

John L. Grove College of Business

INVESTMENT MANAGEMENT PROGRAM

2022 Annual Report



Shippensburg University

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Letter to Friends and Affiliates

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Dear Stakeholder,

As the Spring 2023 Investment Management Program (IMP) portfolio managers, it is our privilege to report on the Wisman Fund's ("Fund") performance in 2022 and provide you with an update on how the class is diligently working through this interesting economy.

The IMP class grants a rare opportunity to selected intelligent individuals to apply all the knowledge and skills that we as students have learned in the classroom to a real dollar investment portfolio. The program helps to expand our skills and abilities, setting us apart from our peers/competitors. Managing the Wisman Fund has been an honor and a privilege that we are all very grateful for. We will carry the extra knowledge and critical thinking skills obtained from this opportunity with us throughout the rest of our careers.

This past semester, we focused on creating an investment strategy that would make our portfolio not only defensive during the next two years but also thrive as well. We were given only one semester to conduct analysis on sectors, industries, and the portfolio's security holdings, which meant we had to be efficient in communicating our research and ideas. The benchmark consists of 80% the S&P 500 Index and 20% the Bloomberg Barclays US Aggregate Bond Index. We overweight equity sectors that we believe will outperform the benchmark and underweight sectors that likely will underperform the benchmark based on our research. Along with this, we shifted our fixed income strategy in 2022 to properly reflect the current market situation with the increasing of the Federal Funds Rate along with many other factors creating the volatile economy we have as of today and will see for years to come.

The year 2022 was a very brutal year with large drops in market prices in the economy, our equity portion of the portfolio underperformed our benchmark, the S&P 500. The 2023 IMP managers can report that the portfolio yielded a return of -18.04% in 2022, underperforming the benchmark's -17.09% by 0.95%. The value of the portfolio decreased from \$324,030.29 at the end of 2021 to \$285,474.70 at the end of 2022. This has changed since and will be addressed during the presentation and in the report.

In the following report, you will find the IMP portfolio's investment objective, investment strategy, performance, and security holdings. Please let us know of any comments, questions, or suggestions that you may have, as they are always welcomed and appreciated.

We are grateful and fully appreciate your continued generosity and support of the Investment Management Program. Without you, the stakeholder, none of this would be possible.

Sincerely,

The Spring 2023 IMP Portfolio Managers

SU Foundation “Thank You”

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Mission Statement

The Investment Management Program (IMP) aims to provide students with the skills, theory, and concepts needed to become portfolio managers through a proactive educational environment. The intent of the IMP is to provide academic scholarships for the finance program in the future.

Spring 2023 Class



(Back row from left to right) Cole Wolaver, Seth Kerrigan, Tyler Kirby, Mason Farine

(Middle Row from left to right) Daniel Mazus, Seth Pearson, Ian Fogleman

(Front row from left to right) Alex Boeckel, Arianna Harr, Sierra Miller, Jacob Mundis

Investment Objective

To achieve a risk-adjusted return exceeding the benchmark, which consists of 80% of the S&P 500 Index and 20% of the Bloomberg U.S. Aggregate Bond Index.

Investment Strategy

The 2022 IMP class utilizes a top-down analysis beginning with an in-depth analysis of the economy, sectors and industries, and companies to select ‘good’ investments. For equity, the IMP class follows a value investing style, focusing on undervalued equities.

Investment Strategy for Equities

The portfolio managers choose to invest in stocks of companies that meet the following investment criteria:

- **Firm Fundamentals:** Companies that have proper business plans and strategies, unique products/services, and competitive advantages are deemed ‘good’ by our portfolio managers. Additionally, companies must demonstrate sound financial fundamentals, which are essential to generate a positive cash flow.
- **Undervaluation:** The IMP class invests in stocks that are traded at a discount to the class’s estimate of intrinsic value.
- **ESG:** The IMP class strives to invest in stocks with a low ESG risk rating compared to its competitors and its industry. Due to plans to be net zero carbon and net zero emissions by 2050, we believe that utilizing this strategy will result in returns that outperform the market over the next few decades.

Valuation Analysis

The IMP class considers a stock ‘undervalued’ if intrinsic value estimate is significantly higher than the market price. The following methods are utilized to estimate intrinsic value of a stock.

- Discounted cash flow (DCF) models such as free cash flow to equity discount models or dividend discount models are used to estimate intrinsic value. It is at the discretion of the analyst to decide which DCF model is appropriate.
- The input parameters of the models (e.g., future EPS growth rate), are derived from multiple financial resources including Bloomberg, Morningstar, Fidelity, Value line, and Yahoo! Finance.

- The IMP class also conducts a relative valuation analysis to determine if a stock is undervalued. The valuation ratios used include P/E, P/B, P/S, and P/FCF.

Financial Ratio Analysis

A firm’s key financial ratios over the past several years are compared to their competitors to determine whether the company has sound financial fundamentals. The financial ratio analysis is based on, but not limited to, the following financial ratios:

- Financial Health Ratios
 - Current Ratio
 - Long-term Debt to Equity
 - Debt to Equity
- Efficiency Ratios
 - Receivable Turnover
 - Inventory Turnover
 - Asset Turnover
- Profitability Ratios
 - Net Profit Margin
 - Return on Assets
 - Return on Equity
- Growth Rates
 - EPS Growth Rate
 - Sales Growth Rate

Investment Strategy for Fixed-Income Securities

Fixed-income securities are selected based on:

- **Credit Risk:** The class only invests in bonds with an investment grade rating (e.g., BBB or higher) by both Moody’s and Standard & Poor’s.
- **Duration:** The class mostly focuses on bonds with short durations.

Portfolio Characteristics

As of December 31, 2022, the value of the IMP portfolio was \$285,474.70, consisted of \$230,900.93 (81%) in equities, \$38,322.22 (13%) in fixed-income securities, \$16,233.08 (5.7%) in an insured deposit account, and \$8.47 (0.003%) in cash. The portfolio return in 2022 was -18.04% and consisted of 43 stocks and nine fixed-income ETFs.

Portfolio Value		
Asset Class	Value	Weight
Equity	\$230,900.93	80.88%
Fixed-Income Security	\$38,322.22	13.43%
Insured Deposit Account	\$16,233.08	5.69%
Cash	\$8.47	0.003%
Total	\$285,474.70	100.00%

Some key portfolio characteristics are shown in the table below. All characteristics are the simple averages of the equity holdings, except beta which is the portfolio beta. The IMP portfolio has a P/E ratio of 26.53 which is higher than the S&P 500 Index's 19.49. Also, the IMP portfolio has a much higher P/B ratio than the S&P 500 Index's 3.98 at 7.56. The reason the portfolio has larger ratios is due to a few outliers with unique ratios. For example, T Mobile had a P/E ratio of 114.75, Amazon's P/E is 76.33, Disney's P/E is 49.65, and Apple has a P/B of 40.62. The average ROE of the portfolio's equity holdings is 43.59%, higher than the S&P 500 Index's 21.47%. The average market capitalization of the portfolio's equity holdings is \$283.26 billion, which is significantly higher than the S&P 500 Index's average market cap of \$72.26 billion. The larger market cap is mainly due to several mega-cap stocks, such as Apple, Google, and Amazon and that the portfolio holds less stocks than the S&P 500. The portfolio has a beta of 0.98 and is slightly lower than that of the benchmark which is 1.00. The portfolio is slightly less risky than the benchmark. This is due to a few stocks having significantly lower betas than the market. AbbVie Inc. (0.58), The Hershey Company (0.35), and Procter and Gamble Company (0.4) to name a few of the major drivers.

Portfolio Characteristics	IMP	S&P 500
Price to Earnings (P/E)	26.53	19.49
Price to Book (P/B)	7.56	3.98
Return on Equity (ROE)	43.59%	21.47%
Average Market Cap (USD in Billions)	\$283.26	\$72.26
Beta	0.98	1.00

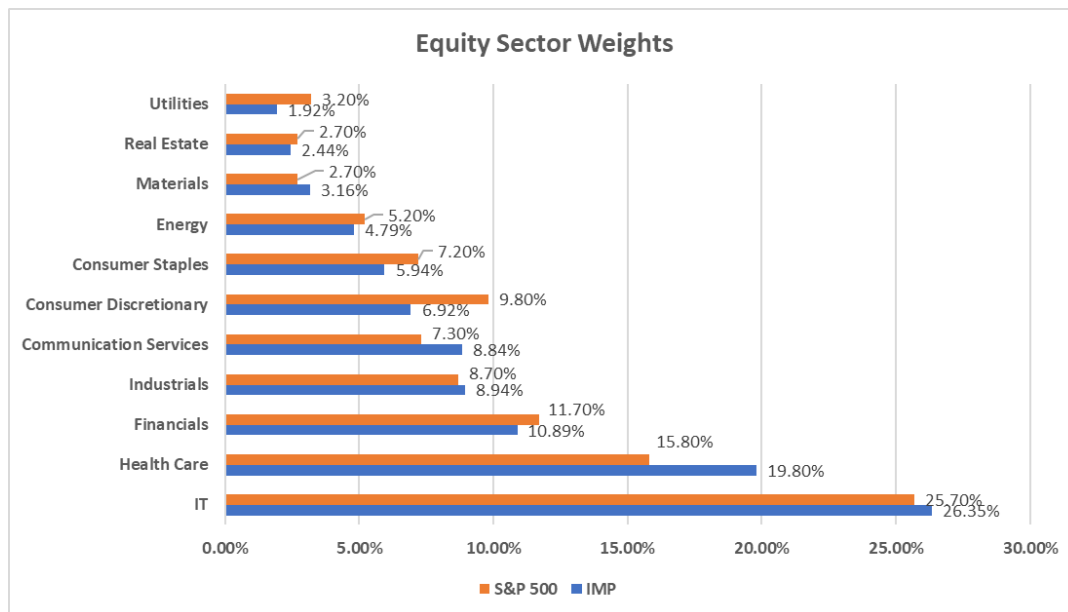
Top Ten Holdings

The portfolio's top ten holdings based on investment weights counted for 41.12% of the portfolio's value (see the table below). UnitedHealth Group Inc. held the most weight in the portfolio, at 7.43%. The other top nine holdings and their weights are included in the table below.

Top 10 Holdings as of December 31, 2022		
Securities	Market Value	Weight
UnitedHealth Group Inc.	\$ 21,207.20	7.43%
Microsoft Corp.	\$ 17,986.50	6.30%
Apple Inc.	\$ 15,331.74	5.37%
NVIDIA Corporation	\$ 14,614.00	5.12%
Accenture PLC Class A	\$ 10,673.60	3.74%
Procter & Gamble Co.	\$ 9,093.60	3.19%
Amazon.com Inc.	\$ 8,400.00	2.94%
Visa Inc.	\$ 8,310.40	2.91%
Abbvie Inc.	\$ 5,979.57	2.09%
AmerisourceBergen Corp.	\$ 5,799.85	2.03%
Total	\$ 117,396.46	41.12%

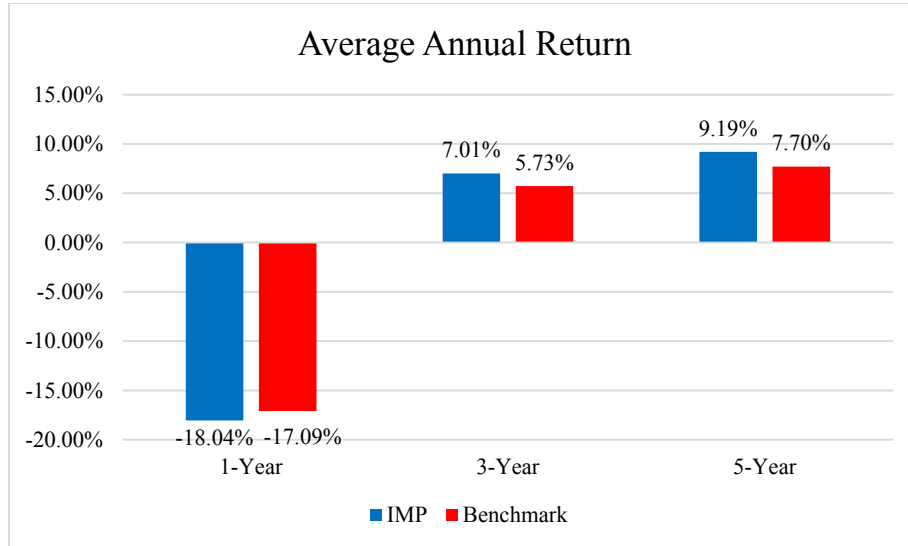
Equity Sector Weights

The graph below shows the investment weights in the eleven equity sectors for the IMP portfolio as of December 31, 2022. Information technology has the highest weight in the portfolio, at 26.35%. This is followed by health care (19.8%) and financials (10.89%). The sectors with relatively low weights in the portfolio are utilities (1.92%), real estate (2.44%), and materials (3.16%). Five equity sectors are overweight relative to the S&P 500 Index. These sectors include information and technology, health care, industrials, communication services, and materials. Healthcare is overweighted by about 4.0%, which is the largest difference of all sectors. Six sectors are underweight relative to the S&P 500 Index, including financials, consumer discretionary, consumer staples, energy, real estate, and utilities. Consumer discretionary being the most underweight at 2.88% compared to the benchmark.



Portfolio Performance

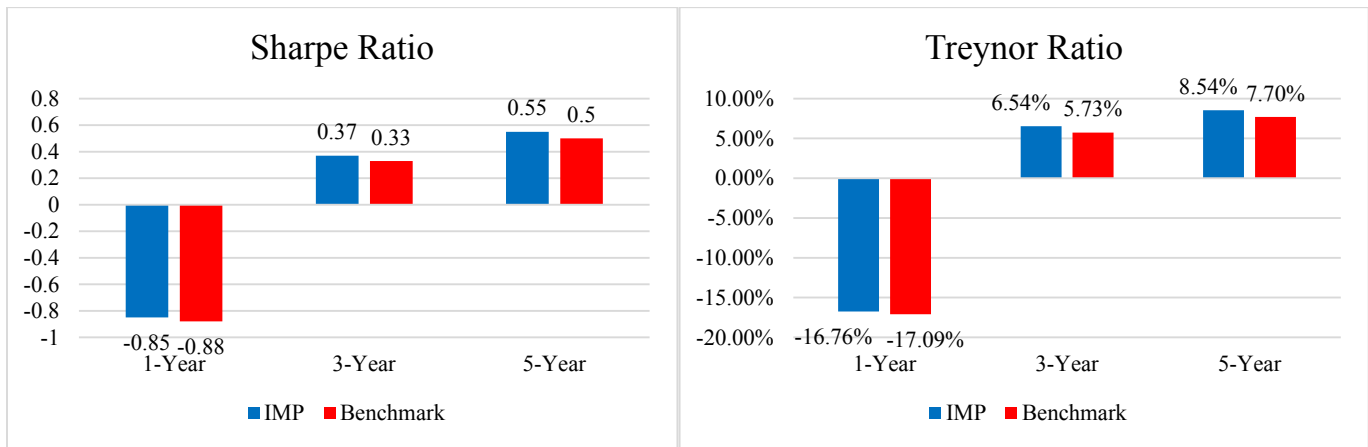
The graph below shows the average annual returns for the IMP portfolio and the benchmark in the 1-year, 3-year, and 5-year periods. As the graph shows, the IMP portfolio underperformed for the 1-year, and overperformed for the 3-year and 5-year periods. The 1-year return for the portfolio is -18.04%, which is lower than the -17.09% of the benchmark. In the 3-year period, there was a 7.01% return for the portfolio and a 5.73% return for the benchmark. The portfolio's 5-year average annual return is 9.19%, which is higher than the benchmark's 7.70%.



Risk-Adjusted Return

The IMP class evaluated the portfolio's performance by adjusting for risk. Risk-adjusted performance measures help explain whether a portfolio's excess return is due to smart investment decisions or a result of too much risk. We use the Sharpe and Treynor ratios to measure the risk-adjusted return. The Sharpe ratio is a portfolio's return divided by the standard deviation of the portfolio's returns. The Treynor ratio is a portfolio's return divided by the beta value of the portfolio. The higher the ratio, the greater the investment return relative to the amount of risk taken, and hence the better the investment.

The risk of an investment is based on return variation. Return standard deviation is a measure of return volatility of an investment. On the other hand, beta measures a security's volatility relative to the market, which has a beta of 1.00. A higher return standard deviation or beta indicates a riskier investment. The Sharpe and Treynor ratios for the IMP portfolio and the benchmark are reported in the graphs below. The IMP's portfolio's 1-year, 3-year, and 5-year Sharpe ratios are -0.85, 0.37, and 0.55, respectively, while the benchmark's Sharpe ratios are -0.88, 0.33, and 0.5, respectively. The Sharpe ratios indicate that the IMP portfolio outperforms the benchmark in risk-adjusted return in the 1, 3, and 5-year periods. The IMP portfolio Treynor ratios are -16.76%, 6.54%, and 8.54% for the 1-year, 3-year, and 5-year periods, compared to the benchmark's ratios of -17.09%, 5.73%, and 7.70%. Similar to the Sharpe Ratio, the IMP portfolio outperforms in the 1, 3, and 5-year periods. The risk-adjusted return results indicate that the IMP portfolio managers have improved the portfolio's performance over the past 3 years.



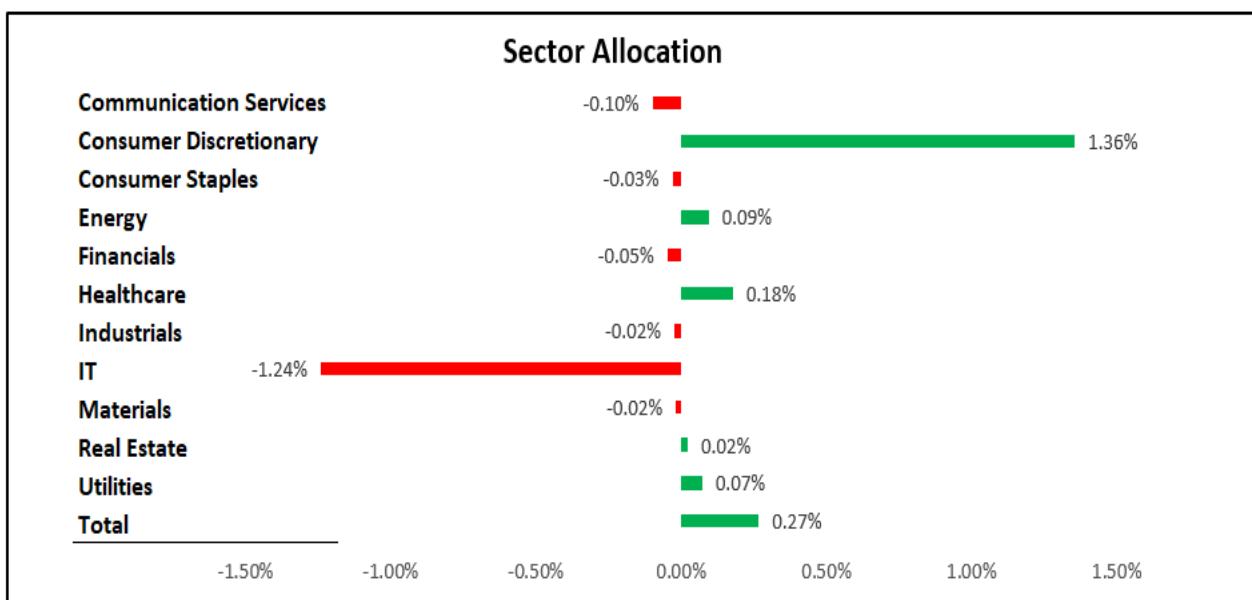
Performance Attribution

Performance attribution analysis is a breakdown of how a portfolio performs against the portfolio's benchmark. The analysis enables analysts to reveal insight on how the portfolio's performance is attributed to the asset allocation and security selection decisions. The IMP portfolio's return in 2022 is -18.04%, which underperforms the benchmark's -17.09 by -0.95% (see the table below). The performance attribution analysis indicates that this underperformance is mainly from the asset class allocation and the equity assets selected. Instead, fixed income helped the portfolio from an asset selection standpoint. The fixed income assets provided a performance contribution of 0.17%. The equity performance contribution was -1.43%. Overall, the IMP portfolio managers were more effective in asset selection than asset class allocation.

