TODD
Asset Management

July 19, 2021
Intrinsic Value Team
Todd Asset Management

Todd Q2 2021 International Intrinsic Value Opportunity Review

	2Q 2021	YTD	1 Year	3 Year*	5 Year*	Since Inception* (07/01/14)
International IV Opportunity (Gross)	6.0%	12.0%	37.2%	7.4%	8.2%	3.3%
(Net)	5.8%	11.5%	36.1%	6.5%	7.3%	2.4%
MSCI ACWI ex-US (Net)	5.5%	9.2%	35.7%	9.4%	11.1%	5.3%
MSCI ACWI ex-US Value	4.3%	11.7%	37.6%	5.2%	8.6%	2.4%

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

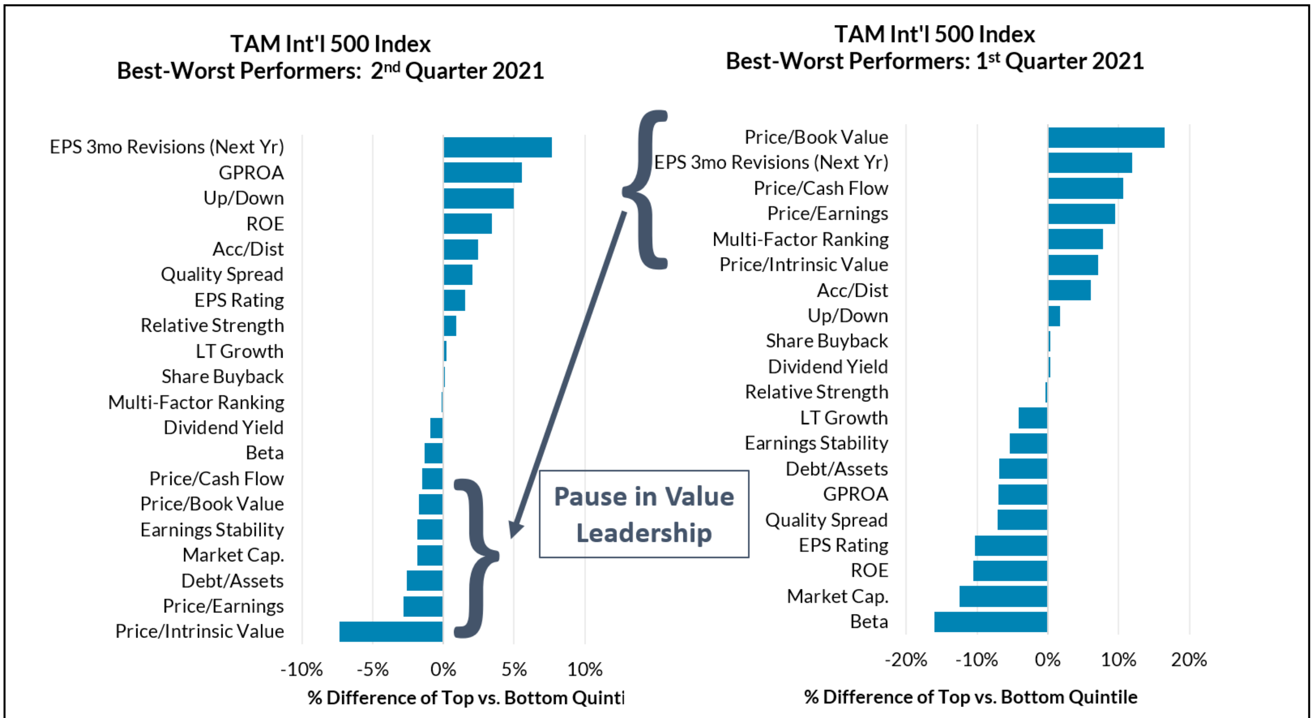
Performance Review

The International IV Opportunity (gross) strategy outperformed the MSCI ACWI ex-US by +0.5% for the quarter and nearly +3% YTD. This occurred despite a reversal in market leadership from Value and Cyclicals to more Defensive and Growth oriented parts of the market. Over longer time frames the strategy is more broadly in-line with the Value index.

