presentation are included to help demonstrate the investment process or, as a review of the Composite's results; and are not intended as recommendations of said securities and carry no implications about past or future performance. All or some of the specific stocks mentioned may have been purchased or sold by accounts within the Composite during the period, or since the period, and may be purchased or sold in the future. A complete listing of the holdings as of the period end is available upon request. The compilation of information contained herein may reflect the views and opinions of TAM financial professionals at the time of creation which may change at any time without prior notification.

Todd Asset Management LLC ("TAM") is a registered investment adviser. The performance presented represents a composite of fully discretionary accounts invested primarily in large cap internationally domiciled, US traded equity securities using a rules based process based on intrinsic value, financial strength, profitability strength, and market acceptance. The objective is to seek capital appreciation.

Todd Asset Management LLC, formerly Todd-Veredus Asset Management LLC began operations on June 1, 1998 as Veredus Asset Management LLC (VAM). Effective May 1, 2009, VAM combined with Todd Investment Advisors, Inc. (TIA). TIA (and its predecessors) was founded in 1967 by Bosworth M. Todd. Upon the combination of VAM and TIA in 2009, Veredus Asset Management LLC changed its name to Todd-Veredus Asset Management LLC (TVAM). On February 28, 2013, after a change in ownership involving some VAM unitholders, TVAM changed its name to Todd Asset Management LLC. The firm continues to offer the same strategies managed by individuals using the process founded under TIA.

The International Intrinsic Value Opportunity Composite contains fully discretionary accounts that use the MSCI ACWI ex-US Index as the benchmark. All fee-paying, fully discretionary portfolios under our management are included in a composite. Accounts are eligible for inclusion in the composite at the beginning of the first calendar quarter after the month of initial funding and upon being fully invested.

TAM claims compliance with the Global Investment Performance Standards (GIPS®). The Firm has been independently verified for the periods January 1, 2008 through December 31, 2020. VAM was verified for the period July 1, 1989 through December 31, 2007 by a previous verifier. TIA's compliance with the GIPS® standards has been verified for the period January 1, 1993 through April 30, 2009. The International Intrinsic Value Opportunity Composite has been examined for the periods July 1, 2014 through December 31, 2020. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To receive additional information regarding TAM, including a GIPS Composite Report for the strategy presented, contact Monica Slyter at 1-888-544-8633, or write Todd Asset Management LLC, 101 South Fifth Street, Suite 3100, Louisville, Kentucky 40202, or mslyter@toddasset.com.

The performance information is presented on a trade date basis, both gross and net of management fees, net of transaction costs and foreign withholding taxes, and includes the reinvestment of all income. Net of fee performance was calculated using the applicable annual management fee schedule of 0.80% applied monthly. Actual investment advisory fees incurred by clients may vary. The currency used to calculate and express performance is U.S. dollars. All cash reserves and equivalents have been included in the performance.

The composite performance has been compared to the following benchmark. The index is unmanaged, and not available for direct investment; it includes reinvestment of dividends; it does not reflect management fees or transaction costs. The volatility of the index and a client account will not be the same.

MSCI ACWI ex-U.S. (net) Index is a float-adjusted market capitalization index that is designed to measure the combined equity market performance of developed and emerging market countries excluding the United States. The ACWI ex-U.S. includes both developed and emerging markets. For investors who benchmark their U.S. and international stocks separately, this index provides a way to monitor international exposure apart from U.S. investments. The net index takes into account the impact of tax withholdings on dividend income.

MSCI ACWI Value (net) Index is a float-adjusted index of securities exhibiting overall value style characteristics across both developed and emerging markets. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.