	IMP		Benchmark		Performance Attribution		
	Weight	Return	Weight	Return	Asset Class Allocation	Asset Selection	Total
Equity	85.89%	-19.71%	80.00%	-18.11%	-0.06%	-1.37%	-1.43%
Fixed Income Security	12.27%	-9.06%	20.00%	-13.01%	-0.32%	0.48%	0.17%
Cash	1.84%	0.01%	0.00%	0.05%	0.32%	0.00%	0.31%
Total	100.00%	-18.04%	100.00%	-17.09%	-0.06%	-0.89%	-0.95%

Equity Performance Attribution

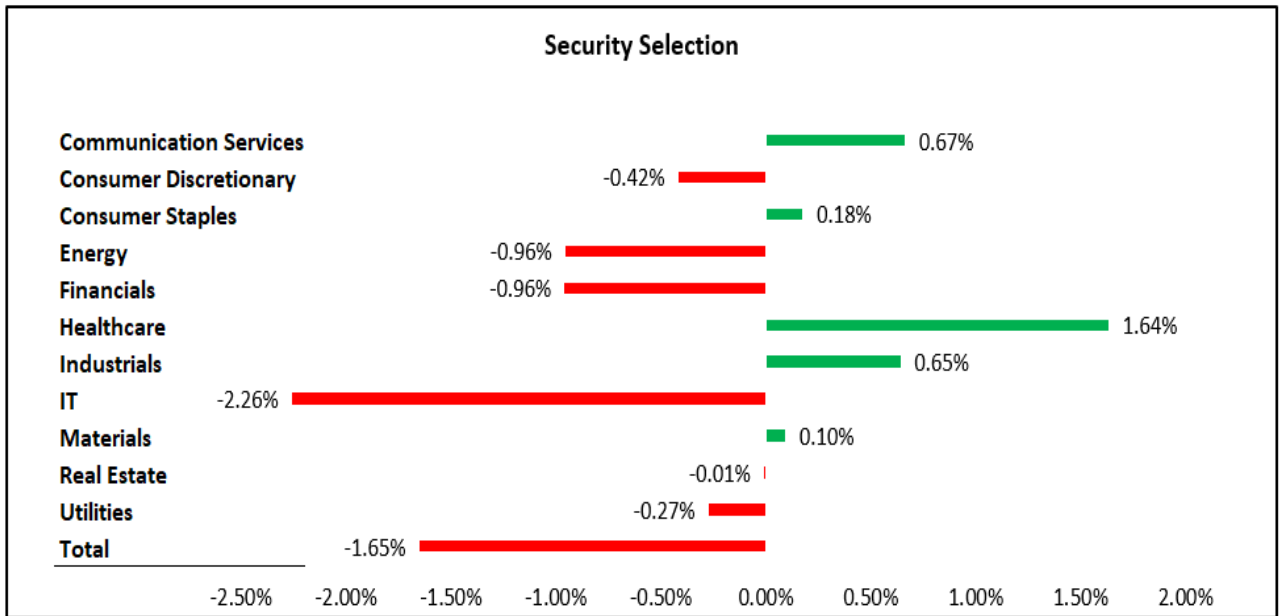
The class also conducted a performance attribution analysis for the equity portion of the portfolio. In 2022, the equity portion of the portfolio has a return of -19.40%, while the S&P 500 Index's rounded return is -18.01% without the Bloomberg Barclays US Aggregate Bond index. The equity performance attribution analysis shows that the sector allocation provided a positive return contribution of 0.27% to the portfolio. Five of the eleven sectors weight compared to the S&P 500 provided us with a positive return contribution (consumer discretionary, energy, healthcare, real estate, and utilities), while the remaining six contributed negatively (communication services, consumer staples, financials, industrials, IT, and materials).



The table below shows a summary of the return contributions from the sector allocation. The communication services, IT, industrials, and materials were overweighted and underperformed. Healthcare was the only sector that was overweighted and overperformed. The consumer staples and financials sectors provided a negative return contribution and were underweighted. On the other hand, there were a few sectors that provided a positive return contribution and were underweighted. These sectors include consumer discretionary, energy, real estate, and utilities.

	Underperform	Overperform
Underweight	Consumer Staples Financials	Consumer Discretionary Energy Real Estate Utilities
Overweight	Communication Services Industrials IT Materials	Healthcare

The chart below provides performance attribution results from security (stock) selection. The results show that stock selection provides a return contribution of -1.65%. The -1.65% return contribution from stock selection is due to stock holdings from the following sectors: consumer discretionary, energy, financials, IT, real estate, and utilities. Positive return contributions from security selection include the communication services sector, consumer staples sector, healthcare sector, industrials sector, and the materials sector. The largest negative return contribution from securities were found in the IT sector which had a -2.26% return contribution whereas the largest positive security selection return contribution came from the healthcare sector.



Contributors

During 2022, the IMP portfolio had strong security selection in the energy, industrials, and healthcare sectors that mainly contributed to the IMP's portfolio's return. Stocks from the energy, industrials, and healthcare sectors make up the five stocks providing the highest return contribution.

Top 5 Performing Securities			
Security	Return	Weight	Return Contribution
Marathon Petroleum Corp	85.78%	0.81%	0.69%
UnitedHealth Group Inc.	6.86%	6.84%	0.47%
Lockheed Martin Co.	40.09%	1.09%	0.44%
AbbVie Inc	23.52%	1.71%	0.40%
Cheniere Energy	49.23%	0.69%	0.34%

- The best performing holding in the portfolio was Marathon Petroleum Corporation (MPC), which provided a return contribution of 0.69%. The company belongs to the energy sector, and it is within the oil and gas refining and marketing industry. In 2022, they recorded a total revenue of \$177.453 billion, an increase of 47.90%. This is the highest revenue the company has seen in the past 10 years. The greatest increase was seen in their refined products segment, which increased by \$54.017 billion, a 50.32% increase. The net income available to stockholders has also increased from \$9.736 billion in 2021 to \$14.508 billion in 2022. Additionally, their diluted EPS increased 85.76% year over year from \$15.24 in 2021 to \$28.31 in 2022. Marathon appears to be continuing this trend due to its high-quality assets and their improved commercial operations and cost structure. Additionally, it plans to continue with repurchasing their shares. They repurchased \$11.9 billion in 2022, and on January 31, 2023, they approved an incremental \$5 billion share repurchase authorization.
- The second highest return contributor for the IMP portfolio is UnitedHealth Group Inc (UNH) with a contribution of 0.47%. UnitedHealth Group is part of the healthcare sector, and it is in the healthcare plans industry. They have multiple segments under their name including UnitedHealthcare (insurance provider), Optum Health (health care provider), Optum Insight (health analytics franchise), and Optum Rx (pharmacy benefit manager). This year, they saw 12.92% increase in revenue from \$200.136 billion in 2021 to \$224.871 billion in 2022. Each segment saw increases in their revenues year over year. They also saw an increase in their diluted EPS from \$18.08 to \$21.18. They see many of their advantages in cost advantage and network effects stemming from their large size. They are currently aiming for 13-16% earnings growth in the long-run.
- The third highest return contributor for the IMP portfolio was Lockheed Martin Company (LMT), which provided a return contribution of 0.44%. The company belongs to the industrials sector, and it is in the aerospace and defense industry. Their revenue did decrease slightly from \$67.044 billion in 2021 to \$65.984 billion in 2022, a decrease of about -1.58%. This was its first decrease in revenue since 2013. Its EPS also decreased by about -4.83% in 2022. However, it maintained a current ratio above 1 at 1.32, and it has a lower debt/equity ratio of 1.67. Lockheed received the majority of its revenue from the US Department of Defense. Government contracts accounted for 70% of its \$66 million in service contract sales in 2022. They are contracted with the US Department of Defense through the 2060s. Their cutting-edge technology in the defense industry, especially government contracts, is an intangible asset that has allowed them to have a positive return this year, and it will most likely continue into the future.
- AbbVie Inc. (ABBV) was the fourth highest return contributor with a contribution of 0.40%. AbbVie Inc is in the healthcare sector, and it is part of the drug manufacturers industry. Revenue increased by 3.3% from \$56.197 billion in 2021 to \$58.054 billion in 2022. However, it is a lower year-over-year increase than in 2020 and 2021 which were 37.69% and 22.69%, respectively. EPS increased as well by 2.79% from \$6.45 in 2021 to \$6.63 in 2022. AbbVie has met expectations, but they are facing competitive pressures to Humira, an immunology drug, and Imbruvica, a cancer drug. However, sales are increasing with Skirizi and Rinvoq, both immunology drugs. They are currently only spending 13% of sales on research and development, which is lower than the industry average. They are also projected to be submitting a cancer drug, Epcoritamab, in 2023.

- Cheniere Energy (LNG) made the fifth highest return contribution at 0.34%. This company belongs to the energy sector, and it is included in the oil and gas mainstream industry. Their income increased 110.72% this year from \$15.864 billion in 2021 to \$33.428 billion in 2022. Their EPS also became positive this year, with their diluted EPS rising from -\$9.25 in 2021 to \$5.69 in 2022. They more than doubled the expectations for 2022. Their revenue stems from the demand coming from the EU and rising demand in China. Many of their intangible assets of long-term contracts help to establish their wide moat along with their growing capacity to keep up with demand. Looking ahead, they announced a Sabine Pass expansion in early 2023. It would have a 20-million-ton capacity. However, there is uncertainty about if it will actually occur.

Detractors

On the other side of the portfolio, there are holdings that fell short in 2022. The bottom five performing securities were mostly in the information technology sector, with all but one which came from the consumer discretionary sector. The return contribution is determined based of the securities return and the fluctuating weight of the security throughout the year.

Bottom Five Performing Securities			
Security	Return	Weight	Return Contribution
NVIDIA Corporation	-50.26%	10.02%	-5.03%
Amazon.com Inc.	-49.62%	5.68%	-2.82%
Microsoft Corp.	-27.94%	8.59%	-2.40%
Accenture PLC Class A	-34.66%	5.65%	-1.96%
Apple Inc.	-26.32%	7.14%	-1.88%

- The worst-performing security is NVIDIA Corporation (NVDA), which generated a -5.03% return contribution. NVDA is in the information technology sector and the semiconductor industry. NVDA's negative return contribution as well as their overall return in our portfolio can most likely be attributed to a decrease in demand for high-end graphics for personal computers. Gaming sales for PCs account for approximately 60% of total sales for NVDA. On top of that, there is increased competition from mobile gaming. These two factors have hindered NVDA's ability to control the market and continue to grow their sales revenue.
- Amazon.com, Inc. (AMZN) is the second worst-performing security in the IMP portfolio, with a return contribution of -2.82%. Amazon is in the consumer discretionary sector and the online retailer industry. The reason for Amazon's poor performance relates to the fact that consumer demand has changed from online retail-focused to a more traditional retail demand. On top of that, Amazon has increased its total debt due to some investments that it made in 2022. These two factors are likely the reason that share prices have decreased in 2022. Amazon is likely going to rebound, due to their highly diversified company and their large market share.
- Microsoft Corp. (MSFT) is the third-worst performing security in the IMP portfolio, with a return contribution of -2.40%. MSFT is in the information technology sector and is in the software infrastructure industry. An increased expenditure on acquisitions has caused MSFT's stock price to drop. The most recent acquisition that Microsoft has made was Activision-Blizzard, which, while expensive, is predicted to be a good source of revenue for MSFT as they are one of the top gaming companies. Apart from the increased debt from acquisitions, another major reason their share prices are suffering is high input cost inflation. As a large portion of Microsoft's sales come from their PC sales, the increased cost of materials has forced them to increase the prices of their products, slowing sales revenue.
- Accenture PLC Class A (ACN) is the fourth worst performing security in the IMP portfolio, with a return contribution of -1.96%. ACN is in the information technology sector and the information technology services industry. ACN has suffered from attrition among its employees. In tangent with the worker shortage of 2022, the company has struggled to meet deadlines and has sometimes been known to make weak promises. One example of this can be seen from the \$32 million-dollar lawsuit from Hertz (In 2019) in which they stated that Accenture did not follow through on their promises for a website redesign. This is the biggest risk seen with Accenture, and a shortage of highly skilled workers may only further exasperate this problem.
- Apple Inc. (AAPL) is the fifth worst-performing security in the IMP portfolio, with a return contribution of -1.88%. AAPL is in the information technology sector as well as the consumer electronics industry. The main reason that AAPL stock has fallen is due to the lackluster sales performance of their iPhone 14. It had severely underperformed compared to their other product lines. They were forced to cut down the production of the lower-quality models by approximately six million units in the second half of 2022. The stock of AAPL is anticipated to rebound and meet its revenue and growth estimates for the most recent quarter of 2023.

Transactions

The 2022 IMP class made nine buying transactions for a total value of \$33,293.87. The class also made four selling transactions for a total value of \$15,705.02. The class moved into purchasing multiple Treasury inflation-protected securities (TIPS) by selling the ETFs held at the time to resist against the foreseen rising inflation.

Sell Transactions

Trade	Date	Shares	Price	Value	Ticker
Bristol-Meyers Squibb Co.	3/2/2022	30	\$68.79	\$2,063.55	BMY
iShares Preferred & Income Securities ETF	4/11/2022	128	\$35.11	\$4,494.08	PFF
Incesco Preferred ETF	4/11/2022	330	\$13.00	\$4,288.35	PGX
Vanguard Short-Term Inflation-Protected Securities Index Fund ETF	4/20/2022	96	\$50.62	\$4,859.04	VTIP

Buy Transactions

Trade	Date	Shares	Price	Value	Ticker
AmerisourceBergen Corp.	3/2/2022	35	\$143.25	\$5,013.75	ABC
Rockwell Automation Inc.	3/22/2022	12	\$274.28	\$3,291.36	ROK
Digital Realty Trust Inc.	3/31/2022	14	\$144.80	\$2,027.20	DLR
Boise Cascade Co.	3/31/2022	28	\$ 71.56	\$2,003.68	BCC
Omnicom Group Inc.	4/4/2022	36	\$ 81.90	\$2,948.40	OMC
SPDR Portfolio TIPS ETF	4/25/2022	153	\$ 29.50	\$4,513.44	SPIP
SPDR Bloomberg 1-10 Year TIPS ETF	4/25/2022	221	\$ 20.38	\$4,503.45	TIPX
FlexShares iBoxx 3-Year Target Duration TIPS Index Fund	4/25/2022	175	\$ 25.74	\$4,503.63	TDTT
PIMCO 1-5 Year U.S. TIPS Index Exchange-Traded Fund	4/25/2022	83	\$ 54.08	\$4,488.96	STPZ

Dividends

The total dividends received in 2022 is \$5,599.52. The dividend income is primarily used to fund the annual \$5,000 IMP scholarship. By attaining such dividends year after year, the IMP scholarship remains fully funded.

Month	Equity	ETF	Total
January	\$ 54.61	\$ -	\$ 54.61
February	\$ 258.42	\$ 95.20	\$ 353.62
March	\$ 457.17	\$ 73.83	\$ 531.00
April	\$ 119.05	\$ 158.07	\$ 277.12
May	\$ 267.01	\$ 244.56	\$ 511.57
June	\$ 570.80	\$ 321.83	\$ 892.63
July	\$ 158.40	\$ 162.20	\$ 320.60
August	\$ 267.01	\$ 305.93	\$ 572.94
September	\$ 496.46	\$ 347.62	\$ 844.08
October	\$ 150.59	\$ 35.38	\$ 185.97
November	\$ 275.54	\$ 30.71	\$ 306.25
December	\$ 551.79	\$ 197.34	\$ 749.13
Total	\$3,626.85	\$1,972.67	\$5,599.52

Moving Forward

As we move into 2023, our class has decided to take a much more defensive stance with our portfolio. Between the inverted yield curve, rising consumer debt and extremely low levels of consumer savings, high levels of inflation, rising interest rates, and leading economic indicators dropping to levels only seen in prior recessions, our class has come to the conclusion we need to prepare our portfolio for the recession stage of the economic cycle. Since our economic outlook for the market is so pessimistic, we do not feel that there is much opportunity to invest for growth, and instead will invest from a very defensive standpoint in attempts to protect our capital from significant loss. We will do this by overweighting defensive sectors such as healthcare and materials and underweighting cyclical sectors such as information technology and the finance sectors. As a class we also feel that prior classes have strayed too conservative, and we plan on looking at less conventional investment opportunities, such as inverse ETFs and foreign markets, in attempts to protect our portfolio if the recession were to cause significant losses throughout the market. We also believe that the portfolio contains too many large cap stocks, that do not have much room for growth, that we plan on selling to create capital to create capital to build our defensive position. Moving forward we are hoping the next classes will sell off our defensive stocks and take advantage of the potentially discounted prices the recession will bring and build the portfolio through value stocks, especially small to mid-cap value stocks with significant room for growth, which have generated to best returns for the portfolio in the past.

Target Asset Allocation and Security Selection

The spring 2023 class has decided to change the target asset allocations from previous classes and overweight fixed income. Specifically, our target asset allocation will be 22% fixed income and 78% equity and 0% cash. The benchmark we attempting to beat consists of 80% S&P 500 and 20% Bloomberg U.S. Aggregate Bond Index. We plan on underweighting equity compared to the benchmark, as we expect low or negative returns from the stock market in the short to mid-terms. We expect these negative returns because we expect earnings to decrease significantly since consumers currently have extremely low levels of savings and are being squeezed by both inflation and high interest rates. The disposable income of consumers being so low means less money will be flowing through the economy and business will not be able to grow. We are also aware of the effects that rising interest rates generally have on long-term bonds, and believe since inflation continues to be an issue, interest rates are not likely to fall. Due to this, we plan on allocating 5% of our bond portfolio to very short-term fixed income, to generate a return instead of simply holding cash. This equates to only 17% of our portfolio for mid to long-term bonds. We are looking to underweight both long term bonds and equity in attempts to defend our portfolio and beat the benchmarks return.

Target Equity Sector Weights

After individual sector analysis and each analyst recommended a target weight. Then after class discussion, target investment weights were chosen for each of the eleven equity sectors. The class determined whether to under- or overweight a sector based on four factors, including a sector's performance relative to the stage of the business cycle, return momentum, financial fundamentals, and valuation. For each sector, the portfolio managers recommended to underweight, overweight, or market weight the sector relative to the S&P 500 Index.

Target Equity Sector Allocation				
Sector	IMP Weight	S&P 500 Weight	Target Weight	Over- or Underweight
Communication Services	8.8%	7.7%	7.0%	Underweight
Consumer Discretionary	6.9%	10.5%	8.5%	Underweight
Consumer Staples	5.9%	6.6%	8.0%	Overweight
Energy	4.8%	5.0%	7.0%	Overweight
Financials	10.9%	11.7%	9.0%	Underweight
Health Care	19.8%	14.5%	18.0%	Overweight
Real Estate	2.5%	2.8%	2.5%	Underweight
Industrials	8.9%	8.4%	8.5%	Overweight
Information Technology	26.4%	27.2%	25.0%	Underweight
Materials	3.2%	2.7%	3.5%	Overweight
Utilities	1.9%	2.9%	3.0%	Overweight

The chart above displays the IMP portfolio's sector weights, the S&P 500 Index's sector weights, and the sectors' target weights. The class had decided to overweight Consumer Staples, Energy, Health Care, Industrial, Materials, and Utilities relative to the S&P 500. The class decided to underweight Communication Services, Consumer Discretionary, Financials, Real Estate, and Information Technology relative to the S&P 500.

COMMUNICATION SERVICES - UNDERWEIGHT

Sector Overview

Communication Services is the newest Global Industry Classification Standard Sector recognized by our benchmark, the S&P 500 Index. This sector takes the place of the former telecommunications sector and has captured pieces of the information technology and consumer discretionary sectors. This sector is comprised of companies that provide communication services through fixed-line, cellular, wireless, high bandwidth, and/or fiber optic cable network. Additionally, companies within this sector provide internet services such as access, navigation, and internet-related software and services. The reason for this adjustment in the GICS stems from the mergers and acquisitions of telecom companies by media and internet companies given the massive shifts in the consumer markets. The way consumers define the capabilities of their smartphones has expanded over the last decade and therefore, the sector must adjust to accommodate.

Diversified Telecommunication Services: This industry consists of alternative carriers, providers of communications, and high-density data transmission services. It also includes Integrated communication Services, operators of primarily fixed-line telecommunications networks, and companies providing both wireless and fixed-line communications services not classified elsewhere.

Entertainment: This industry contains movies and entertainment along with interactive home entertainment. The most notable items of interest in this industry are gaming and movie-producing companies.

Interactive Media and Services: This industry includes companies engaged in content and information creation or distribution. These are companies where revenues are derived from pay-per-click advertising, which is common among search engines, social media platforms, online classifieds, and online review companies.

Media: This industry is made up of four sub-categories which are advertising, broadcasting, cable & satellite, and publishing. Major companies within media are commonly found as major networks, news outlets, and agents of advertising mediums.

Wireless Telecommunication Services: This industry includes providers of cellular and wireless telecommunication services. Mobile service carriers and providers make up this industry.

Performance*	1-Year	3-Year	5-Year
Sector	-39.08%	-4.25%	-1.26%
S&P 500	-18.11%	7.66%	9.42%

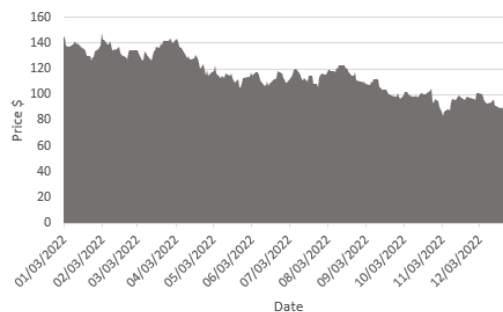
*Annualized Returns

ALPHABET INC. (NASDAQ: GOOG)

Market Cap: \$1.15T	Sector: Communication Services	Industry: Interactive Media and Services	Stock Type: Large Growth	Price (12/30/2022): \$88.73 52-Week Range: \$83.49 - \$148.04	Holding Return: -40.6%
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Business Summary

Alphabet Inc is a holding company and is the parent company to the internet media giant, Google. Alphabet is a collection of businesses, such as Google Play, Google Cloud, YouTube, and more. Some of its core products and platforms include Android, Chrome, hardware, Gmail, and Google Drive. It is committed to developing products that will improve and benefit the lives of millions of people worldwide. Alphabet provides its users with the opportunity to discover and create new digital content such as watching videos, playing games, listening to music, reading books, and using apps. It constantly strives to improve user capabilities while enhancing and discovering new ideas or technologies.