In a broad sense, there were a number of positive developments in the second quarter. Global Covid cases peaked in April and went on to decline by about half through mid-June. Earnings came in well ahead of consensus expectations which lifted full year estimates by another +8% during the quarter. All of this pushed the ACWI ex-US to new all-time highs in early-June (it's first in over 13 years). Despite this, concerns over the spread of the Delta variant brought the reopening trade into question in recent weeks. Outbreaks and extended lockdowns in several countries in May and June led to risk off positioning. German bond yields, which looked like they were working their way out of negative territory through the first part of the quarter, moved lower as concerns around the Delta variant weighed on global reopening expectations. This sentiment carried over to most markets with the US Dollar strengthening and most commodities consolidating or correcting over the past few months. Brent crude oil was an outlier here, continuing to make new post-pandemic highs as OPEC failed to agree to new production levels. Outside of Covid-related news, the Chinese government continued to roll out regulatory changes that targeted a number of large consumer-facing services companies. These headwinds weighed on our strategy's performance, particularly in June. We anticipate that these issues are largely transitory as vaccines continue to show high levels of protection against emerging variants and administration ramps globally.

Our sector and regional allocations were responsible for most of the outperformance for the strategy during the quarter. Our best performing sectors for the quarter were Materials, Industrials and Communication Services. Consumer Discretionary and Consumer Staples were our worst performing sectors. Regionally, Japan, Europe and the United Kingdom were our best performing regions while Emerging Markets were our worst.

Factor performance



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

Our factor work had previously highlighted the sharp rotation in performance that followed the vaccine announcements back in November 2020, which was led by Value. This rotation paused in the second quarter as Value measures were among the worst performing factors. Quality and Growth related factors led the way as uncertainty increased and investors reverted back to the defensive stance we saw through most of the early stages of the pandemic.

Our top five contributors to performance during the quarter were Fujitsu, AP Moller-Maersk, Cemex, Vale and Seagate Technology. Fujitsu, which is a Japanese IT Services company, is seeing margin improvement as they divest from less profitable businesses and streamline existing services. AP Moller-Maersk is a global maritime shipping company that has benefitted from supply chain bottle necks that have lifted container rates. Cemex is a Mexican cement/concrete manufacturer continues to raise earnings guidance as a boom in housing in the US is driving demand for their products. Despite a sharp correction in iron ore prices in May, prices increased by +20% in the second quarter. This price strength drove Vale's performance (a global miner of iron ore) in the quarter as robust cash flows are allowing the company to increase shareholder returns. Seagate Technology makes hard disk drives (storage drives) and has seen a recovery in enterprise spending as well as strong demand from their cloud clients drive results above expectations.

Our worst five detractors from performance during the quarter were Vipshop, Lenovo, Porsche, Sasol and Itochu. Shares of Vipshop, an online discount retailer, continued to sell off in the second quarter after the Archegos hedge fund, which blew up in late March, was unwound. Regulatory announcements from China also broadly weighed on the eCommerce sector which caused investors to question expectations for user growth. Lenovo is a Chinese personal computer manufacturer that has seen supply constraints lead to slowing PC shipments. Porsche is the majority owner of Volkswagen, where shares soared in the first quarter by more than +80% due to rising expectations around their electric vehicle offering and strong results from Audi and Porsche. Shares were likely due for a pause after that strong run and thus underperformed for our strategy last quarter. Sasol is a South African chemicals company that has seen the pricing of some end products start to soften after experiencing very strong first half. This has weighed on full year earnings estimates. Itochu, a Japanese trading company, is seeing some momentum fade in some of their commodity and non-commodity end markets.

The recent rotation to bonds, and safety growth stocks does not "feel" right to us as we look at anticipated economic growth rates. We think investor psychology is still scarred from the post-GFC decade of deleveraging induced subpar growth and the recent Covid-19 depression. We think second quarter earnings reports during July could change investors' perception and allow the economically sensitive sectors that we favor to get reinvigorated. While China was easing back on their monetary stimulus, Europe was ratifying the EU recovery fund at the end of May. That money reaches national governments in July. Experience says stimulus helps the economy, and the effects last for years. This marks the first time in decades that European Governments have bound together to promote economic growth and it should provide support for the Euro area for some time to come. The economic recovery is young, reopening is occurring and stimulus continues. International Investors should be viewing the recent pullback versus the US indexes as a good entry point. We think re-opening and renewed stimulus points to a resumption of gains for international equity markets later on this year. We believe the paused rotation to value and international should resume.

We are always available via email or phone and welcome your calls. If you have any questions, please feel free to contact any of us for further information.

Curt Scott, CFA
Jack White, CFA
Jack Holden CFA
Shaun Siers, CFA

7/19/21
MSCI ACWI ex-US (Net) – 342
MSCI ACWI ex-US Value - 182

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.

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:

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 ex-U.S. Value (net) Index captures large and mid-cap securities exhibiting overall value style characteristics across developed and emerging markets countries. 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. The net index takes into account the impact of tax withholdings on dividend income.