

Todd Global Intrinsic Value Equity Income Review

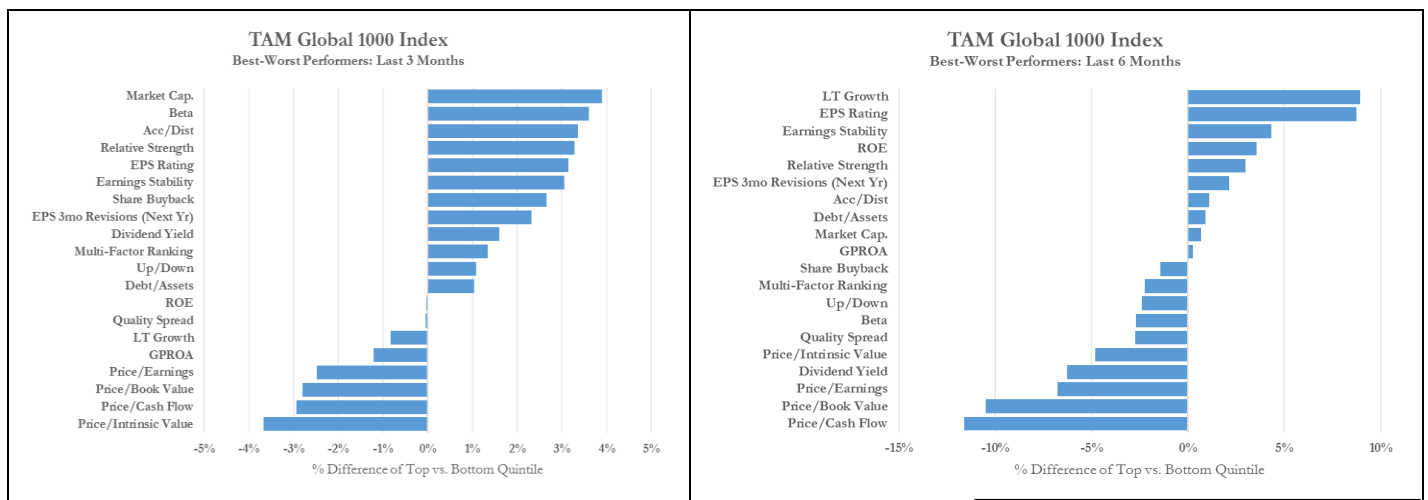
	2Q 2019	YTD	1 Year	3 Years *	5 Years *	7 Years *	Since Inception *
Global Intrinsic Value Equity Income (Gross)	-0.4%	11.8%	1.1%	7.8%	4.1%	8.9%	9.0%
(Net)	-0.6%	11.5%	0.5%	7.2%	3.5%	8.2%	8.4%
MSCI ACWI (Net)	3.6%	16.2%	5.7%	11.6%	6.2%	9.9%	7.8%

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

Performance Review

The Global IV Equity Income strategy lost 0.4% (gross) during this quarter versus a gain of 3.6% for the MSCI ACWI index.

Our factor analysis is shown below for the second quarter and year-to-date. What is consistent in both is that the market was not willing to reward value stocks in either time period. Stocks with a high dividend were marginally rewarded in Q2, but detracted on a YTD basis by about 6-7%. This market continues to reward “growth at any price” which is a direct headwind to this strategy. We continue to look for stocks that are cheap (value) and have higher dividend yields than the market (both detracted from performance YTD) so we are not surprised by the underperformance of this strategy this year.



Source: Todd Asset Management, Bloomberg

Stock selection drove all of our underperformance for the quarter. Consumer Discretionary, Consumer Staples and Technology were our worst performing sectors. Only Financial and Communication Services added value in the quarter. From a regional perspective the United States



and United Kingdom were our worst performing areas while Emerging Markets outperformed. Stock selection within the US was our worst component.

We are overweight Financials, Energy and Consumer Staples. We also remain underweight Technology, Industrials, Consumer Discretionary and Communication Services. Among regions, we are overweight the UK, Europe ex-UK and Canada. We are underweight Emerging Markets, Pacific ex-Japan, Japan and the US.

Our top 5 contributors to performance during the quarter were Sberbank, Allianz, AT&T, Axa, and Sun Life. Sberbank continues to execute with improving loan growth and net interest margin, a strong capital position and attractive dividend yield 6.6%. Allianz reported a strong quarter and reaffirmed guidance for the full year. AT&T updated investors on plan to reduce leverage and increase shareholder return via dividends and share repurchases. Axa completed a billion dollar sale of Axa Equitable Holdings, which will allow for significant debt reduction. Sun Life had an optimistic analyst day presentation, which provided reasons for nice tailwinds to their business lines over the next couple of years.

Our worst 5 detractors from performance during the quarter were Kohls Corp, Altria Group, British American Tobacco, Abbvie and Philip Morris International. All three-tobacco companies, Altria, Philip Morris and British American suffered due to concerns the new FDA commissioner could cut nicotine to non-addictive levels as well as eliminating menthol brands. Kohls missed their first quarter and slashed full year guidance. Abbvie acquired Allergan towards the end of the quarter and initial reactions were negative for the stock price.

Please feel free to contact any of us for additional information.

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07/19/2019
MSCI ACWI (Net) - 261

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.

The TAM Global 1000 is a combination of the S&P 500 and our TAM International 500 indexes (the TAM international Index is the largest 500 US traded internationally domiciled securities in our internal universe).

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TODD ASSET MANAGEMENT LLC

GLOBAL INTRINSIC VALUE EQUITY INCOME 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 quarterly 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.

Todd Asset Management LLC ("TAM") is a registered investment adviser. The performance presented represents a composite of fully discretionary accounts invested in a diversified portfolio of attractively valued domestic and international equity securities with a goal to seek dividend income along with growth of that income and capital appreciation. The international securities are internationally domiciled, US traded equity securities.

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 Global Intrinsic Value Equity Income Composite contains fully discretionary, taxable, and tax-exempt accounts that use the MSCI ACWI Index as the benchmark. The Composite does not include accounts with social restrictions. 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, 2018. 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 Global Intrinsic Value Equity Income Composite has been examined for the periods January 1, 2011 through December 31, 2018. A complete list and description of TAM composites and/or the verification and performance examination reports are available upon request by contacting TAM at 1-888-544-8633, or write Todd Asset Management LLC, 101 South Fifth Street, Suite 3100, Louisville, Kentucky 40202, or contact us through our Web site at www.toddasset.com.

The performance information is presented on a trade date basis, both gross and net of management fees, net of transaction costs and includes the reinvestment of all income. Net of fee performance was calculated using the applicable annual management fee schedule of 0.60% 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. **As of 12/31/17, the benchmark was changed to the MSCI ACWI (net) from MSCI ACWI (gross). The ACWI (net) is computed net of foreign tax withheld on dividends, this is consistent with the composite.**

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:

MSCI ACWI (net) Index is a float-adjusted market capitalization index that is designed to measure the equity market performance of developed and emerging markets.



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