Investment Rationale/Risk

- A significant portion of Alphabet Inc.'s revenue comes from advertising. There is a possibility of a loss of partners, new ad-blocking technology, or other risks that could negatively impact their revenue.
- Alphabet Inc. faces a multitude of challenges and competition due to the rapid change of new and disruptive technologies. Failure to keep up with this constant development is a continuous challenge for Alphabet Inc.
- Alphabet is continuously expanding and developing new ways to improve its company. It continues to invest in India's telecommunications sector to increase access to smartphones, support new business models, and help companies on their digital transformation journey.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-1.03	29.10	31.03	65.17	-38.67
Return on Assets %	14.29	13.50	13.52	22.40	16.55
Return on Equity %	18.62	18.12	19.00	32.07	23.62
Net Profit Margin %	22.46	21.22	22.06	29.51	21.20
Total Asset Turnover	0.64	0.64	0.61	0.76	0.78
Financial Leverage	1.31	1.37	1.44	1.43	1.43
Operating Profit Margin %	22.94	22.20	22.59	30.55	26.46
Revenue Growth %	23.42	18.30	12.77	41.15	9.78
Operating Income Growth %	8.69	14.45	14.74	90.94	-4.92
EPS Growth %	142.78	12.49	19.22	91.43	-18.72

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	12.38	8.60
Next Year	20.90	27.30
Past 5 Years	20.30	11.90
Next 5 Years	14.10	21.80

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	38.86	28.70	33.88	27.89	17.64
P/B	4.24	4.72	5.56	7.83	4.50
P/S	5.62	6.04	7.04	8.23	4.18
P/CF	16.12	17.63	21.26	22.02	12.70

Industry Peers

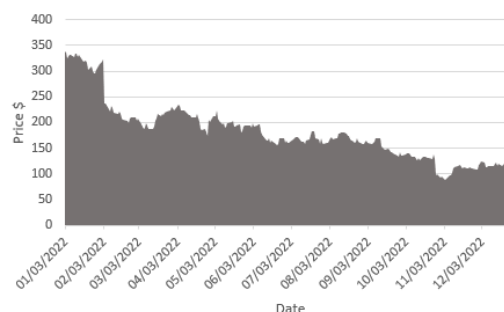
	Return %	ROE %
Amazon.com Inc	-49.62	-1.92
Apple Inc	-26.32	175.46
Microsoft Corp	-27.94	47.15

Meta Platforms (NASDAQ: META)

Market Cap: \$315.56B	Sector: Communication Services	Industry: Interactive Media and Services	Stock Type: Large Core	Price (12/30/2022): \$120.34 52-Week Range: \$88.91 - \$344.46	Holding Return: -18.7%
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Business Summary

Meta Platforms operates as a social networking company worldwide. The company engages in the development of social media applications for people to connect through mobile devices, personal computers, and other surfaces. Some of their most well-known platforms are Facebook, Instagram, Messenger, and WhatsApp. It focuses on the development and continuous innovation of creating and improving products that are social by design. Their products are designed to place people and their social interactions at the core of the product experience. Meta Platforms has now branched into virtual reality products which help people feel more connected anytime and anywhere despite the distance.



Investment Rationale/Risk

- The expansion into virtual reality as a social media platform may offer increased revenue opportunities. However, it is a newer technology, that not all users may have the accessibility or knowledge to use.
- Government restrictions are always a potential risk for Meta Platforms. The complex and constantly evolving U.S. and foreign privacy data usage and protection could impact Meta's products and advertising revenue.
- Facebook is one of the top social media platforms with almost 2.9 billion users around the globe.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-25.71	56.57	33.09	23.13	-64.22
Return on Assets %	24.32	16.02	19.92	24.21	13.19
Return on Equity %	27.90	19.96	25.42	31.10	18.52
Net Profit Margin %	39.60	26.15	33.90	33.38	19.90
Total Asset Turnover	0.61	0.61	0.59	0.73	0.66
Financial Leverage	1.16	1.32	1.24	1.33	1.48
Operating Profit Margin %	44.62	33.93	38.01	39.65	24.82
Revenue Growth %	37.35	26.61	21.6	37.18	-1.12
Operating Income Growth %	23.31	-3.72	36.21	43.1	-38.09
EPS Growth %	40.45	-15.06	56.92	36.47	-37.62

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	-1.83	13.30
Next Year	19.07	18.30
Past 5 Years	11.10	16.50
Next 5 Years	10.40	22.30

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	19.74	32.89	31.11	24.06	11.48
P/B	4.66	6.23	6.61	6.91	2.19
P/S	7.42	8.88	9.97	8.63	2.79
P/CF	13.14	19.96	23.30	18.08	6.10

Industry Peers

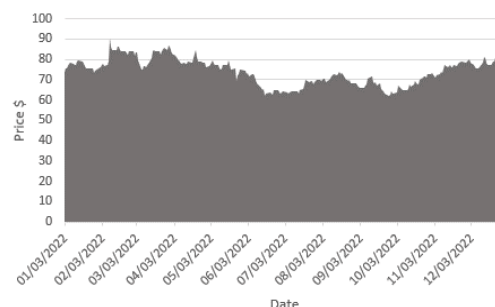
	Return %	ROE %
Alphabet, Inc. Class A	-39.09	23.62
Verizon Communications, Inc.	-19.22	24.58
Snap, Inc. Class A	-80.97	-44.88

Omnicom Group Inc. (NYSE: OMC)

Market Cap: \$16.63B	Sector: Communication Services	Industry: Interactive Media and Services	Stock Type: Mid Value	Price (12/30/2022): \$81.57 52-Week Range: \$61.92 - \$90.12	Holding Return: -0.4%
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Business Summary

Omnicom Group Inc. is a holding company and is a leading global marketing and corporate communications company. It engages in the management and provision of advertising agencies and deals with a large range of services. It offers advertising, marketing, and corporate communication services. The company's services include advertising, branding, content markets, corporate social responsibility consulting, crisis communications, custom publishing, data analytics, database management, digital/direct marketing, digital transformation, entertainment marketing, experiential marketing, field marketing, and more. Omnicom's branded networks and numerous specialties provide a variety of services to over 5,000 clients in more than 70 countries.



Investment Rationale/Risk

- The interactive media and services industry typically is affected by economic conditions. Therefore, Omnicom Group may have material effects due to adverse economic conditions, such as a recession where advertising spending is decreased.
- Omnicom Group has negatively been impacted by the war in Ukraine and its current results of operations and financial position. This could adversely impact their business and the results of operations and financial position in the future.
- Omnicom Group operates in a highly competitive industry and competes globally with national and regional advertising and marketing services companies. Therefore, it needs to continuously be updating and innovating new strategies. Such as the rapid development and integration of interactive technologies and media.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	3.86	14.17	-19.81	21.97	15.15
Return on Assets %	5.35	5.21	3.47	5.02	4.69
Return on Equity %	51.39	49.59	31.84	44.31	39.84
Net Profit Margin %	8.67	8.96	7.18	9.85	9.09
Total Asset Turnover	0.62	0.58	0.48	0.51	0.52
Financial Leverage	9.66	9.38	8.96	8.69	8.30
Operating Profit Margin %	13.95	14.19	12.14	15.38	14.58
Revenue Growth %	0.11	-2.20	-11.92	8.49	0.00
Operating Income Growth %	3.58	-0.53	-24.67	37.47	-5.21
EPS Growth %	25.38	3.95	-27.89	49.43	-2.60

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	1.30	13.90
Next Year	4.84	23.60
Past 5 Years	5.80	4.80
Next 5 Years	4.40	7.20

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	14.19	13.64	14.11	11.41	13.11
P/B	6.89	7.14	5.08	4.67	6.02
P/S	1.09	1.21	1.00	1.12	1.19
P/CF	8.66	10.42	9.48	6.04	11.71

Industry Peers

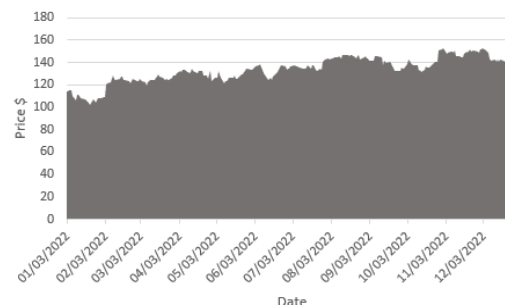
	Return %	ROE %
The Interpublic Group of Companies Inc.	-7.96	26.15
Publicis Groupe SA	-2.75	13.53
Dentsu Group Inc.	-14.38	7.31

T-MOBILE US, INC. (NASDAQ: TMUS)

Market Cap: \$174.18B	Sector: Communication Services	Industry: Wireless Telecommunication Services	Stock Type: Large Growth	Price (12/30/2022): \$140.00	Holding Return: 20.5%
				52-Week Range: \$101.62 - \$152.41	

Business Summary

T-Mobile US, Inc., provides mobile communications services in the United States, Puerto Rico, and the United States Virgin Islands. It offers products such as voice, messaging, and data services to customers in the postpaid, prepaid, and wholesale and other services. The company also provides wireless devices, including smartphones, wearables, tablets, home broadband routers, and other mobile communication devices. It continues to expand its footprint and improve the quality of its network and enhance its consumer's wireless experience.



Investment Rationale/Risk

- T-Mobile is the leader in the 5G network and is continuing research and development to expand coverage in the U.S.
- T-Mobile acquired Octopus Interactive; a company focused on interactive video screens inside rideshare vehicles. This deal will aid in the expansion of T-Mobile's advertising business.
- Due to the sensitive information and data acquired by the company, T-Mobile is subjected to persistent cyberattacks and threats which puts both customers and employees at risk.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	0.16	23.28	71.96	-13.99	20.71
Return on Assets %	4.04	4.35	2.13	1.49	1.24
Return on Equity %	12.22	12.96	6.51	4.50	3.73
Net Profit Margin %	6.67	7.71	4.48	3.77	3.26
Total Asset Turnover	0.61	0.56	0.48	0.39	0.38
Financial Leverage	2.93	3.02	3.06	2.99	3.03
Operating Profit Margin %	12.26	12.72	10.31	8.60	10.19
Revenue Growth %	6.66	3.90	52.00	17.14	-0.68
Operating Income Growth %	14.10	7.78	23.28	-2.30	17.63
EPS Growth %	-35.38	19.64	-34.08	-9.06	-14.52

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	223.79	19.50
Next Year	37.63	17.00
Past 5 Years	-3.00	-7.90
Next 5 Years	31.50	15.80

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	11.12	20.16	50.89	43.6	114.75
P/B	2.22	2.42	2.60	2.12	2.46
P/S	1.29	1.52	2.38	1.83	2.20
P/CF	6.90	10.83	21.28	10.11	11.40

Industry Peers

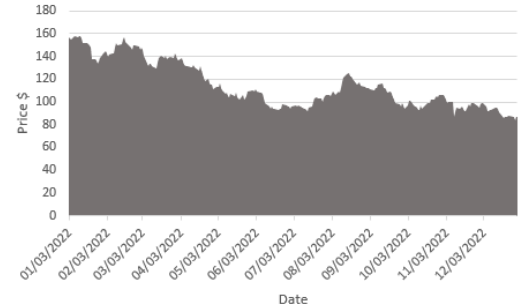
	Return %	ROE %
AT&T Inc	-1.33	-6.62
Comcast Corp Class A	-28.41	6.07
Verizon Communications Inc	-19.22	24.58

The Walt Disney Co. (NYSE: DIS)

Market Cap: \$158.43B	Sector: Communication Services	Industry: Entertainment	Stock Type: Large Growth	Price (12/30/2022): \$86.88	Holding Return: -27.5%
				52-Week Range: \$84.17 - \$157.89	

Business Summary

The Walt Disney Company operates through two segments, Disney Media, and Entertainment Distribution; and Disney parks, Experiences, and Products. The company engages in film and episodic television content production and distribution activities, as well as operates television networks such as Disney, ESPN, Freeform, National Geographic, and others. It also offers direct-to-consumer streaming services through Disney+, Disney+ Hotstar, ESPN+, Hulu, and Star+; sale/licensing of film and television content to third-party television and subscription video-on-demand services. The company also operates theme parks and resorts in many different locations such as the United States, Paris, and Hong Kong. They also offer a Disney Cruise line and a Disney Vacation Club.



Investment Rationale/Risk

- The adverse impacts of Covid-19 on The Walt Disney Company will continue for an unknown length of time and may continue to impact certain key sources of revenue.
- Disney's direct-to-consumer (DTC) business has given them an edge with its streaming services growing faster than predicted. Disney+ global subscriber base totals around 100 million far surpassing initial expectations of 60-90 million.
- Disney heavily relies on consumer tastes and preferences for entertainment and consumer products which are often unpredictable and can change frequently. Failure to create entertainment and products that do not meet these preferences could greatly impact the company's revenue.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	3.59	33.51	25.27	-14.51	-43.91
Return on Assets %	12.96	7.56	-1.45	0.98	1.54
Return on Equity %	27.97	16.06	-3.32	2.32	3.43
Net Profit Margin %	21.20	15.89	-4.38	2.96	3.80
Total Asset Turnover	0.61	0.48	0.33	0.33	0.41
Financial Leverage	2.02	2.18	2.41	2.30	2.14
Operating Profit Margin %	24.96	17.03	5.80	5.43	8.18
Revenue Growth %	7.79	17.05	-6.01	3.10	22.70
Operating Income Growth %	6.95	-20.13	-67.99	-3.56	85.02
EPS Growth %	46.92	-20.57	-	-	57.80

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	11.90	-9.00
Next Year	37.22	16.90
Past 5 Years	-10.60	-13.00
Next 5 Years	10.20	18.00

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	13.12	23.07	-	139.54	49.65
P/B	3.35	2.90	3.92	3.18	1.67
P/S	2.78	3.46	5.01	4.20	1.92
P/CF	11.56	36.48	43.00	50.86	26.41

Industry Peers

	Return %	ROE %
Paramount Global Class B	-40.89	14.54
Comcast Corp Class A	-28.41	6.07
Netflix Inc	-51.04	24.53

CONSUMER DISCRETIONARY- UNDERWEIGHT

Sector Overview

The consumer discretionary sector contains eleven industries of businesses that sell nonessential products and services where the demand is typically more elastic. The performance of the sector is heavily tied to the economic cycle, more specifically, consumer confidence and discretionary income. As of recent, the sector is seeing a shift to online shopping and electric vehicles. There are also challenges with inflation, price of goods, supply chain issues, and labor shortages in some industries, which reflect on the performance of holdings in our portfolio.

Auto Components: The auto components industry consists of companies that supply various auto parts. The industry is highly competitive and cyclical, causing demand to fluctuate and high volatility in the industry's profitability. The industry is also very reliant on the ever-changing cost of raw materials such as copper and steel.

Automobile: The automobile industry designs, produces, and markets cars, trucks, and other types of land vehicles. The automobile industry's demand is highly sensitive to the economic cycle and is one of the most capital-intensive industries with high fixed costs. Because of this, the profit margins within the industry can be highly volatile.

Diversified Consumer Services: The diversified consumer services industry consists of companies that provide specialized services that are not classified elsewhere. One example of a diversified consumer service would be H&R Block, Inc. (HRB), who offers tax services to consumers and businesses.

Distributors: The distributor industry includes distributors and wholesalers of general merchandise not classified elsewhere, including apparel, replacement parts, and wholesale electronics.

Household Durables: The household durables industry manufactures products that cannot be consumed immediately and are purchased infrequently. Some examples would be appliances, and home and office furnishings.

Hotels, Restaurants and Leisure: This industry contains hotels, fast food restaurants, resorts, casinos, cruises, and other leisure activities. Furthermore, hotels and restaurants tend to pursue franchise business models.

Internet and Catalog Retail: The internet and catalog retail industry consist of companies who operate through online marketplaces. This industry has been experiencing rapid growth and has been a strong point of our portfolio over the past few years as Amazon.com, Inc. (AMZN) has seen significant growth.

Leisure Products: The leisure products industry contains companies that focus on leisure activities and goods such as outdoor activities, sporting goods, and toys. This industry is tightly tied to consumers' discretionary income and confidence. An example of a company within this industry is Callaway Golf Company (ELY).

Multiline Retail: The multiline retail industry includes operators of department stores and other general merchandise retailers such as large-scale supercenters that exclude food and staples retailing. These companies are typically well-known with an example being Macy's Inc. (M).

Specialty Retail: The specialty retail industry includes retail companies that specialize in selling specific categories of goods to consumers. For example, The Home Depot Inc. (HD) sells home improvement products to consumers.

Textiles, Apparel, and Luxury Goods: Companies within this industry, such as Under Armour, Inc. (UA), manufactures apparel, footwear, and a variety of accessories.

Performance*	1-Year	3-Year	5-Year
Sector	-36.82%	1.16%	11.60%
S&P 500	-18.11%	7.66%	9.42%

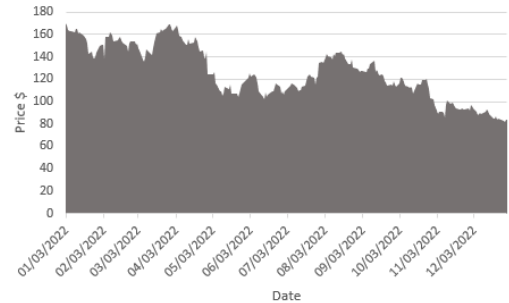
*Annualized Returns

Amazon.com Inc. (NASDAQ: AMZN)

Market Cap: \$856.94B	Sector: Consumer Discretionary	Industry: Internet and Catalog Retail	Stock Type: Large Growth	Price (12/30/2022): \$80.00	Holding Return: 171.7%
				52-Week Range: \$81.82 - \$170.40	

Business Summary

Amazon.com, Inc. was founded in 1994 and is headquartered in Seattle, Washington. Since then, Amazon has become one of the world's highest-grossing online retailers, with \$513.98 billion in revenue for 2022. They operate through the following segments: North America, International, and Amazon Web Services (AWS). It sells general merchandise and digital media content from third-party sellers through its online storefront. Additionally, the AWS segment offers cloud space and cloud computing and allows for other companies to sell their merchandise through Amazon. The company also manufactures and sells electronic devices such as the Fire Tablet, Fire TV, and Echo devices. Two critical sectors for Amazon- AWS and Advertising- grew by 20% and 19% respectively. Giving leeway for Amazon to continue exploring optimization for usage of its cloud system.



Investment Rationale/Risk

- Amazon dominates North American online retail and much of the regions' youth consider it their one-stop-shop for online retailers.
- Amazon has tremendously benefited from the COVID outbreak since it changed consumer behavior. Many things such as pharmacy, luxury goods, and grocery shopping became increasingly popular to do online which allowed Amazon to further its market share.
- One potential downside to Amazon is that they have many side projects in addition to its primary business. As a result, the company accrues large amounts of debt, which has caused them to have negative free cash flows in the past.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	28.43	23.03	76.26	2.38	-49.62
Return on Assets %	6.85	5.97	7.81	9.00	-0.62
Return on Equity %	28.27	21.95	27.44	28.81	-1.92
Net Profit Margin %	4.33	4.13	5.53	7.10	-0.53
Total Asset Turnover	1.58	1.45	1.41	1.27	1.16
Financial Leverage	3.73	3.63	3.44	3.04	3.17
Operating Profit Margin %	5.33	5.18	5.93	5.30	2.38
Revenue Growth %	30.93	20.45	37.62	21.70	9.40
Operating Income Growth %	202.51	17.07	57.48	8.65	-50.77
EPS Growth %	227.48	14.25	81.79	54.94	-

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	157.91	10.70
Next Year	78.00	24.70
Past 5 Years	9.44	1.00
Next 5 Years	46.00	19.20

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	84.10	81.87	95.23	65.21	76.33
P/B	18.85	16.28	19.79	14.08	7.16
P/S	3.39	3.50	4.76	3.74	1.71
P/CF	28.10	26.27	29.95	31.33	21.64

Industry Peers

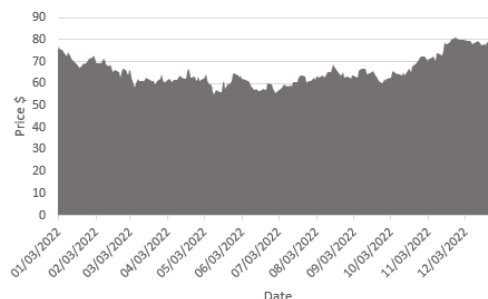
	Return %	ROE %
Walmart Inc	-0.46	16.66
eBay Inc	-36.32	-1.92
Microsoft Corp	-27.94	47.15

TJX Companies, Inc. (NYSE: TJX)

Market Cap: \$83.37B	Sector: Consumer Discretionary	Industry: Multiline Retail	Stock Type: Large Growth	Price (12/30/2022): \$79.60 52-Week Range: \$54.99 - \$81.03	Holding Return: 45.9%
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Business Summary

The TJX Companies, Inc. was founded in 1956 and is headquartered in Framingham, Massachusetts. The company is broken into four segments: Marmaxx, HomeGoods, TJX Canada, and TJX International. Through these segments, TJX Companies is a leading off-price retailer of apparel, home fashions, and other merchandise. It sells a variety of branded goods, opportunistically buying inventory from a network of over 21,000 vendors worldwide. The company operated 4,700 stores at the end of 2022 under the T.J. Maxx, T.K. Maxx, Marshalls, HomeGoods, Winners, Homesense, Winners, and Sierra banners. Furthermore, TJX Companies also operates various e-commerce sites including tjmaxx.com, tkmaxx.com, and sierratradingspost.com.



Investment Rationale/Risk

- TJX Companies' ability to offer brand name apparel items at lower costs than its competitors allow consumers to continue to buy TJX merchandise. This is especially important given the large increase seen in inflation.
- TJX has been able to keep up with the online retailing market as they have begun investing money into an online retail service. However, it is limited given a lack of inventory.
- TJX serves across a large area, including Australia, Canada, the US, and Europe. Given that they serve a very large area, TJX has multiple sources of revenue streams across the world which enhances diversification.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	18.97	38.46	12.22	12.70	6.36
Return on Assets %	19.36	21.56	17.01	0.33	11.08
Return on Equity %	54.00	60.01	59.51	1.54	55.47
Net Profit Margin %	7.27	7.85	7.84	0.28	6.76
Total Asset Turnover	2.66	2.75	2.17	1.17	1.64
Financial Leverage	2.73	2.84	4.06	5.28	4.74
Operating Profit Margin %	11.12	10.82	10.59	1.81	9.76
Revenue Growth %	8.08	8.67	7.04	-22.96	51.07
Operating Income Growth %	3.58	5.79	4.69	-86.82	716.68
EPS Growth %	16.76	20.30	9.88	-97.38	3757.14

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	9.50	-6.50
Next Year	14.10	11.40
Past 5 Years	6.12	9.60
Next 5 Years	11.90	10.50

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	18.34	24.04	111.95	34.67	27.83
P/B	10.50	13.26	14.73	14.05	16.24
P/S	1.46	1.85	2.46	2.05	1.92
P/CF	15.86	21.61	12.71	41.84	43.51

Industry Peers

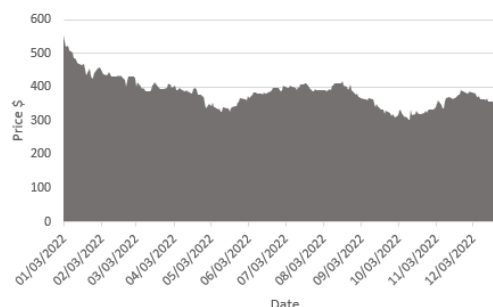
	Return %	ROE %
Macy's Inc.	-18.72	43.53
Ross Stores Inc.	2.65	46.87
Burlington Stores Inc.	-30.44	66.74

Domino's Pizza, Inc. (NYSE: DPZ)

Market Cap: \$10.98B	Sector: Consumer Discretionary	Industry: Restaurants	Stock Type: Mid Core	Price (12/30/2022): \$346.40 52-Week Range: \$301.76 - \$553.22	Holding Return: -11.9%
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Business Summary

The company was founded in 1960 and is headquartered in Ann Arbor, Michigan. Domino's Pizza, Inc., through its subsidiaries, operates as a pizza delivery company in the United States and internationally. It operates through three segments: U.S. stores, international franchises, and supply chains. The company offers pizzas under the Domino's brand name through company-owned and franchised stores. They operate approximately 18,848 stores in over 90 markets. Their revenue has increased by approximately 7%, with their TTM revenue being \$4,488 million. Dominos has the largest international presence out of all its competitors, including Papa John's, Pizza Hut, and Little Caesar's. With consumers spending approximately 4-5% more on take-out restaurants, Domino's has good profit prospects for future years.



Investment Rationale/Risk

- Domino's relentless pursuit of core process automation and data-driven decision-making strengthens its brand, with the firm's competitive advantage built around a database that features 20 years of customer data. These innovations have pushed operational, financial, and customer experience improvements.
- Domino's Pizza, Inc. operates in four major business segments, with the majority being its supply chain. Despite the disruptions from the COVID pandemic, they have still been able to grow their overall revenue.
- Shortages of workers pose a key issue for Dominos. A lack of workers in tandem with a push for higher wages could seriously hinder Dominos growth potential as input costs continue to rise.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	32.40	19.51	31.59	48.15	-37.84
Return on Assets %	41.51	35.00	33.32	31.52	26.37
Return on Equity %	-	-	-	-	-
Net Profit Margin %	10.54	11.07	11.93	11.72	10.02
Total Asset Turnover	3.94	3.16	2.79	2.69	2.63
Financial Leverage	-	-	-	-	-
Operating Profit Margin %	16.65	17.39	17.62	17.91	16.53
Revenue Growth %	23.13	5.42	13.78	5.83	7.07
Operating Income Growth %	9.68	10.10	15.29	7.55	-1.60
EPS Growth %	43.22	14.49	29.60	9.28	-13.89

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	-10.90	8.50
Next Year	16.70	18.90
Past 5 Years	15.72	5.20
Next 5 Years	8.54	14.00

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	31.79	32.82	32.89	42.91	28.05
P/B	-	-	-	-	-
P/S	3.34	3.55	3.93	4.97	2.80
P/CF	28.98	28.28	28.33	30.70	25.15

Industry Peers

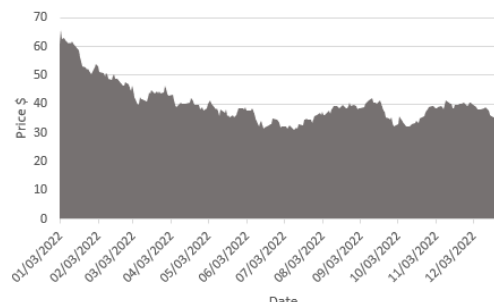
	Return %	ROE %
McDonald's Corp.	0.42	-99.11
Yum Brands Inc.	-6.12	-
Restaurant Brands International Inc.	10.14	42.57

General Motors Co. (NYSE: GM)

Market Cap: \$48.88B	Sector: Consumer Discretionary	Industry: Automotive	Stock Type: Large Value	Price (12/30/2022): \$33.64	Holding Return: -47.9%
				52-Week Range: \$30.87 - \$65.74	

Business Summary

General Motors Co. emerged from the bankruptcy of General Motors Corp. (old GM) in July 2009. GM has eight brands and operates under four segments: GM North America, GM International, Cruise, and GM Financial. The United States now has four brands instead of eight under old GM. Another key difference between old GM, and current GM is their production model. Current GM operates under a demand-pull model, which allows them to more accurately produce cars tailored to consumer demand, and not depreciate the value of the cars they manufacture. GM plans to offer 30 new EVs globally by 2025 and to be carbon neutral by 2040. GM has a majority stake in an autonomous driving company called Cruise which is based in San Francisco. Test driving with zero drivers has already been going on since December of 2020.



Investment Rationale/Risk

- The auto industry has recently seen an increase of competition not just from other vehicle manufacturers such as Tesla but has also seen increased competition from ride sharing apps such as Uber. The prospect for privately owned vehicles is not anticipated to decrease. GM is also well-positioned to compete with electric vehicles via Cruise and OnStar.
- While the shortage of semiconductors for the year of 2022 has been a serious strain on automobile industries, the CHIPS Act passed in 2022 may help alleviate some of the problems facing automobile industries.
- A key ESG risk we see is increasing regulatory scrutiny on combustion vehicles, but we are not worried as electric vehicles such as the GMC Hummer, and over \$35 billion of EV/AV spending across 2020-25. Also, GM has made a promise to only sell EVs by 2035, which may help with the current environmental concerns.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-14.69	13.96	14.81	40.80	-42.32
Return on Assets %	3.60	2.89	2.70	4.10	3.50
Return on Equity %	21.43	16.32	14.39	18.78	13.98
Net Profit Margin %	5.38	4.80	5.10	7.75	5.69
Total Asset Turnover	0.67	0.60	0.53	0.53	0.62
Financial Leverage	5.85	5.46	5.22	4.10	3.89
Operating Profit Margin %	3.02	3.99	5.42	7.34	6.58
Revenue Growth %	1.00	-6.67	-10.75	3.69	23.41
Operating Income Growth %	-55.62	23.31	21.04	40.55	10.62
EPS Growth %	-	-17.36	-5.25	54.73	-8.51

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	-17.50	3.90
Next Year	1.60	9.50
Past 5 Years	7.28	11.20
Next 5 Years	15.70	19.80

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	35.59	5.96	18.67	7.84	5.72
P/B	1.23	1.15	1.35	1.62	0.73
P/S	0.33	0.36	0.52	0.66	0.33
P/CF	2.98	2.99	4.46	5.69	2.86

Industry Peers

	Return %	ROE %
Ford Motor Co.	-41.60	-4.32
Mercedes-Benz Group AG	-10.15	29.84
Bayerische Motoren Werke AG	-5.92	22.77

CONSUMER STAPLES - UNDERWEIGHT

Sector Overview

The consumer staples sector has shown to perform historically well over the periods of late and recessionary stages in the business cycle. The S&P500 index weighs the consumer staples sector at 6.7% as of 12/31/2022 (4.81% of the IMP equity sector). Goods and services rendered from these companies are considered essentials for everyday life. Competition within the sector always remains at a high level, with companies working constantly on product differentiation strategies. This sector is comprised of many red ocean products, which in turn allows for stable returns year-over-year. The consumer staples sector is comprised of six industries: beverages, food & staples retailing, food products, household products, personal products, and tobacco.

Beverages: The beverages Industry in the consumer staples sector includes brewers, distillers & vintners, and soft drinks.

Food & Staples Retailing: The food and staples retailing industry in the consumer staples sector includes drug retail, food distributors, food retail, and hypermarkets & super centers.

Food Products: The food products industry in the consumer staples sector includes agricultural products and packaged foods & meats.

Household Products: The household products industry in the consume staples sector includes producers of non-durable household products (including detergents, soaps, diapers, and other tissue and household paper products not classified in the paper products Industry).

Personal Products: The personal products industry in the consumer staples sector includes manufacturers of personal and beauty care products (including cosmetics and perfumes).

Tobacco: The tobacco industry in the consumer staples sector includes manufacturers of cigarettes and other tobacco products.

Performance*	1-Year	3-Year	5-Year
Sector	-3.32%	5.63%	5.26%
S&P 500	-18.11%	7.66%	9.42%

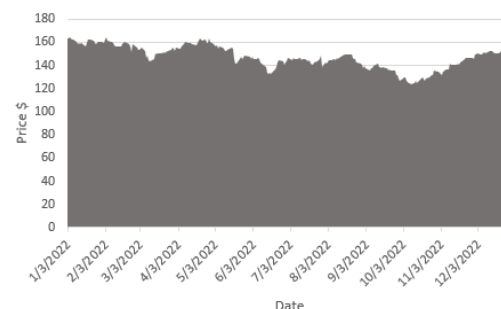
*Annualized Returns

Procter & Gamble (NYSE: PG)

Market Cap: \$330.0679B	Sector: Consumer Staples	Industry: Household & Personal Products	Stock Type: Large Core	Price (12/30/2022): \$151.56 52-Week Range: \$122.18 – \$164.90	Holding Return: 99.0%
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Business Summary

Procter & Gamble is a multinational consumer goods corporation headquartered in Cincinnati, Ohio. The company was founded in 1837 and is now one of the largest and most profitable companies in the world, with a market capitalization of over \$300 billion. P&G operates in a wide range of consumer goods categories, including personal care, home care, and grooming products, and its brands are household names around the world, including Tide, Pampers, Crest, and Gillette. The company has a strong commitment to innovation, with a significant investment in research and development, which has helped it stay ahead of the competition and launch new products in response to changing consumer needs. P&G has a global presence, with operations in over 180 countries and a workforce of around 100,000 employees. Its commitment to sustainability and social responsibility is also evident in its business practices, such as reducing its carbon footprint and supporting community development projects. Overall, Procter & Gamble's continued success is a testament to its focus on innovation, global reach, and commitment to delivering quality products that meet the needs of consumers around the world.



Investment Rationale/Risk

- P&G's portfolio includes some of the industry's most recognizable and trusted brands, such as Tide, Pampers, Crest, and Gillette. These brands enjoy high brand recognition and loyalty from consumers, which translates to consistent revenue streams and market share.
- In times of economic downturn such as the late stage we are in currently, consumers may cut back on their spending on non-essential items such as household and personal care products. This could impact P&G's revenue and profitability, making it a riskier investment in times of economic uncertainty.
- Growing Emerging Markets Presence: P&G has a significant presence in emerging markets, which are expected to grow rapidly in the coming years. Nearly 60% of its sales derived outside the United States. The company's investments in emerging markets have allowed it to capitalize on rising consumer incomes and changing consumer preferences in these regions. P&G's exposure to emerging markets is a positive factor for long-term growth potential.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	3.14	39.09	13.90	20.01	-5.42
Return on Assets %	7.95	3.11	10.83	11.70	12.23
Return on Equity %	17.98	7.45	27.78	30.80	31.69
Net Profit Margin %	14.19	5.37	17.99	18.44	18.03
Total Asset Turnover	0.56	0.58	0.60	0.63	0.68
Financial Leverage	2.31	2.49	2.65	2.62	2.62
Operating Profit Margin %	20.52	20.44	22.14	23.63	22.21
Revenue Growth %	2.73	1.27	4.83	7.28	5.81
Operating Income Growth %	-1.75	0.88	13.55	14.52	8.80
EPS Growth %	-34.35	-61.04	246.85	10.89	59.57

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	0.52	-0.40
Next Year	7.36	8.80
Past 5 Years	8.10	1.60
Next 5 Years	6.10	7.90

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	24.00	79.55	26.6	29.85	24.57
P/B	4.48	6.75	7.24	8.67	7.57
P/S	3.63	4.63	5.03	5.48	4.38
P/FCF	16.38	20.09	20.29	23.13	24.04

Industry Peers

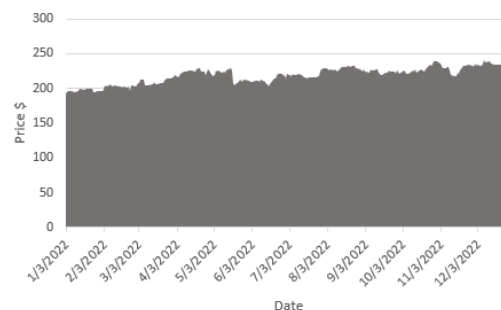
	Return %	ROE %
Colgate-Palmolive CO	-5.50	353.47
Kimberly-Clark Corp	-1.77	364.56
Church & Dwight CO	-20.33	12.31

The Hershey Co. (NYSE: HSY)

Market Cap: \$49.1523B	Sector: Consumer Staples	Industry: Food Products (Confectioners)	Stock Type: Large Growth	Price (12/30/2022): \$231.57 52-Week Range: \$193.09 – \$242.89	Holding Return: 58.2%
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Business Summary

The Hershey Company, commonly known as Hershey's, is an American multinational confectionery company headquartered in Hershey, Pennsylvania. It was founded in 1894 by Milton S. Hershey and has since become one of the largest chocolate manufacturers in the world. The company produces a wide range of chocolate, candy, and gum products, including popular brands such as Hershey's, Reese's, Kit Kat, and Twizzlers. In recent years, Hershey has expanded its product offerings to include healthy snacks and plant-based alternatives, such as KIND bars and Unreal Candy. The company reported net sales of \$10.42 billion in 2022 and has a strong focus on sustainability and social responsibility in its operations.



Investment Rationale/Risk

- Hershey has a strong brand portfolio that includes some of the most recognizable and beloved chocolate and candy brands in the world, such as Hershey's, Reese's, and Kit Kat. These brands enjoy high brand recognition and loyalty from consumers, which translates to consistent revenue streams and market share.
- Hershey's business is dependent on consumer spending, which can be impacted by economic cycles. In times of economic downturn, consumers may cut back on their spending on non-essential items, such as candy and chocolate products. This could impact Hershey's revenue and profitability, making it a riskier investment in times of economic uncertainty.
- Hershey relies on external suppliers for raw materials, packaging, and other inputs. Any disruption in the supply chain due to factors such as natural disasters, pandemics, or geopolitical tensions could impact Hershey's operations and financial results.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-3.15	39.92	5.79	29.25	13.21
Return on Assets %	17.77	14.51	14.81	15.12	15.40
Return on Equity %	101.77	73.28	64.36	59.20	54.31
Net Profit Margin %	15.11	14.4	15.69	16.47	15.79
Total Asset Turnover	1.18	1.01	0.94	0.92	0.98
Financial Leverage	5.51	4.68	4.09	3.78	3.32
Operating Profit Margin %	21.83	21.49	22.21	22.82	21.72
Revenue Growth %	3.67	2.51	2.05	10.08	9.27
Operating Income Growth %	11.06	0.94	5.46	13.09	9.65
EPS Growth %	52.46	-2.15	11.9	16.37	13.39

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	10.21	9.00
Next Year	7.99	8.80
Past 5 Years	11.90	11.90
Next 5 Years	7.70	7.70

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	22.14	24.25	26.72	28.08	30.21
P/B	14.94	18.23	17.12	20.06	14.88
P/S	2.93	3.92	3.98	4.56	4.77
P/FCF	14.94	18.23	17.12	20.06	21.37

Industry Peers

	Return %	ROE %
Mondelez International Inc Class A	2.73	9.85
Nestle SA	-12.56	19.49
Hostess Brands Inc Class A	9.89	9.34

ENERGY – OVERWEIGHT

Sector Overview

The energy sector is comprised of companies which produce and refine oil and gas-based products. The two industries which make up the energy sector are: Energy Equipment & Services and Oil, Gas, & Consumable Fuels. This includes the construction or provision of oil rigs, oil drilling equipment and other energy related services and equipment. Also included in this sector is equipment and services used for seismic data collection. Securities in this sector have historically outperformed the market in mature stages of the business cycle. As of December 30, 2022, the sector made up 5.2% of the S&P 500 index.

Energy Equipment & Services: This industry has a market cap of \$258.84 Billion and is made up of two sub- industries. These two sub-industries are oil and gas drilling and oil and gas equipment and services. The first sub-industry, oil and gas drilling, includes companies which own, operate, and contract the drilling rigs and services needed for wells. The second sub-industry oil and gas equipment and services includes companies which produce the equipment needed for the companies within the sector. The equipment produced includes but is not limited to drilling rigs and supplies used by companies involved in drilling, evaluation, and the completion of oil and gas wells.

Oil, Gas & Consumable Fuels: This industry has a market cap of \$3.30 Trillion and consists of five sub-industries. These include integrated oil and gas, oil and gas exploration and production, oil and gas refining and marketing, oil and gas storage and transportation, and coal and consumable fuels. The first sub-industry, integrated oil and gas, is comprised of companies that conduct exploration of oil and gas and participate in refining, marketing, transportation, or chemical manufacturing. The second sub-industry, oil and gas exploration and production, includes the companies that operate by exploring for and producing oil and gas, but do not fall into any of the other sub-industries. The third sub-industry oil and gas refining and marketing, consists of companies which refine and market oil and gas for sale, but do not conduct oil and gas exploration or production. The fourth sub-industry, oil and gas storage and transportation, consists of companies which transport and/or store oil and gas but are not producers. Examples of oil and gas storage and transportation are pipelines and shipping services. The fifth and final sub-industry is coal and consumable fuels. This sub-industry consists of companies which mine and produce coal, coal-related products, and other consumable fuels.

Performance*	1-Year	3-Year	5-Year
Sector	52.87%	48.53%	19.99%
S&P 500	-18.11%	7.66%	9.42%

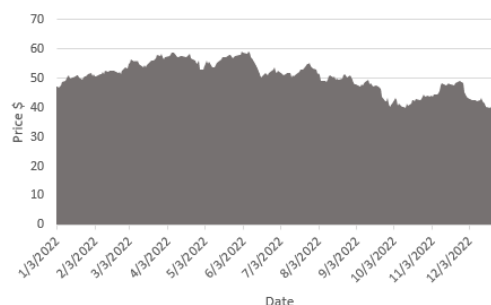
*Annualized Returns

TC Energy Corp. (NYSE: TRP)

Market Cap: \$39.82B	Sector: Energy	Industry: Oil & Gas Midstream	Stock Type: Large Value	Price (12/31/2022): \$39.86 52-Week Range: \$39.65 - \$59.05	Holding Return: -7.1%
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Business Summary

TC Energy is energy infrastructure company focused on energy solutions, natural gas, oil and liquids, and power and storage. The company's energy solutions focus on providing energy efficiency, renewable power through wind, solar, and hydroelectric systems, green feedstocks, and sequestration. TC Energy's natural gas operations include a 57,900-mile pipeline network which supplies more than 25 per cent of the clean-burning natural gas consumed daily across North America. TC Energy also has approximately 3,045 miles of oil and liquids pipeline infrastructure, which connects Canadian oil supplies in Alberta to refining markets in the United States. This includes the Keystone Pipeline System, TC's largest oil and liquids asset which moves 20 per cent of western Canadian crude oil export to key refining markets. Lastly, TC Energy has a high-quality portfolio of long-life energy infrastructure assets invested in seven power generation facilities which generate a combined capacity of approximately 4,200 megawatts.



Investment Rationale/Risk

- TC Energy has strong growth opportunities in both liquefied natural gas and Mexican natural gas.
- TC Energy's Board of Director approved a 3.3% increase in quarterly dividend payments to \$.93 per common share in April of this year. This will increase the dividend yield to 6.5% which beats the industry average.
- TC Energy is witnessing timing and cost overrun issues over large construction projects notably the Coastal Gaslink pipeline. These issues as well as the cancellation of the Keystone XL pipeline are major overhangs.
- A leak in the Keystone pipeline was detected on December 7th in Washington County Kansas. The leak resulted in a spill of 500,000 gallons of crude oil and was caused by a faulty weld and "bending stress fatigue".

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-22.31	55.69	-19.11	21.06	-8.46
Return on Assets %	3.83	4.01	4.47	1.77	2.90
Return on Equity %	15.25	15.25	16.45	6.35	10.31
Net Profit Margin %	25.87	30.00	34.29	13.56	22.08
Total Asset Turnover	0.15	0.13	0.13	0.13	0.14
Financial Leverage	3.90	3.71	3.66	3.50	3.63
Operating Profit Margin %	41.53	43.65	44.65	44.12	40.59
Revenue Growth %	1.71	-3.10	-1.93	2.98	11.88
Operating Income Growth %	25.21	1.85	0.31	1.76	2.93
EPS Growth %	14.29	8.93	11.01	-60.76	-65.59

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	-3.02	1.30
Next Year	-5.30	10.00
Past 5 Years	5.90	20.80
Next 5 Years	4.00	21.20

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	13.41	16.23	10.98	31.07	16.63
P/B	1.87	2.46	1.73	2.01	1.62
P/S	3.24	4.64	3.76	4.36	3.68
P/FCF	7.36	8.80	7.03	8.13	8.63

Industry Peers

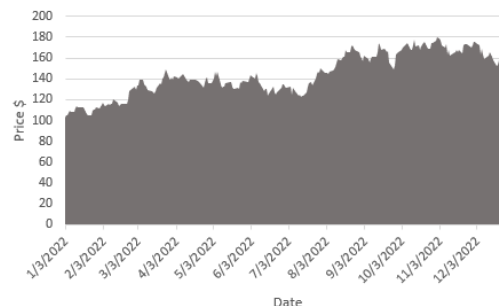
	Return%	ROE %
Williams Companies Inc	-65.88	-
Enbridge Inc	6.85	4.88
Pembina Pipeline Corp	18.38	22.46

Cheniere Energy, Inc. (NYSE: LNG)

Market Cap: \$37.29B	Sector: Energy	Industry: Oil & Gas	Stock Type: Mid Growth	Price (12/31/2022): \$149.96	Holding Return: 134.3%
				52-Week Range: \$101.42 - \$179.86	

Business Summary

Cheniere Energy, Inc. is an international energy company headquartered in Houston, Texas. They also operate offices in London, Singapore, Washington, Beijing, and Tokyo. The company produces liquefied natural gas (LNG), and since beginning operations in 2016, they have become the largest producer of LNG in the United States and second largest in the world. Cheniere's energy infrastructure represents a more than \$38 billion investment in the future of energy and has established industry records for its ability to bring new liquefaction units online ahead of schedule. The firm is operating, constructing, and developing two LNG facilities on the Gulf Coast which safely and reliably process billions of cubic feet of natural gas per day into LNG. The LNG is then loaded onto insulated ships which keeps the product cold and allows for export into global markets.



Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	9.94	3.18	-1.70	69.5	49.23
Return on Assets %	1.57	1.92	-0.24	-6.25	3.55
Return on Equity %	-	-	-	-	-
Net Profit Margin %	5.90	6.66	-0.91	-14.77	
Asset Turnover	0.27	0.29	0.26	0.42	0.42
Financial Leverage	-	-	-	-	-
Operating Profit Margin %	25.44	24.5	28.18	-4.39	-4.39
Revenue Growth %	42.60	21.82	-3.82	69.62	69.62
Operating Income Growth %	43.81	17.31	10.61	-	-
EPS Growth %	-	32.11	-	-	-

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	164.54	-8.10
Next Year	-25.07	5.70
Past 5 Years	-	43.40
Next 5 Years	-	28.50

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	26.78	-	14.75	-	-
P/B	-	-	-	-	-
P/S	1.95	1.72	1.60	2.12	1.23
P/FCF	7.79	9.95	10.18	10.03	4.75

Investment Rationale/Risk

- At \$600-\$700/ton for incremental capacity expansion projects, Cheniere has some of the lowest-cost LNG projects on the global-cost curve, well below the U.S. average of \$800/ton
- 85% of Cheniere's expected aggregate LNG production capacity, completed or under-construction is contracted through long-term take-or-pay agreements with creditworthy counterparts. This gives Cheniere stability and opportunity long-term while allowing the ability to capitalize on market opportunities driven by short-term natural gas supply and demand in worldwide markets.
- U.S. gas supply is not the lowest-cost global gas available at \$3.30/mcf, compared to Qatar at \$1.50/mcf. Though because U.S. gas costs are more variable than stranded offshore projects, U.S. gas supply is likely to be the marginal supplier of global gas.

Industry Peers

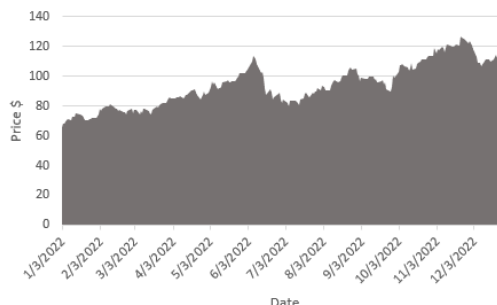
	Return %	ROE %
Williams Companies Inc	-65.88	-
Kinder Morgan Inc.	20.95	8.24
Cheniere Energy Partners LP	43.82	-

Marathon Petroleum Corp. (NYSE: MPC)

Market Cap: \$54.55B	Sector: Energy	Industry: Oil & Gas Refining & Marketing	Stock Type: Large Core	Price (12/31/2022): \$116.39 52-Week Range: \$63.99 - \$126.60	Holding Return: 71.2%
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Business Summary

Marathon Petroleum Corporation is an independent refiner with 13 refineries in the midcontinent, West Coast, and Gulf Coast of the United States. The company operates the nation's largest refining system with an output of approximately 2.9 million barrels per calendar day of crude oil. Its refineries are integrated with each other via pipelines, terminals, and barges to maximize operating efficiency. Marathon Petroleum Corporation's midstream segment includes the operations of MPLX LP, a limited partnership which transports, stores, distributes, and markets crude oil and refined products via logistics assets, pipelines, terminals, towboats, and barges. In addition to oil, MPLX LP gathers, processes, and transports natural gas and gathers, transports, fractionates, stores, and markets natural gas liquids. On the retail end, Marathon has gas stations located across the United States and Mexico.



Investment Rationale/Risk

- European natural gas prices are likely to remain structurally higher, underpinning higher midcycle Atlantic Basin refining margins, benefiting U.S. refiners like Marathon.
- Closure of lower-quality refineries and investment in renewable diesel leaves Marathon in a better competitive position long-term.
- The growth of MPLX relies on investment in gathering and producing assets, which depends on continued drilling and thus increases its commodity-price exposure relative to other refiner MLPs.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-7.78	5.69	-27.5	60.32	85.78
Return on Assets %	3.91	2.75	-10.7	11.42	16.55
Return on Equity %	11.29	7.66	-35.16	40.23	53.81
Net Profit Margin %	2.88	2.13	-14.08	8.11	8.18
Total Asset Turnover	1.36	1.29	0.76	1.41	2.02
Financial Leverage	2.64	2.93	3.84	3.26	3.24
Operating Profit Margin %	5.36	4.9	-3.71	3.18	11.13
Revenue Growth %	29.13	28.44	-43.7	71.94	47.90
Operating Income Growth %	41.66	17.33	-	-	416.96
EPS Growth %	-21.19	-24.81	-	-	85.76

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	-31.96	-13.80
Next Year	-39.72	-5.20
Past 5 Years	42.70	30.70
Next 5 Years	26.40	11.30

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	7.48	12.98	-	87.66	5.23
P/B	2.65	1.16	1.20	1.31	2.07
P/S	0.33	0.33	0.29	0.40	0.37
P/FCF	4.52	4.18	7.68	20.62	4.09

Industry Peers

	Return%	ROE %
Valero Energy Corp.	74.12	47.68
Phillips 66	48.92	44.87
PBF Energy Inc.	215.96	83.93

FINANCIALS – UNDERWEIGHT

Sector Overview

The financial sector of the economy is made up of firms that provide financial services to individuals, businesses, and governments. These include banks, insurance companies, and other intermediaries that facilitate the flow of capital and promote economic growth. In 2022, the financial sector had a -12.42% return, however overperformed the S&P 500 Index by about 5.69%. Historically the financial sector heavily underperforms the market during recession stages of the economy.

Banks: The banking industry consists of a network of financial institutions that provide a range of financial products and services to customers. These include accepting deposits, making loans, and providing services such as investment banking and risk aversion. Banks are regulated by national or regional Governments to ensure the safety and soundness of the financial system. The industry is rapidly evolving with the increasing use of digital technologies, and the emergence of new fintech companies is challenging traditional banking models.

Capital Markets: The Capital Markets industry includes asset management and custody banks, investment banking and brokerages, and diversified capital markets. This method of operation pertains to the activities of gathering funds from parties, then lending the capital earned to other parties who need the additional cash flow. The main function is to optimize the efficiency of transactions and to avoid needing legal involvement.

Consumer Finance: The consumer finance industry provides loans and other financial products and services to individuals for personal use, such as credit cards, personal loans, and auto loans. These products are typically unsecured, meaning they do not require collateral. The industry is highly competitive, and companies in this sector generate revenue from interest and fees charged to consumers.

Diversified Financial Services: The Diversified Financial Services industry includes companies that offer a wide range of financial services, such as insurance, investment management, and retirement planning. The industry is highly regulated, and companies in this sector must manage a range of risks, from market volatility to cyber threats.

Insurance: The insurance industry provides financial protection to individuals and businesses against various types of risk, such as loss, damage, and liability. Companies in this industry collect premiums from policyholders in exchange for assuming the risk of potential losses. The industry is highly regulated, with companies subject to strict financial and solvency requirements, and is a critical component of the global financial system.

Mortgage REITs: Mortgage REITs are companies that invest in and own mortgage-backed securities, providing financing for real estate projects. These companies generate revenue from the interest earned on the mortgage-backed securities they own and are required by law to distribute at least 90% of their taxable income to shareholders.

Thrift & Mortgage Finance: These types of financial institutions refer to credit unions and mutual savings banks who offer saving and loaning services. The sector differs in the manner that institutions can borrow funds from the Federal Home Loan Bank System.

Performance*	1-Year	3-Year	5-Year
Sector	-12.42%	3.57%	4.15%
S&P 500	-18.11%	7.66%	9.42%

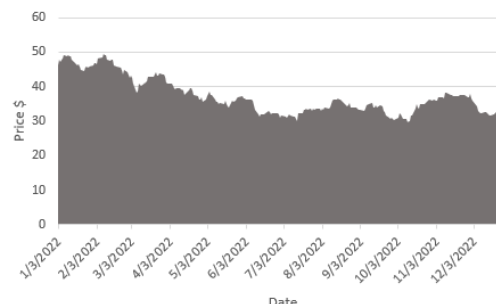
*Annualized Returns

Bank of America (NYSE: BAC)

Market Cap: \$283.593B	Sector: Financial Services	Industry: Banks - Diversified	Stock Type: Large Value	Price (12/31/2022): \$33.12	Holding Return: 62.7%
				52-Week Range: \$ 29.48 - \$50.08	

Business Summary

Bank of America is a leading financial institution in the United States, providing a wide range of financial products and services to individuals, small businesses, and large corporations. Its offerings include checking and savings accounts, credit cards, loans, investment and retirement accounts, and wealth management services. With a global presence and a commitment to social and environmental responsibility, Bank of America has over 66 million customers and operates thousands of retail financial centers and ATMs across the United States. The bank is also a major issuer of credit and debit cards, and its initiatives support economic mobility, sustainable finance, and responsible business practices.



Investment Rationale/Risk

- Bank of America is set up to succeed at a national level, especially in the long term. With 6337 nationwide locations, and the most customer accounts in the industry, by a margin of 50 million users.
- Risk of defaults increase as economic factors such as inflation and interest rates have caused consumer debt to reach levels around all-time high.
- Profitability is tied to many external factors out of managements control such as interest-rate cycles and credit and debt cycles, and the upside from raised interest rates may be played out.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-14.70	45.62	-11.90	49.36	-23.62
Return on Assets %	1.115	1.09	0.63	1.02	0.84
Return on Equity %	10.95	10.73	6.73	12.38	10.61
Net Profit Margin %	29.26	28.49	19.26	34.29	27.40
Total Asset Turnover	0.04	0.04	0.03	0.03	0.03
Financial Leverage	9.69	10.08	11.35	12.92	12.46
Operating Profit Margin %	-	-	-	-	-
Revenue Growth %	4.46	-	-6.26	4.19	6.55
Operating Income Growth %	-	-	-	-	-
EPS Growth %	67.31	5.36	-32.00	90.90	-10.64

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	5.96	9.70
Next Year	6.51	6.10
Past 5 Years	9.90	6.40
Next 5 Years	7.00	7.10

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	11.68	13.00	15.01	13.32	10.48
P/B	0.99	1.27	1.07	1.44	1.11
P/S	2.88	3.71	3.06	4.45	2.92
P/CF	5.46	-	6.32	141.13	36.90

Industry Peers

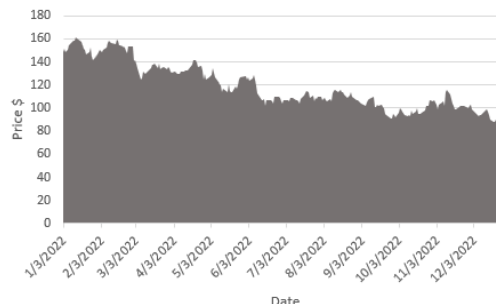
	Return%	ROE %
Citigroup Inc	-25.10	7.44
JPMorgan Chase & Co	-15.31	12.46
Wells Fargo & Co	-13.94	6.69

Capital One Financial Corp. (NYSE: COF)

Market Cap: \$42.389B	Sector: Financial Services	Industry: Credit Services	Stock Type: Large Core	Price (12/31/2022): \$92.96	Holding Return: -1.3%
				52-Week Range: \$86.98 - \$121.21	

Business Summary

Capital One Financial is a financial services company that offers a diverse range of products to individuals and businesses. The company's primary offerings include credit cards, banking products, and personal and commercial loans, and it is a leading issuer of credit cards in the United States, Canada, and the United Kingdom. Capital One has also made significant investments in technology to provide a seamless digital banking experience for its customers. The company is committed to innovation and growth and strives to help its customers achieve their financial goals. Their success has allowed them to accumulate the eleventh most assets of any bank in the United States.



Investment Rationale/Risk

- Capital One is entering a phase of reinvestment, increasing marketing costs 14%, and making big investment into new technology.
- In their consumer banking segment Capital One eliminated their overdraft and non-sufficient fund fees to attract consumers. This seems to be a trend as other companies have followed suit.
- Capital One is exposed to a high amount of subprime loans through the credit card and auto industry.
- Capital One has diversified into the auto loan and commercial banking markets. Before were overly reliant on the credit card industry.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-22.48	38.26	-2.97	49.41	-35.9
Return on Assets %	1.55	1.36	0.59	2.8	1.59
Return on Equity %	11.37	9.47	4.02	19.74	12.40
Net Profit Margin %	20.71	18.16	8.33	39.31	20.57
Total Asset Turnover	0.07	0.08	0.07	0.07	0.08
Financial Leverage	7.21	6.73	7.00	7.08	8.66
Operating Profit Margin %	-	-	-	-	-
Revenue Growth %	1.25	3.68	-0.24	6.70	12.53
Operating Income Growth %	-	-	-	-	-
EPS Growth %	238.68	-6.51	-53.12	420.08	-53.12

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	-17.73	-16.10
Next Year	3.29	13.10
Past 5 Years	15.60	14.20
Next 5 Years	7.10	15.90

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	10.20	9.13	47.99	5.41	4.57
P/B	0.70	0.81	0.78	0.95	0.70
P/S	1.31	1.76	1.59	2.21	1.13
P/CF	2.81	2.95	2.80	5.34	3.64

Industry Peers

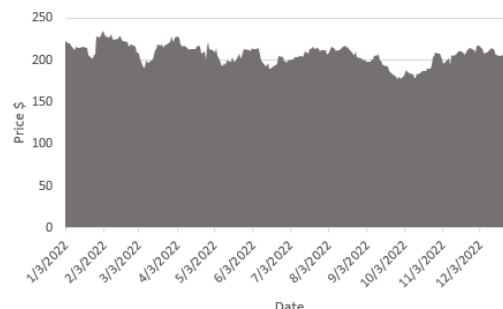
	Return %	ROE %
American Express	-15.84	31.40
Discover Fin. Services	-15.34	30.70
KeyCorp	-24.69	12.74

Visa, Inc. (NYSE: V)

Market Cap: \$460.132B	Sector: Financial Services	Industry: Credit Services	Stock Type: Large Growth	Price (12/31/2022): \$207.76 52-Week Range: \$177.02 - \$235.85	Holding Return: 216.5%
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Business Summary

Visa is a global payments technology company that provides secure and convenient digital payment solutions to individuals, businesses, and governments. Its primary offering is the Visa network, which enables electronic payments and transfers for credit and debit card transactions around the world. Visa's platform is used by millions of merchants and financial institutions and handles trillions of dollars in payments each year. The company also provides value-added services such as fraud prevention, data analytics, and digital wallets. As a leader in the financial technology industry, Visa is committed to advancing electronic payment systems and expanding access to financial services.



Investment Rationale/Risk

- Visa processed over \$11.3 trillion in purchase transactions in 2022 and holds over 50% of the market share in US, Europe, Latin America, and the Middle East/Africa by purchase volume, while still steadily increasing their market share.
- Visa has done a great job acquiring new companies, such as Currency cloud and Tink, and integrating their products into Visas own. Company has seen great success from adding many perks to being a card owner.
- Visa has done a great job defending their market share, but a lot of competition has been forming. Apple has begun to dip into the market, releasing apple pay, as well as the apple card. Crypto currency has also seen minor scale adoption.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	16.49	43.21	17.06	-0.31	-4.10
-Return on Assets %	14.49	17.04	14.16	15.03	18.14
Return on Equity %	35.65	41.63	36.01	37.51	43.29
Net Profit Margin %	48.24	52.57	49.74	51.07	51.03
Total Asset Turnover	0.30	0.32	0.28	0.29	0.35
Financial Leverage	2.43	2.48	2.60	2.40	2.40
Operating Profit Margin %	65.80	67.03	64.51	65.581	67.15
Revenue Growth %	12.26	11.49	-4.92	10.34	21.59
Operating Income Growth %	11.49	13.57	-8.50	12.17	24.51
EPS Growth %	57.86	20.36	-8.08	15.13	24.33

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	12.40	8.10
Next Year	13.40	21.30
Past 5 Years	15.40	8.50
Next 5 Years	15.20	16.70

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	29.85	35.32	44.73	38.49	29.68
P/B	10.30	14.01	15.22	13.36	12.28
P/S	14.91	18.58	22.26	19.67	15.14
P/CF	24.17	33.39	46.57	31.14	23.54

Industry Peers

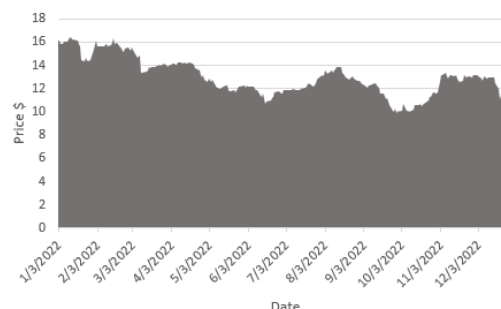
	Return %	ROE %
American Express	-15.85	31.40
Mastercard Inc	-3.23	152.08
Discover Fin. Services	-15.34	30.70

Horizon Technology Finance Corp. (NYSE: HRZN)

Market Cap: \$337.410M	Sector: Financial Services	Industry: Asset Management	Stock Type: Small Value	Price (12/31/2022): \$11.60	Holding Return: -7.2%
				52-Week Range: \$9.78 - \$16.54	

Business Summary

Horizon Technology Finance Corporation is a specialty finance company that provides financing solutions to technology and life science companies. The company offers a range of loan and equity investment products to support growth and development across multiple sectors. Horizon's investment portfolio includes companies at various stages of development, from early-stage startups to established businesses. With a focus on innovative technologies and market trends, Horizon aims to provide flexible financing solutions to help companies achieve their goals. The company is committed to building strong relationships with its clients and providing the financial support they need to succeed.



Investment Rationale/Risk

- HRZN trailing dividend yield in 2021 was 10.64% which is much higher than the industry average, but the dividend saw growth for the 3rd time since 2013. HRZN has been a very stable, low growth dividend company.
- In q4 of 2022 HRZN originated \$114 million new loans. In all of 2022 HRZN grew their portfolio by \$262 Million and originated \$543 million new loans.
- 100% of horizons loans are made with floating interest rates, protecting the company from the rapid hikes from the federal reserve.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	10.96	25.60	12.06	29.68	-27.10
Return on Assets %	5.19	6.38	1.69	6.03	3.30
Return on Equity %	9.66	12.25	3.21	12.13	7.50
Net Profit Margin %	87.32	91.54	61.60	83.51	79.39
Total Asset Turnover	0.06	0.07	0.03	0.07	0.04
Financial Leverage	1.99	1.87	1.92	2.09	2.41
Operating Profit Margin %	-	-	-	-	-
Revenue Growth %	20.12	42.96	-51.50	221.97	-19.91
Operating Income Growth %	-	-	-	-	-
EPS Growth %	36.14	28.32	-75.17	-286.11	-38.13

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	0.71	17.80
Next Year	10.56	7.20
Past 5 Years	2.20	-3.80
Next 5 Years	-	-

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	10.61	10.26	18.91	11.21	14.32
P/B	0.97	1.20	1.24	1.42	1.00
P/S	9.03	11.06	16.55	9.84	12.4
P/CF	-	-	-	-	-

Industry Peers

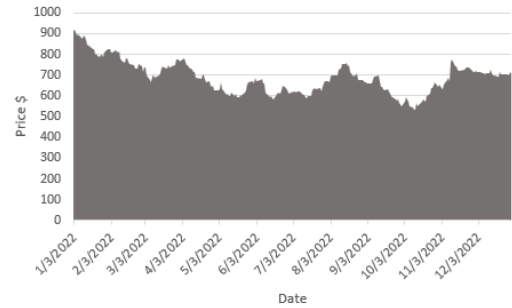
	Return %	ROE %
SuRo Capital Corp	-70.66	-47.67
Bain Capital Specialty Finance Inc	-21.76	7.61
Fidus Investment Corp	5.84	9.54

BlackRock Inc (NYSE: BLK)

Market Cap: \$107.249B	Sector: Financial Services	Industry: Asset Management	Stock Type: Large Core	Price (12/31/2022): \$708.63	Holding Return: -15.6%
				52-Week Range: \$503.12 - \$929.06	

Business Summary

BlackRock Inc. is the world's largest asset management firm, with approximately \$8.59 trillion in assets under management as of the end of the fourth quarter of 2022. The company's offerings include a variety of investment products such as mutual funds, exchange-traded funds, and alternative investments. With a focus on risk management, technology, and innovation, BlackRock has become one of the world's largest asset managers, with trillions of dollars in assets under management. The company also provides financial and risk management services and has offices in over 30 countries. As a leader in the investment management industry, BlackRock is committed to providing its clients with high-quality investment solutions and driving positive change in the financial sector.



Investment Rationale/Risk

- Blackrock has the most AUM in the world, and is extremely well diversified across global economies, with investments in over 100 different countries. The company is set to handle market volatilities much better than its peers.
- The company is the leading supplier of index ETFs. The current increase of investment into ETFs has shown BlackRock great success, but recently the FTC has begun to write proposals for anti-trust violations with the ETF market.
- BlackRock has seen stable growth in both return on assets and return on equity. The company was challenged by the Russian Ukraine crisis and the bear market however should return to normal growth, barring federal regulation.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-21.19	31.33	46.42	29.18	-22.60
Return on Assets %	2.27	2.73	2.85	3.58	3.83
Return on Equity %	13.41	13.58	14.33	16.17	13.73
Net Profit Margin %	30.32	30.79	30.44	30.46	28.97
Total Asset Turnover	0.07	0.09	0.09	0.12	0.13
Financial Leverage	4.93	5.03	5.02	4.05	3.12
Operating Profit Margin %	39.43	38.76	38.96	38.65	36.31
Revenue Growth %	13.67	2.40	11.46	19.56	-7.77
Operating Income Growth %	6.18	0.66	12.03	18.61	-13.34
EPS Growth %	-12.07	6.96	12.03	20.00	-10.76

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	-2.35	-2.40
Next Year	13.99	9.60
Past 5 Years	9.00	7.30
Next 5 Years	8.60	11.30

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	11.26	19.39	23.97	24.35	19.60
P/B	1.92	2.41	3.25	3.77	2.86
P/S	4.77	5.69	7.15	7.54	5.84
P/CF	16.65	37.01	37.19	28.25	22.22

Industry Peers

	Return %	ROE %
Invesco Ltd	-21.85	8.40
Franklin Resources Inc	-21.23	7.71
T. Rowe Price Group Inc	-44.54	16.70

HEALTHCARE - OVERWEIGHT

Sector Overview

During an extremely volatile market, healthcare is one of the top and most consistent performers. According to the business cycle, healthcare has consistently outperformed the S&P 500 Index in the late and the recessionary stages. However, the recession caused by Covid-19 was different than other recent recessions. This allowed the healthcare sector to reap high returns throughout various industries. The sector has a market cap of \$4.72311 trillion which consists of six industries: biotechnology, healthcare equipment & supplies, healthcare providers & services, healthcare technology, life sciences tools and services, and pharmaceuticals.

Pharmaceutical: The pharmaceutical industry focuses on companies that take part in the research, development, and manufacturing of pharmaceuticals. Current political climates may create deregulation, allowing pharmaceutical companies the ability and the chance to have increased margins and higher revenue streams. The economy is heading into the late stage within the business cycle, in which the industry historically outperforms the S&P 500 Index.

Biotechnology: The biotechnology Industry in the healthcare sector includes companies that are engaged in research, development, manufacturing, and/or marketing of products based on genetic analysis and genetic engineering. The biotech Industry is a fast-growing industry with increasing demand for research and development. Most biotech companies are forced on partnering with larger firms to complete product development, due to high costs and little revenues, to remain competitive.

Healthcare Equipment and Supplies: The healthcare equipment and supplies industry in the healthcare sector includes manufacturers of healthcare equipment, devices, supplies, and medical products not classified elsewhere.

Healthcare Providers and Services: The healthcare provider and Services industry includes distributors and wholesalers of healthcare products not classified within any other industry.

Life Sciences Tools and Services: The life sciences tools and Services industry includes companies involved in drug discovery, development, and production continuum by providing analytical tools, instruments, consumables and supplies, clinical trial services, and contract research services.

Healthcare Technology: The healthcare technology industry in the healthcare sector, includes companies providing information technology services primarily to healthcare providers. It includes companies providing application, systems and/or data processing software, internet-based tools, and IT consulting services to doctors, hospitals or businesses operating primarily in the healthcare sector.

Performance*	1-Year	3-Year	5-Year
Sector	-3.58%	10.30%	10.25%
S&P 500	-18.11%	7.66%	9.42%

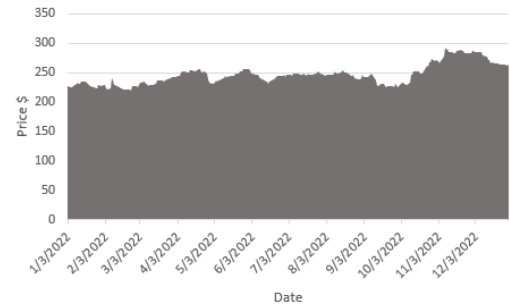
*Annualized Returns

Amgen, Inc. (NYSE: AMGN)

Market Cap: \$140.13B	Sector: Healthcare	Industry: Biotechnology	Stock Type: Large Core	Price (12/30/2022): \$262.64	Holding Return: 61.90%
				52-Week Range: \$219.27 - \$292.39	

Business Summary

Amgen Inc. is a biotechnology medicine company, which discovers, develops, manufactures, and markets medicine for grievous illnesses that has presence in approximately 130 countries worldwide. Amgen has 25,200 employees dedicated to researching and developing pharmaceuticals that can treat various diseases and types of cancer. The company focuses on human therapeutics and concentrates on innovating novel medicines, based on advances in cellular and molecular biology. It offers products for the treatment of oncology/hematology, cardiovascular disease, inflammation, bone health, nephrology, and neuroscience. Most of Amgen's opportunity lays in bottom-line growth and operating efficiency; however, several early-stage oncology trials have the potential to boost Amgen's long-term pipeline growth.



Investment Rationale/Risk

- Amgen launched its own Humira biosimilar in January 2023, named Amjevita. This drug will now directly compete with AbbVie's Humira.
- New drugs such as Prolia and Xgeva will see a massive influx of money, around \$6 billion, in 2024 however, biosimilars will enter the markets in 2025.
- Amgen is actively acquiring Horizon Therapeutics which will cost the company around \$27.8 billion. Horizon is focused on creating drugs that help individuals with rheumatic diseases.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	14.98	26.81	-1.97	0.91	20.19
Return on Assets %	11.47	12.44	11.84	9.50	10.38
Return on Equity %	44.48	70.73	76.13	73.16	126.47
Net Profit Margin %	35.35	33.57	28.57	22.68	24.89
Total Asset Turnover	0.32	0.37	0.41	0.42	0.42
Financial Leverage	5.31	6.17	6.69	9.13	17.79
Operating Profit Margin %	43.22	41.41	35.95	35.20	36.34
Revenue Growth %	3.93	-1.62	8.83	2.18	1.32
Operating Income Growth %	2.91	-5.74	-5.53	0.05	4.62
EPS Growth %	369.15	2.06	-4.43	-16.49	17.80

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	1.07	5.80
Next Year	10.57	9.30
Past 5 Years	6.50	16.10
Next 5 Years	7.00	18.80

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	50.70	18.52	18.53	23.19	21.10
P/B	8.54	13.05	12.13	15.29	38.30
P/S	5.73	6.39	5.46	5.05	5.50
P/CF	12.02	15.20	12.56	15.11	14.60

Industry Peers

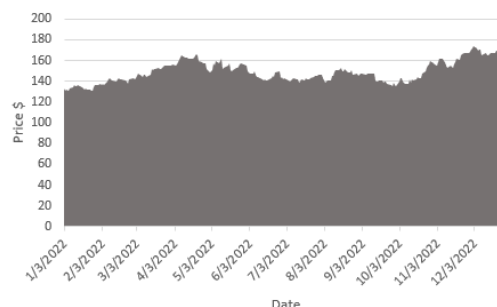
	Return %	ROE %
Regeneron Pharm.	14.25	20.94
Novartis AG	6.19	10.95
AbbVie Inc.	23.80	72.15

AmerisourceBergen Corp (NYSE: ABC)

Market Cap: \$33.48B	Sector: Healthcare	Industry: Healthcare Providers and Services	Stock Type: Mid Value	Price (12/30/2022): \$165.71	Holding Return: 15.70%
				52-Week Range: \$130.45 - \$173.99	

Business Summary

AmerisourceBergen was founded in 2001, has around 44,000 employees, and is based out of Conshohocken, Pennsylvania. The company is involved in pharmaceutical wholesaling which means it sources and distributes branded, generic, and specialty pharmaceutical products to hospital networks, pharmacies, and healthcare providers. ABC is responsible for over 20% of all the pharmaceuticals sold and distributed in the United States. The company expanded its operations internationally in 2021 through the purchase of Alliance Healthcare from Walgreens Boots Alliance, which was a drug wholesaler based in Europe. AmerisourceBergen also diversified its operations to include animal health products by creating MWI Animal Health. In total, AmerisourceBergen has had five large acquisitions, all of which have allowed them to expand into new market segments and diversify its distribution network. It's important to note that the company intends to change its name to Cencora later in 2023.



Investment Rationale/Risk

- In 2022 alone, AmerisourceBergen has obtained nearly \$1.5 billion in government contracts which allows the company to further expand its network and system of operations.
- AmerisourceBergen has been involved in serious litigation since the company violated its obligations, multiple times, to notify the DEA of suspicious orders of opioids. This has led the Justice Department to file a nationwide lawsuit against the company.
- Amerisource Bergen is at risk in the drug market since wholesalers have no control over various factors such as inflation rate, competition of drug manufacturers, and drug effectiveness – all of which determine the overall drug price.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-17.39	16.48	17.03	38.01	26.10
Return on Assets %	4.54	2.23	-8.17	3.03	2.98
Return on Equity %	66.37	29.44	-366.53	-	23.93
Net Profit Margin %	0.99	0.48	-1.80	0.72	0.71
Total Asset Turnover	4.60	4.67	4.55	4.21	4.19
Financial Leverage	12.84	13.61	-	256.71	-
Operating Profit Margin %	1.00	1.12	1.07	1.33	1.15
Revenue Growth %	9.66	6.94	5.74	12.69	11.50
Operating Income Growth %	-16.48	19.30	1.05	39.84	-3.18
EPS Growth %	359.15	-46.35	-	-	8.80

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	5.44	1.10
Next Year	7.57	14.10
Past 5 Years	12.90	8.60
Next 5 Years	8.70	11.50

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	9.88	21.04	-5.90	17.98	2061
P/B	5.35	6.08	-19.60	124.37	-158.70
P/S	0.10	0.10	0.11	0.13	0.15
P/CF	11.61	7.68	9.07	10.39	12.95

Industry Peers

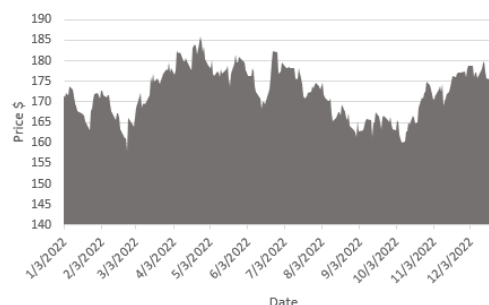
	Return %	ROE %
McKesson Corp	51.72	-
Cardinal Health Inc	53.13	-172.46
Henry Schein Inc	3.02	18.06

Johnson & Johnson (NYSE: JNJ)

Market Cap: \$461.84B	Sector: Healthcare	Industry: Pharmaceutical	Stock Type: Large Core	Price (12/30/2022): \$176.65	Holding Return: 26.20%
				52-Week Range: \$158.14 - \$186.01	

Business Summary

Johnson & Johnson is identified as the largest holder of market share in the healthcare industry. The firm is made up of three different departments: Pharmaceuticals, Medtech and Consumer Health, and pharmaceuticals. Johnson & Johnson's pharmaceuticals and Medtech groups equate up to 80% of sales and is their main driver of cash flows. Looking at the firm's pharmaceutical division, it is comprised of the following specialties: cardiology, immunology, neurology, oncology, pulmonary, and metabolic diseases. Their device products are primarily directed to orthopedics, surgery tools, and vision care. The last segment of consumers focuses on beauty, oral care, baby care, over-the-counter drugs, and women's health. About half of the firm's total revenue is generated within the United States. The company employs 155,800 employees and is based out of New Brunswick, New Jersey.



Investment Rationale/Risk

- Johnson & Johnson is pushing the IPO of Kenvue forwards which will take over its consumer health business. This will include both Tylenol & Motrin.
- JNJ acquired Abiomed in December of 2022. This company researches and develops temporary external and implantable mechanical circulatory support devices. This \$16.6 billion acquisition helps to further diversify JNJ.
- Johnson & Johnson is currently facing over 38,000 lawsuits claiming that JNJ's baby powder & its other talc products have caused cancer. The company tried creating a subsidiary to place the litigation on and then declare bankruptcy however, the US 3rd Circuit Court of Appeals dismissed the petition.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-5.10	15.94	10.62	11.36	5.86
Return on Assets %	9.86	9.73	8.85	11.70	9.71
Return on Equity %	25.51	25.36	23.97	30.41	23.79
Net Profit Margin %	18.75	18.42	17.82	22.26	18.90
Total Asset Turnover	0.53	0.53	0.50	0.53	0.51
Financial Leverage	2.56	2.65	2.76	2.46	2.44
Operating Profit Margin %	25.96	25.55	24.11	26.18	24.97
Revenue Growth %	6.71	0.59	0.64	13.55	1.25
Operating Income Growth %	10.74	-0.97	-5.04	23.27	-3.44
EPS Growth %	-	0.36	-2.13	41.74	-13.83

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	3.45	-1.90
Next Year	4.19	4.30
Past 5 Years	6.50	12.40
Next 5 Years	5.50	9.60

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	218.73	27.78	24.75	25.57	24.60
P/B	5.32	6.60	6.43	6.41	6.19
P/S	4.33	4.82	5.20	5.00	4.91
P/CF	15.98	16.92	19.47	17.58	21.85

Industry Peers

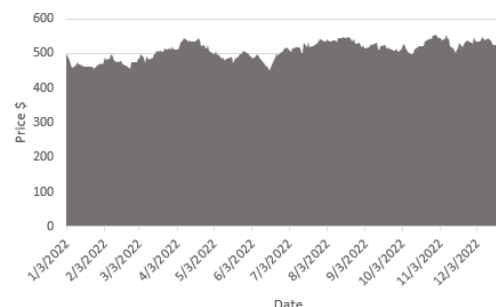
	Return %	ROE %
Eli Lilly and Co	33.86	67.69
Merck & Co Inc	48.42	38.03
Procter & Gamble Co	-5.14	31.69

UnitedHealth Group Inc. (NYSE: UNH)

Market Cap: \$495.37B	Sector: Healthcare	Industry: Healthcare Providers and Services	Stock Type: Large Core	Price (12/30/2022): \$530.18	Holding Return: 803.60%
				52-Week Range: \$452.06 - \$555.15	

Business Summary

UnitedHealth Group is known as the largest private health insurance provider in the United States. Overall, UnitedHealth has captured the lead in self-directed, employer-sponsored, and government-backed insurance plans. With the health insurance giant's unrivaled scale in managed care, peers are known to struggle with competing against the firm. Medical benefits are offered to nearly 50 million members across its international platform, 5 million of them being outside the US. Along with its insurance assets, United's continued investment behind its Optum franchises has created a healthcare services titan that covers everything from medical and pharmaceutical benefits, to providing outpatient care and analytics to both affiliated and third-party customers. UNH has 350,000 employees and is based out of Minnetonka, Minnesota.



Investment Rationale/Risk

- United's integrated strategy has been successful as the U.S. healthcare system. The company plans to continue more capital allocation activities such as acquisitions & stock repurchases.
- UnitedHealth faces the possibility of new governmental policies and regulations that could harm the financial returns from the company's Medicare programs.
- The company is properly spread out by using an integrated business model. UNH is beating competitors in several fields including medical insurance, pharmacy benefit management, and care giving segments.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	14.57	19.67	20.93	44.79	6.86
Return on Assets %	8.23	8.49	8.30	8.44	8.79
Return on Equity %	24.10	25.32	25.02	25.19	26.91
Net Profit Margin %	5.33	5.76	6.03	6.06	6.25
Total Asset Turnover	1.54	1.47	1.38	1.39	1.41
Financial Leverage	2.94	3.02	3.01	2.96	3.16
Operating Profit Margin %	7.10	7.41	8.18	7.59	8.20
Revenue Growth %	12.36	6.85	6.40	11.59	12.92
Operating Income Growth %	12.56	11.47	17.44	3.55	21.99
EPS Growth %	13.71	17.56	11.86	12.79	17.15

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	12.26	-2.70
Next Year	13.29	20.80
Past 5 Years	16.30	21.10
Next 5 Years	14.30	15.30

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	19.54	21.38	20.14	31.15	25.98
P/B	4.78	5.07	5.09	6.72	6.64
P/S	1.12	1.20	1.34	1.73	1.61
P/CF	22.87	19.46	15.14	19.05	14.87

Industry Peers

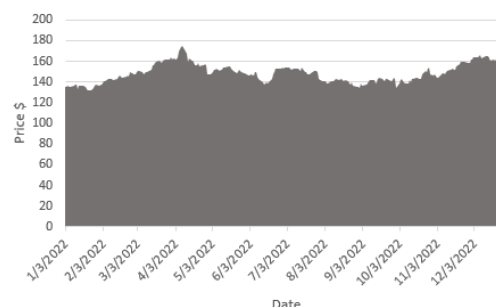
	Return %	ROE %
CVS Health Corp	-7.53	5.68
Centene Corp	-0.47	7.77
Cigna Corp	46.24	14.31

AbbVie Inc. (NYSE: ABBV)

Market Cap: \$285.80B	Sector: Healthcare	Industry: Pharmaceutical	Stock Type: Large Value	Price (12/30/2022): \$161.61	Holding Return: 46.70%
				52-Week Range: \$131.98 - \$174.96	

Business Summary

AbbVie is a pharmaceutical company with a strong exposure to immunology and oncology. This means they focus on the treatment of tumors as well as studying immunity in humans. AbbVie has been around since the beginning of 2013 after they split from Abbott Laboratories to be its own separate entity. Abbott has been around since 1888 and was founded in Illinois but is now multinational that has a sole focus on helping people manage their health. AbbVie now has roughly 50,000 employees and sells products in over 175 countries. Their focus is to target specific and difficult-to-cure diseases to advance science and increase the health in humans. The company's top drug, Humira, represents close to half of the company's current profits however, the patent for it recently expired. To combat this, the company is researching and developing new drugs in hopes of creating a new blockbuster drug. They also recently acquired Allergan which added several new drugs in aesthetics and women's health.



Investment Rationale/Risk

- New JAK inhibitors, from other companies, and IL-17 & IL-23 antibodies represent major advancements in rheumatoid arthritis & psoriasis, which will lead to more market share losses for Humira.
- As AbbVie's drug patents begin to wear off, an example being Humira, ABBV has focused on investing in the creation of ultra-efficient manufacturing process and implemented cost cutting programs to defend its margins.
- ABBV is developing two replacements for Humira, Skyrizi & Rinvoq. These will compete in the same market as Humira but be capable of treating diseases that Humira never could like vitiligo, alopecia, and SLE. They are expected to make over \$21 billion in annual revenue by 2027.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-0.96	0.68	26.35	31.22	23.80
Return on Assets %	8.69	10.56	3.80	7.72	8.26
Return on Equity %	-	-	185.81	80.52	72.15
Net Profit Margin %	17.27	23.57	9.95	20.41	20.29
Total Asset Turnover	0.50	0.45	0.38	0.38	0.41
Financial Leverage	-	-	11.51	9.51	8.04
Operating Profit Margin %	20.78	40.19	27.42	33.61	32.41
Revenue Growth %	16.08	1.57	37.69	22.69	3.30
Operating Income Growth %	-31.37	96.39	-6.04	50.35	-0.38
EPS Growth %	10.91	44.26	-48.48	137.13	2.79

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	-19.10	-1.90
Next Year	-1.08	4.30
Past 5 Years	17.40	12.40
Next 5 Years	4.00	9.60

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	19.13	39.00	23.09	32.71	21.55
P/B	-46.70	-15.90	12.39	17.67	17.87
P/S	4.50	4.01	4.22	4.36	4.97
P/CF	11.49	9.80	10.71	10.67	12.72

Industry Peers

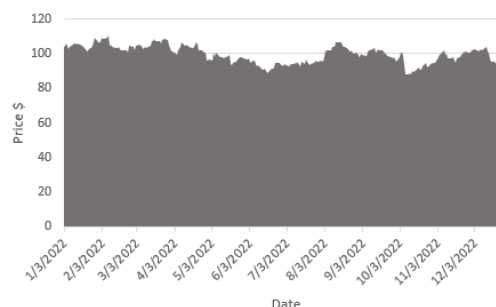
	Return %	ROE %
Eli Lilly and Co	33.86	67.69
Johnson & Johnson	5.86	23.79
Merck & Co Inc	48.42	38.03

CVS Health Group Corp (NYSE: CVS)

Market Cap: \$122.44B	Sector: Healthcare	Industry: Healthcare Providers and Services	Stock Type: Large Value	Price (12/30/2022): \$93.19	Holding Return: 2.80%
				52-Week Range: \$87.84 - \$110.83	

Business Summary

CVS Health Corp, its acquisition of Aetna in late 2018, CVS Health now provides an even more integrated healthcare-services offering for its members. Legacy CVS, a sizable pharmacy operation, includes nearly 10,000 retail pharmacy locations primarily in the U.S. They have over 300,000 employees working all over trying to fulfill their purpose which is helping people completely navigate through the healthcare system. Adding a managed-care organization with 24 million medical members gives the company a strong position in the insurance industry and should help CVS better control overall healthcare costs for its clients. The company is also adding primary care assets to the diverse businesses that CVS operates including medical insurance, retail stores, & pharmacy benefit management. The company aims to be the most customer-centric health company in the United States.



Investment Rationale/Risk

- CVS started closing locations in June 2022 & has continued to shutter stores through the 2022 Fall in various states. CVS announced that 900 stores would be shut down by the end of 2026.
- CVS is suffering from pharmacist shortages even though the number of prescriptions dispensed is growing at a rapid pace. The number of pharmacists in the US has increased only 16% since 2009 while the number of prescriptions dispensed during that time has grown to 64%.
- CVS is expanding into new market segments such as primary care & Medicare. The company is doing this through the recent acquisition of Oak St. Health for \$10.6 billion.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-6.87	16.44	-5.37	53.97	-7.53
Return on Assets %	-0.41	3.17	3.17	3.41	1.80
Return on Equity %	-1.24	10.87	10.78	10.95	5.68
Net Profit Margin %	-0.31	2.58	2.67	2.71	1.29
Total Asset Turnover	1.33	1.23	1.19	1.26	1.40
Financial Leverage	3.37	3.48	3.32	3.10	3.21
Operating Profit Margin %	5.23	4.67	5.18	5.13	4.99
Revenue Growth %	5.31	31.96	4.65	8.71	10.39
Operating Income Growth %	6.86	17.87	16.05	7.70	7.34
EPS Growth %	-	-	7.48	8.97	-47.55

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	1.73	-18.50
Next Year	4.64	16.10
Past 5 Years	6.70	3.90
Next 5 Years	7.30	6.20

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	21.62	22.18	11.29	18.00	39.32
P/B	2.32	1.54	1.30	1.84	1.73
P/S	0.35	0.38	0.34	0.48	0.39
P/CF	10.67	7.36	6.01	7.66	5.59

Industry Peers

	Return %	ROE %
Cigna Corp	46.24	14.31
Humana Inc	11.10	17.88
UnitedHealth Group Inc	6.86	26.81

INDUSTRIALS - UNDERWEIGHT

Sector Overview

Historically, the industrial sector does not have strong growth in the late stage and underperforms in the recession stage. As consumers spend less and save more, this sector stagnates because these companies do not expand. The industrials sector has a market cap of \$2.69892 trillion, which consists of fourteen industries: aerospace & defense, air freight & logistics, airlines, building products, commercial services & supplies, construction & engineering, electrical engagement, industrial conglomerates, machinery, marine, professional services, road & rail, trading companies & distributors, and transportation infrastructure.

Aerospace & Defense: The aerospace & defense industry includes manufacturers of civil or military aerospace and defense equipment, parts, or products. Historically, this is one of the stronger performing industries in the Industrial sector.

Air Freight & Logistics: The air freight and logistics industry include companies providing air freight transportation, as well as courier and logistics services.

Airlines: The airlines industry includes companies offering mainly passenger air transportation.

Trading Companies & Distributors: This industry includes trading companies and other distributors of individual equipment and products.

Building Materials: The building products industry produces building components, home improvement products, and equipment.

Commercial Services & Supplies: This industry includes companies providing commercial printing, environmental and facilities services, office services and supplies, diversified support service, and security and alarm services.

Construction & Engineering: The construction & engineering industry engages mainly in non-residential construction.

Electrical Equipment: This industry includes companies that produce electric cables, electrical components or equipment, and manufacturers of power-generating equipment and other heavy electrical equipment.

Diversified Industrials: This industry includes diversified industrial companies with business activities in three or more sectors, none of which contributes most revenues.

Machinery: The machinery industry includes manufacturers of construction, farm and industrial machinery, and heavy trucks.

Marine: The marine industry includes companies providing goods and passenger maritime transportation.

Performance*	1-Year	3-Year	5-Year
Sector	-7.18%	5.83%	5.01%
S&P 500	-18.11%	7.66%	9.42%

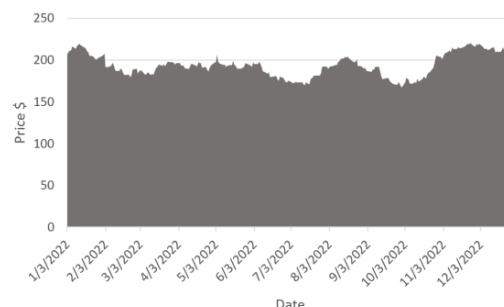
*Annualized Returns

Honeywell International, Inc. (NYSE: HON)

Market Cap: \$144.07B	Sector: Industrials	Industry: Specialty Industrial Machinery	Stock Type: Large Core	Price (12/31/2022): \$214.30	Holding Return: 18.0%
				52-Week Range: \$166.97 – \$220.05	

Business Summary

Honeywell International, Inc. is global diversified technology and manufacturing company headquartered in Charlotte, North Carolina. Incorporated in 1985, the company operates in the United States, Europe, Canada, Asia, and Latin America. It operates through the following four segments: aerospace, building technologies, performance materials & technologies, and safety & productivity solutions. Honeywell specializes in quantum computing, turbochargers control, sensing and security technologies for buildings and homes, specialty chemicals, electronic and advanced materials, process technology for refining and petrochemicals, and energy efficient products and solutions for homes, business, and transportation.



Investment Rationale/Risk

- Actively converting into an ESG-friendly company by focusing efforts on reducing emissions and creating energy efficient warehouse automation solutions.
- ExxonMobil is utilizing Honeywell's Carbon Capture Technology which is used to reduce emissions by capturing carbon dioxide.
- Honeywell Liquefied Natural Gas Pretreatment Technologies is used by 40% of LNE companies like NFE to filter contaminants out of natural gas.
- Quantum computing is a rapidly expanding industry that Honeywell is at the forefront of – its current computer being twice as powerful as the next alternative.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-8.61	36.51	22.22	-0.20	4.68
Return on Assets %	11.55	10.55	7.75	8.59	7.84
Return on Equity %	38.16	33.50	26.52	30.69	28.16
Net Profit Margin %	16.18	16.73	14.64	16.11	14.00
Total Asset Turnover	0.71	0.63	0.53	0.53	0.56
Financial Leverage	3.18	3.17	3.68	3.47	3.73
Operating Profit Margin %	16.04	18.66	17.45	18.03	18.12
Revenue Growth %	3.13	-12.18	-11.09	5.38	3.12
Operating Income Growth %	-6.24	2.18	-16.86	8.85	3.66
EPS Growth %	319.63	-6.35	-20.1	17.71	-8.09

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	3.40	0.89
Next Year	10.60	6.70
Past 5 Years	2.51	12.60
Next 5 Years	7.90	12.40

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	37.22	20.68	30.52	26.80	27.50
P/B	5.29	6.95	8.09	8.00	8.10
P/S	2.34	3.52	4.57	4.20	4.20
P/FCF	14.24	22.29	25.16	23.90	26.50

Industry Peers

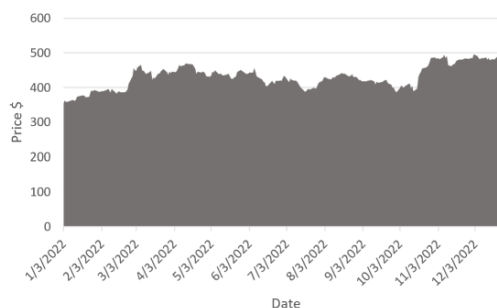
	Return %	ROE %
Siemens AG ADR	-18.64	7.98
ABB Ltd ADR	12.18	30.91
Emerson Electric Co	-10.51	31.92

Lockheed Martin (NYSE: LMT)

Market Cap: \$127.49B	Sector: Industrials	Industry: Aerospace & Defense	Stock Type: Large Core	Price (12/31/2022): \$486.49	Holding Return: 79.80%
				52-Week Range: \$354.36 - \$496.23	

Business Summary

Lockheed Martin Company is a security and aerospace company founded in 1912, and located in Bethesda, Maryland. It is the largest Department of Defense contractor deriving more than 70% of its \$66 billion in sales from them in 2022. The company operates through aeronautics, missile and fire control, rotary and missionary systems, and space segments. The company is involved in the research, design, development, integration, and sustainment of advanced technology products and services. The company provides services in cybersecurity, system integration, logistics, and engineering. The applications of the services are in defense, civil, or commercial needs. Lockheed Martin also completes foreign military sales through the United States Government. Lockheed Martin has developed numerous military aircraft including the Blackhawk, F-16 Fighting Falcon, and F-35 Lightning II.



Investment Rationale/Risk

- Lockheed has a strong hold on the market due to the F-35 fighter program and missile exposure. Their contracts have a strong barrier to entry against competitors, ensuring future sustainability.
- LMT continues to profit off the increased US defense spending which is driven by the ongoing conflict in Ukraine as well as the rising tensions in the South China Sea. Although, this makes Lockheed's earnings more dependent on US government spending.
- Expanding space segment of company by teaming with Amazon and Cisco to provide video conferencing, without internet connection, in outer space onboard Orion.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-15.89	52.15	-6.32	3.11	40.09
Return on Assets %	11.04	13.48	13.91	12.43	11.05
Return on Equity %	1419.41	275.60	149.49	74.41	56.68
Net Profit Margin %	9.39	10.42	10.45	9.42	8.69
Total Asset Turnover	1.18	1.29	1.33	1.32	1.27
Financial Leverage	32.19	15.20	8.43	4.64	5.71
Operating Profit Margin %	13.71	13.99	13.22	13.61	12.65
Revenue Growth %	5.32	11.25	9.34	2.52	-1.58
Operating Income Growth %	32.84	13.53	3.31	5.54	-8.50
EPS Growth %	155.3	24.79	10.71	-6.34	-4.83

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	23.90	0.89
Next Year	4.60	16.80
Past 5 Years	3.44	5.30
Next 5 Years	9.77	13.70

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	24.80	18.51	15.16	16.38	22.40
P/B	78.02	28.11	20.00	10.00	10.30
P/S	1.39	1.90	1.56	1.50	2.00
P/FCF	30.94	13.78	12.72	14.67	12.90

Industry Peers

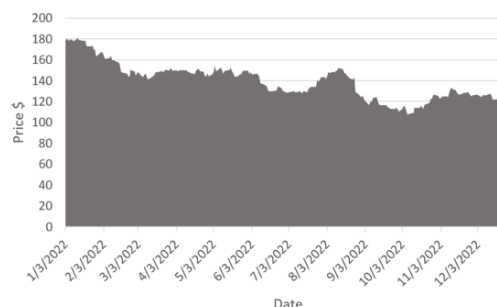
	Return %	ROE %
Boeing Co	-5.38	-
Raytheon Tech. Corp.	19.78	7.13
Northrop Grumman	42.71	34.68

3M Company (NYSE: MMM)

Market Cap: \$66.28B	Sector: Industrials	Industry: Specialty Industrial Machinery	Stock Type: Large Value	Price (12/31/2022): \$119.92	Holding Return: 53.10%
				52-Week Range: \$107.52 - \$181.02	

Business Summary

3M Company is a multi-national corporation which develops, manufactures, and markets various products worldwide. It was founded in 1902 and has its headquarters in St. Paul, Minnesota. The company operates through four business segments: safety and industrial, transportation and electronics, health care, and consumer. The consumer segment provides home improvement, home care, and consumer health care products, as well as stationery and office supplies to various consumers. It offers its products through various e-commerce and traditional wholesalers, retailers, jobbers, distributors, and dealers, as well as directly to users. 3M has a strong emphasis on product development and research and development among their segments. Each segment, utilizing similar technology enabling efficient sharing of business resources. Most of 3M's revenues derive from outside of the United States and from its inimitable technologies.



Investment Rationale/Risk

- 3M has a strong product portfolio, adding value to the consumers. These products are created through intense research & development, making it difficult for competitors to recreate. 3M also strengthens this portfolio through extensive licensing.
- 3M is currently involved in the largest multi-district litigations in U.S. history. It is alleged that the company knowingly marketed defective earplugs that caused hearing loss to 250,000 U.S. servicemen.
- The judge presiding over the faulty earplug case decided to throw out 3M's subsidiary's bankruptcy case which would have allowed 3M to avoid mass tort litigation, but now they must settle all suits.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-16.74	-4.39	2.41	5.01	-29.13
Return on Assets %	14.36	11.26	11.70	12.54	11.05
Return on Equity %	50.09	46.02	46.96	42.42	56.68
Net Profit Margin %	16.33	14.22	16.73	16.75	8.69
Total Asset Turnover	0.88	0.79	0.70	0.75	1.27
Financial Leverage	3.73	4.44	3.68	3.13	5.71
Operating Profit Margin %	20.55	19.07	21.20	21.68	12.65
Revenue Growth %	3.50	-1.92	0.15	9.85	-1.58
Operating Income Growth %	-6.93	-8.99	11.33	12.37	-8.50
EPS Growth %	12.11	-12.15	18.44	9.41	-4.83

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	-14.40	-0.80
Next Year	9.90	6.70
Past 5 Years	1.56	12.60
Next 5 Years	-0.23	12.40

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	25.54	20.93	20.49	17.57	10.50
P/B	10.72	9.48	8.46	6.99	4.70
P/S	3.53	3.24	3.21	2.95	2.00
P/FCF	19.15	14.83	12.82	13.08	12.10

Industry Peers

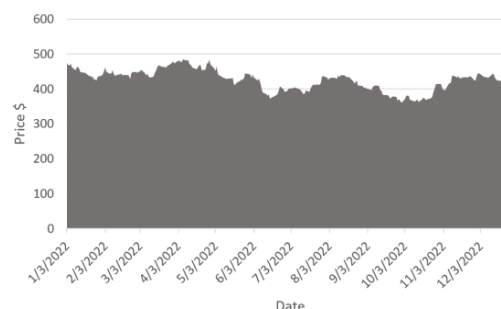
	Return %	ROE %
Avery Dennison Corp	-15.07	42.92
DuPont de Nemours Inc	-13.41	22.14
Corning Inc	-11.31	10.81

Roper Technologies, Inc. (NYSE: ROP)

Market Cap: \$45.82B	Sector: Industrials	Industry: Industrial Conglomerates	Stock Type: Large Core	Price (12/31/2022): \$432.09	Holding Return: 9.90%
				52-Week Range: \$359.64 - \$485.27	

Business Summary

Roper Technologies, Inc. designs and develops software, and engineered products and solutions. Additionally, ROP has a focus on acquiring both public & private companies with large amounts of deferred revenue which is then used to invest in other businesses to obtain a higher return. Founded in 1981, the company offers management, campus solutions, laboratory information management, enterprise management, information solutions, transportation management, financial and compliance management, cloud-based financial analytics and performance management, and diagnostic and laboratory information system software, and software, services, and technologies for foodservice operations. It also provides cloud-based data, collaboration, and estimating automation software; electronic marketplace; visual effects and 3D content software; wireless sensor network and solutions; cloud-based software solutions; supply chain software; health care service and software; RFID card readers; data analytics and information; pharmacy software; and toll system and products, transaction and violation processing services, and intelligent traffic systems. Roper is headquartered in Sarasota, Florida.



Investment Rationale/Risk

- Roper Technologies historically has outperformed its peers in a difficult economy due to its high success on the acquisition front which allows for higher returns.
- Private equity companies allow for continuous investment opportunities for Roper which decreases the execution risk of acquiring companies. Due to Roper's position within the market, the company won't run out of new companies to purchase anytime soon.
- Since Roper is an international conglomerate, the company is exposed to numerous risks throughout the global economy due to trade disagreements and new regulations.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	3.54	33.60	22.28	14.62	-11.65
Return on Assets %	6.39	10.60	4.51	4.83	17.90
Return on Equity %	12.94	20.52	9.51	10.46	32.90
Net Profit Margin %	18.19	32.94	17.18	19.95	84.60
Total Asset Turnover	0.35	0.32	0.26	0.24	0.21
Financial Leverage	1.97	1.91	2.29	2.05	1.68
Operating Profit Margin %	26.90	27.92	25.89	27.34	28.38
Revenue Growth %	12.67	3.38	2.99	4.54	-7.03
Operating Income Growth %	15.38	7.30	-4.49	10.38	-3.49
EPS Growth %	-3.62	85.86	-46.61	20.49	293.25

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	13.00	11.00
Next Year	6.60	18.80
Past 5 Years	7.34	13.60
Next 5 Years	9.10	17.50

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	24.54	32.17	29.03	46.67	42.60
P/B	3.65	4.30	4.45	4.58	3.30
P/S	5.51	6.94	8.40	8.33	7.50
P/FCF	20.80	25.40	32.20	26.00	37.20

Industry Peers

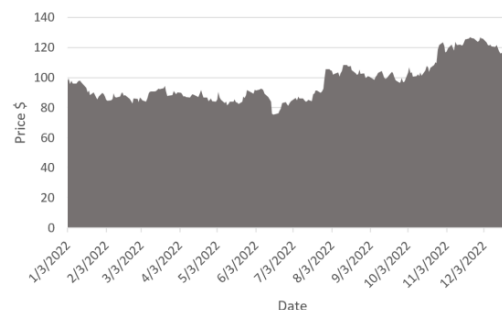
	Return %	ROE %
Danaher Corp	-19.02	15.53
Dover Corp	-24.33	25.14
IDEX Corp	-2.39	20.82

Comfort Systems USA Inc. (NYSE: FIX)

Market Cap: \$4.11B	Sector: Industrials	Industry: Construction & Engineering	Stock Type: Small Growth	Price (12/31/2022): \$115.08	Holding Return: 24.0%
				52-Week Range: \$75.33- \$126.92	

Business Summary

Comfort Systems USA Inc provides comprehensive mechanical contracting services, including heating, ventilation, and air conditioning, or HVAC; plumbing; piping and controls; construction; and other electrical components. The company is involved in the design, engineering, integration, installation, and repair of its products and services. Projects are primarily for commercial, industrial, and institutional buildings, and tend to be geared toward HVAC. Revenue is roughly split between installation services in newly constructed facilities, and maintenance services for existing buildings. Replacing existing air systems with modern, energy-efficient systems can reduce a building's costs and improve the environment within the designated area. The company installs and repairs products and systems throughout the United States. Comfort Systems USA employs around 13,200 across the United States and is based out of Houston, Texas.



Investment Rationale/Risk

- Various asset management groups have begun to reduce their holdings in Comfort Systems USA as well as the CFO of the company, William George III.
- The company is dependent on construction activity and therefore is prone to economic downturns as credit tightens.
- As the Comfort systems primarily grows through mergers & acquisitions, any failed transactions may expose the company to further business risks.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	0.82	15.03	6.49	88.80	16.88
Return on Assets %	11.62	8.91	9.20	7.23	10.23
Return on Equity %	24.65	21.11	23.43	19.09	27.24
Net Profit Margin %	5.17	4.37	5.26	4.66	5.94
Total Asset Turnover	2.25	2.04	1.75	1.55	1.72
Financial Leverage	2.13	2.57	2.52	2.74	2.60
Operating Profit Margin %	6.84	6.19	6.62	6.08	6.09
Revenue Growth %	22.09	19.81	9.23	7.60	34.71
Operating Income Growth %	49.75	8.47	16.84	-1.22	34.97
EPS Growth %	104.08	2.67	32.79	-3.91	73.54

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	31.00	2.50
Next Year	19.40	20.20
Past 5 Years	19.70	16.40
Next 5 Years	10.00	4.20

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	17.26	17.61	13.71	24.31	18.24
P/B	3.27	3.28	2.85	4.63	4.33
P/S	0.80	0.75	0.67	1.24	1.07
P/FCF	14.12	10.38	7.50	16.22	21.11

Industry Peers

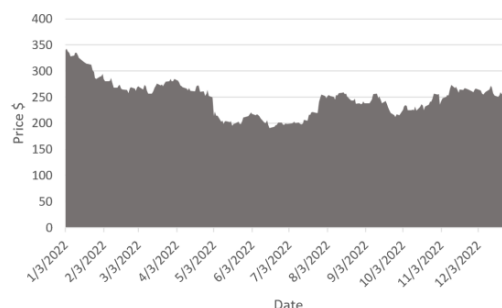
	Return %	ROE %
EMCOR Group Inc	16.69	19.16
MYR Group Inc	-16.72	15.41
Burnham Holdings Inc Class A	-3.32	-0.66

Rockwell Automation, Inc. (NYSE: ROK)

Market Cap: \$29.55B	Sector: Industrials	Industry: Specialty Industrial Machinery	Stock Type: Mid Core	Price (12/31/2022): \$257.57 52-Week Range: \$191.09 - \$343.10	Holding Return: -6.10%
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Business Summary

Rockwell Automation was founded in 1903, has around 26,000 employees, and is based out of Milwaukee, Wisconsin. The company is involved in three market segments: intelligent devices, software and control, and lifecycle services. Intelligent devices include drives, sensors, and other industrial components. Software and control include information, network, and security software. Lifecycle services include consulting and maintenance services for other companies. Customers of Rockwell Automation span over 100 countries around the world allowing for geographic diversification. They have three divisions that are responsible for specific business operations. These include Allen-Bradley (components), FactoryTalk (software), and LifeCycleQ (services). Since 2019, Rockwell has had 9 acquisitions allowing the company to expand its operations as well as growing its capabilities.



Investment Rationale/Risk

- Rockwell has is consistently strengthening its foothold within automation. It's primary control system, Logix, grants high efficiency and vast compatibilities with other control systems for manufacturers.
- Rockwell Automation software variants are capable of performing multiple automation applications on one platform such as automotive, chemicals, and pharmaceuticals. This has not been replicated to the same degree by any of Rockwell's competitors.
- The core risk for Rockwell is that its financial results are positively correlated with industrial productivity not just in the US but all over the world. This means that if the market enters into a recession, Rockwell will see a major decrease in returns.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-21.50	37.29	25.79	40.82	-24.86
Return on Assets %	7.97	11.23	15.29	15.09	8.66
Return on Equity %	24.99	68.76	142.79	79.36	36.33
Net Profit Margin %	8.03	10.38	16.15	19.38	11.97
Total Asset Turnover	0.99	1.08	0.95	0.78	0.72
Financial Leverage	3.87	15.12	7.07	4.48	3.95
Operating Profit Margin %	19.10	20.34	17.62	17.40	17.21
Revenue Growth %	5.62	0.43	-5.45	10.55	10.90
Operating Income Growth %	23.29	6.94	-18.08	9.17	9.66
EPS Growth %	-33.70	38.48	50.43	32.04	-31.17

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	18.90	23.20
Next Year	9.00	3.30
Past 5 Years	4.58	11.70
Next 5 Years	10.70	12.10

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	35.70	34.70	28.60	30.10	32.40
P/B	11.10	58.10	28.30	16.90	10.80
P/S	2.90	3.60	4.60	5.80	3.90
P/FCF	14.70	20.40	26.10	32.40	36.50

Industry Peers

	Return %	ROE %
Siemens AG ADR	-18.64	7.98
SAP SE ADR	-25.28	8.18
Emerson Electric Co	-10.51	31.92

INFORMATION TECHNOLOGY - OVERWEIGHT

Sector Overview

Information technology has emerged over the last two decades as a high growth innovative area in the market. Relatively young, IT contains multiple industries highlighted below which encompass the various facets that play a role in the global sharing of information. IT has become a vital piece of sector allocation even for the S&P 500 Index, which many funds and investors have traditionally sought to mimic and compete. Looking back at the great recession, IT was the fastest sector to recover, posting extraordinary annual returns for the better part of the last decade. The sector has a market cap of \$8.68 trillion as of 12/30/22.

Communications Equipment: This industry is comprised of producers of equipment and products used in communications. These items include local area networks, wide area network, routers, switchboards, telephones, and exchanges.

Electronic Equipment, Instruments & Components: This industry includes the manufacturers of electronic equipment, components, and instruments. The equipment is mainly for Original Equipment Manufacturers (OEM) markets. This includes analytical, electronic test and measurement instruments, electronic components, and connection devices. It also includes the distributors of technology hardware and equipment.

IT Services: The IT services industry includes providers of information technology and systems integration services not classified in the data processing and outsourced services or internet software and services industries. It includes information technology consulting, information management services, and providers of commercial electronic data processing and/or business process outsourcing services such as back-office automation.

Technology Hardware, Storage & Peripherals: This includes manufacturers of cell phones, personal computers, servers, electronic computer components and peripherals. These extend to data storage components, motherboards, audio and video cards, monitors, keyboards, printers, and other peripherals.

Semiconductors & Semiconductor Equipment: This includes manufacturers of semiconductors and related products. Semiconductors and their equipment are used in IT as the essential portions of most electronic circuits and are commonly made from silicon, hence the name Silicon Valley.

Software: The software industry includes applications, systems, and home entertainment software companies that engage in developing and producing software designed for specialized applications for the business and/or consumer market.

Performance*	1-Year	3-Year	5-Year
Sector	-28.26%	10.49%	14.30%
S&P 500	-18.11%	7.66%	9.42%

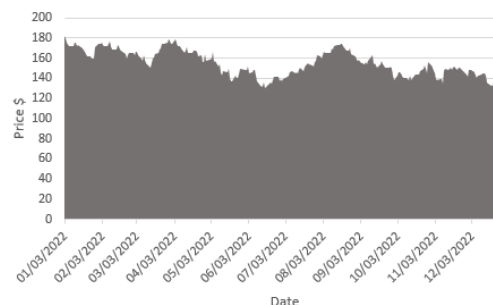
*Annualized Returns

Apple, Inc. (NASDAQ: AAPL)

Market Cap: \$2.07T	Sector: Information Technology	Industry: Consumer Electronics	Stock Type: Large Growth	Price (12/30/2022): \$129.93 52-Week Range: \$125.87 - \$182.94	Holding Return: 1952.1%
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Business Summary

Apple Inc. designs consumer electronic devices, consisting of smartphones (iPhone), personal computers (Mac), tablets (iPad), smartwatches (Apple Watch), streaming technology (Apple TV), and AirPods. Apple has also continued to develop their services to contribute to the diversification of revenue sources. Its services segments now make up a significant part of their revenue, approximately 20%. Some of them are iCloud services, Siri which was acquired in 2010, streaming services, such as Apple Music and Apple TV+, Apple Care and Apple Pay. Apple integrates devices with software and services to provide one of the strongest brand ecosystems in the world. The company generates roughly 40% of its revenue from the Americas, with the remainder earned internationally between Europe, Greater China, Japan, and rest of Asia Pacific. Apple has been recognized as a leading pioneer in the Information Technology sector that shapes consumer interaction with the latest technological advancements.



Investment Rationale/Risk

- Apple has strong brand loyalty focused around the “Apple Ecosystem”, which makes entry easy and exit difficult. This provides sharper stability in generating cash flows as there are high switching costs for customers.
- The smartphone market has become more saturated with the rapid influx of other products in the market. If they are unable to innovate and remain unique, they may lose their ability to charge premium prices, while having the potential to decrease net sales.
- While supply chain issues have lessened, Apple faces significant pressures from the recessionary fears and inflationary pressures that could decrease the demand for some of their products and in turn, lower sales.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-5.12	88.09	81.85	34.48	-26.32
Return on Assets %	16.07	15.69	17.33	28.06	28.36
Return on Equity %	49.36	55.92	73.69	147.44	175.46
Net Profit Margin %	22.41	21.24	20.91	25.88	25.31
Total Asset Turnover	0.72	0.74	0.83	1.08	1.12
Financial Leverage	3.41	3.74	4.96	5.56	6.96
Operating Profit Margin %	26.69	24.57	24.15	29.78	30.29
Revenue Growth %	15.86	-2.04	5.51	33.26	7.79
Operating Income Growth %	15.57	-9.83	3.69	64.36	9.63
EPS Growth %	29.32	-0.17	10.34	71.04	8.91

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	-0.98	-9.70
Next Year	9.92	7.00
Past 5 Years	19.80	29.90
Next 5 Years	12.50	7.60

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	13.24	24.70	40.45	31.65	21.27
P/B	6.96	14.23	34.16	45.99	40.62
P/S	2.97	5.25	8.47	8.19	5.38
P/CF	10.19	19.67	28.83	28.78	17.37

Industry Peers

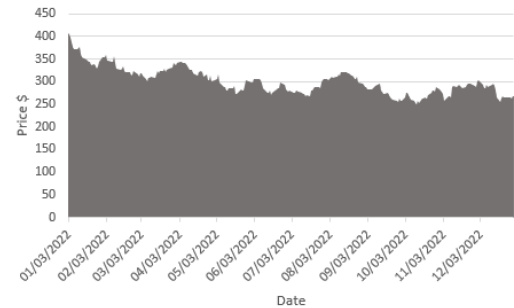
	Return %	ROE %
Alphabet Inc Class A	-39.09	23.62
HP Inc	-25.98	-
Microsoft Corp	-27.94	47.15

Accenture PLC Class A (NYSE: ACN)

Market Cap: \$189.42B	Sector: Information Technology	Industry: IT Services	Stock Type: Large Core	Price (12/30/2022): \$266.84 52-Week Range: \$242.95 - \$415.53	Holding Return: 234.4%
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Business Summary

Accenture PLC is one of the world's leading professional services companies providing services, such as management consulting, technology services, operational services, and outsourcing. Accenture operates in North America, Europe, and Emerging Markets totaling over 120 countries. Accenture conducts their business with over 75% of Global Fortune 500 companies. This advanced network of insight provides a competitive advantage in Accenture's business structure. Though the company's business operations and structure classify the company as an information technology firm, they provide insights and solutions for firms across all GICS sectors from financials to healthcare. Accenture's main practice is to develop industry-specific solutions to enhance and ensure the efficiency of business practices to produce better results. Accenture is also growing in the area of digital marketing as their new service. Additionally, they offer Accenture Interactive with applied intelligence, cloud, supply chain, and security services.



Investment Rationale/Risk

- Accenture works with primarily Fortune 500 companies that depend on Accenture's services, providing stable revenue streams for future years.
- Accenture Interactive, its digital marketing agency, which now makes up nearly 25% of their revenue. They have acquired multiple digital marketers, including Droga5. This acquisition brings customers including Google, Yum Brands, and Heineken. Accenture has made it into the top ten marketing agencies worldwide.
- Accenture has stronger client retention. The company reports that 98 of its 100 largest clients have been clients for at least ten years.
- Accenture holds over 8,000 patents, and these intangible assets contribute greatly to their consulting projects that make up 56% of their top line.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-6.07	50.93	25.61	60.09	-34.66
Return on Assets %	17.23	17.62	15.28	14.72	15.21
Return on Equity %	42.04	38.58	32.52	32.34	33.04
Net Profit Margin %	9.76	11.06	11.52	11.69	11.17
Total Asset Turnover	1.77	1.59	1.33	1.26	1.36
Financial Leverage	2.36	2.07	2.18	2.21	2.14
Operating Profit Margin %	14.04	14.59	14.69	15.08	15.21
Revenue Growth %	13.16	3.87	2.57	14.00	21.89
Operating Income Growth %	26.09	7.94	3.31	17.01	22.90
EPS Growth %	16.54	16.09	7.20	16.10	16.92

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	6.91	9.60
Next Year	9.26	6.40
Past 5 Years	12.20	16.90
Next 5 Years	9.50	14.70

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	21.66	28.11	32.17	43.09	24.24
P/B	7.09	8.82	9.64	12.87	7.31
P/S	2.18	3.11	3.78	4.98	2.74
P/CF	15.25	21.42	18.72	33.85	18.00

Industry Peers

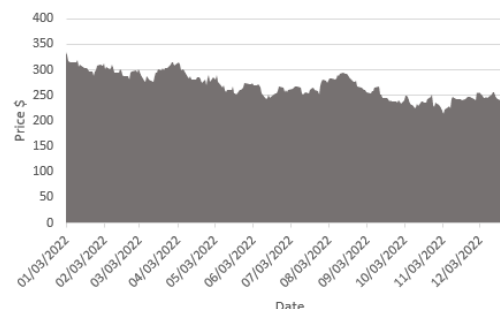
	Return %	ROE %
Cognizant Technology Solutions Corp Class A	-34.32	18.85
International Business Machines Corp	10.34	8.03
Capgemini SE	-31.21	17.68

Microsoft Corp. (NASDAQ: MSFT)

Market Cap: \$1.79T	Sector: Information Technology	Industry: Software - Infrastructure	Stock Type: Large Growth	Price (12/30/2022): \$239.82 52-Week Range: \$213.43 - \$338.00	Holding Return: 842.1%
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Business Summary

Microsoft develops and licenses consumer and enterprise software, such as the Microsoft Office Suite and Windows operating system. The company operates within three segments, which are productivity and business processes (Microsoft Office, Cloud-based Office 365, Exchange, SharePoint, Skype, LinkedIn, Dynamics), intelligence cloud infrastructure and platform as a service offering (Azure, Windows Server OS, SQL Server) and more personal computing (Windows Client, Xbox, Bing search, display advertising, Surface laptops/tablets/desktops). Microsoft's revenues are split by product and service/other. The service/other category accounts for about 60% of their total revenue. Microsoft has been transitioning their focus to cloud-based computing which both individuals and institutions have increased demand for. They have also been moving to subscription-based services rather than traditional licenses in many areas of their company.



Investment Rationale/Risk

- Services and subscriptions continue to increase year over year, which provides re-occurring sales and strengthens the stability of the business structure. Office 365 has more than 165 million subscribers, and subscriptions for Dynamics and Xbox Live are growing as well.
- Microsoft's Horizontal Diversification Strategy gives them a potential first-mover advantage in leveraging on new growth trends and exposes them to less political risk, which can lead to revenue stability.
- Microsoft's Azure cloud computing service has contributed to server products and cloud services rising above office product and cloud services in revenue for 2022. Azure is expected to continue growing, but at a slower pace.
- Poor performing business segments (more personal computing) have the potential to offset revenue growth and development for Microsoft's strong performing business segments (productivity and business processes & intelligent cloud) in the future.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	20.75	57.12	42.37	52.24	-27.94
Return on Assets %	6.63	14.39	15.07	19.30	20.82
Return on Equity %	21.37	42.41	40.14	47.08	47.15
Net Profit Margin %	15.02	31.18	30.96	36.45	36.69
Total Asset Turnover	0.44	0.46	0.49	0.53	0.57
Financial Leverage	3.13	2.80	2.55	2.35	2.19
Operating Profit Margin %	31.77	34.14	37.03	41.59	42.06
Revenue Growth %	22.69	14.03	13.65	17.53	17.96
Operating Income Growth %	54.90	22.54	23.28	32.02	19.26
EPS Growth %	-21.40	137.56	13.83	39.76	19.88

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	1.41	3.10
Next Year	12.63	20.50
Past 5 Years	22.30	10.90
Next 5 Years	11.70	13.10

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	41.80	29.75	35.87	37.62	25.81
P/B	9.08	11.32	13.60	16.60	10.30
P/S	6.88	9.40	11.59	14.48	8.88
P/CF	17.53	23.31	25.76	31.15	20.56

Industry Peers

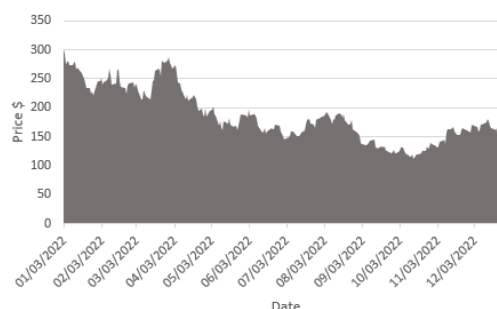
	Return %	ROE %
Alphabet Inc Class A	-39.09	23.62
Oracle Corp	-4.80	-
Salesforce Inc	-47.83	2.90

NVIDIA Corporation (NASDAQ: NVDA)

Market Cap: \$480.61B	Sector: Information Technology	Industry: Semiconductors & Equipment	Stock Type: Large Growth	Price (12/30/2022): \$146.14 52-Week Range: \$108.13 - \$307.11	Holding Return: 207.2%
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Business Summary

NVIDIA is the leading designer of graphics processing units that enhance the experience on computing platforms. The firm's chips are used in a variety of end markets, including high-end PCs for gaming, data centers, and automotive infotainment systems. In recent years, the firm has broadened its focus from traditional PC graphics applications such as gaming to more complex and favorable opportunities, including artificial intelligence and autonomous driving, which leverage the high-performance capabilities of the firm's graphics processing units. The graphics cards and units are also widely desired and used by "miners" in regard to cryptocurrencies like Bitcoin, Ethereum and Litecoin. Nvidia is also set to become a major supplier for the emerging Metaverse technologies.



Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-30.69	76.73	122.20	125.41	-50.26
Return on Assets %	28.91	33.76	18.27	18.79	26.73
Return on Equity %	46.05	49.26	25.95	29.78	44.83
Net Profit Margin %	31.37	35.34	25.61	25.98	36.23
Total Asset Turnover	0.92	0.96	0.71	0.72	0.74
Financial Leverage	1.50	1.42	1.42	1.70	1.66
Operating Profit Margin %	33.05	32.47	26.07	27.18	37.31
Revenue Growth %	40.58	20.61	-6.81	52.73	61.40
Operating Income Growth %	65.72	18.50	-25.18	59.24	121.56
EPS Growth %	87.55	37.55	-31.83	52.65	123.19

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	31.14	-11.70
Next Year	35.62	12.80
Past 5 Years	17.00	14.50
Next 5 Years	17.50	9.40

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	17.85	60.18	85.33	90.63	62.19
P/B	8.59	12.84	21.08	30.90	16.84
P/S	6.74	14.52	22.08	30.69	12.91
P/CF	19.91	34.69	62.50	91.50	57.40

Investment Rationale/Risk

- High market share in cloud and processing technologies will deliver strong revenue sources for NVIDIA for years to come.
- The expansion of AI and autonomous driving will increase the demand for GPUs. NVIDIA has become a key player in the AI accelerator market and is pushing towards autonomous driving with its Drive PX platform.
- NVIDIA claims that automotive, gaming devices, and AI are expected to become their biggest growth drivers in the future.
- The cryptocurrency crash has decreased the demand for GPUs for mining purposes, but it is expected to return to growth in 2024.
- Economic turmoil in countries such as China and Taiwan, which account for roughly to 50% of NVIDIAS' sales, prove to be a leading risk factor for future performance and revenue growth.

Industry Peers

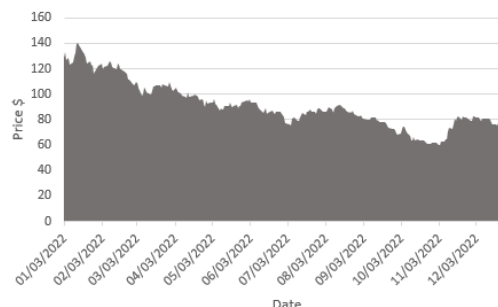
	Return %	ROE %
Advanced Micro Devices Inc	-54.99	4.24
Intel Corp	-45.84	8.14
Qualcomm Inc	-38.28	92.52

Taiwan Semiconductor Manufacturing Company Limited (NYSE: TSM)

Market Cap: \$378.70B **Sector:** Information Technology **Industry:** Semiconductors & Equipment **Stock Type:** Large Core **Price (12/30/2022):** \$74.49 **Holding Return:** -35.2%
52-Week Range: \$59.43 - \$145.00

Business Summary

Taiwan Semiconductor Manufacturing Company, or TSMC, is the world's largest dedicated chip foundry, with over 57% market share in 2021 per Gartner. TSMC was founded in 1987 as a joint venture of Philips, the government of Taiwan, and private investors. It went public as an ADR in the U.S. in 1997. TSMC's scale and high-quality technology allow the firm to generate solid operating margins, even in the highly competitive foundry business. Furthermore, the shift to the fabless business model has created tailwinds for TSMC. The foundry leader has an illustrious customer base, including Apple, AMD and Nvidia, that looks to apply cutting-edge process technologies to its semiconductor designs.



Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-3.52	62.86	90.64	11.70	-36.81
Return on Assets %	17.79	16.26	20.33	18.27	22.13
Return on Equity %	23.02	21.62	29.62	29.74	36.67
Net Profit Margin %	35.20	33.08	38.14	37.32	42.51
Total Asset Turnover	0.51	0.49	0.53	0.49	0.52
Financial Leverage	1.26	1.40	1.50	1.72	-
Operating Profit Margin %	37.33	34.89	42.32	40.95	47.15
Revenue Growth %	5.52	3.75	25.16	18.53	42.61
Operating Income Growth %	-0.42	-3.04	51.81	14.68	72.51
EPS Growth %	5.26	-2.50	44.32	16.78	-

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	-14.76	-14.80
Next Year	16.79	16.70
Past 5 Years	24.80	24.80
Next 5 Years	20.00	20.00

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	16.61	26.47	31.55	30.53	13.44
P/B	3.72	5.69	8.82	8.32	4.33
P/S	5.74	8.66	12.18	11.44	5.71
P/CF	9.94	15.00	20.58	17.40	7.90

Investment Rationale/Risk

- TSMC is expected to grow with the increased demand of artificial intelligence, the Internet of Things, and high-performance computing applications over the next decade, which use semiconductors for their processing and products.
- TSMC releases some of its technical data, including FinFET and GAA data, to intellectual property owners, so they can base their future designs on TSMC's products.
- TSMC generates nearly 40% of its revenue from smartphone chips, which can be cyclical in nature.
- TSMC faces political risks due to tensions between China and the US, and it faces pressure from both by operating in both countries.
- TSMC is continuing to expand its production capabilities, and it is looking to build a manufacturing facility in Arizona.

Industry Peers

	Return %	ROE %
Intel Corp	-45.84	8.14
Samsung Electronics Co Ltd	-27.99	17.07
United Microelectronics Corp	-40.00	27.80

MATERIALS - OVERWEIGHT

Sector Overview

As the United States economy is currently in the late cycle phase, the materials sector thrives.

Historically, the materials sector outperforms the S&P 500 Index due to the increase in prices of raw materials during this time. There is moderate risk of entering the recession phase where the materials sector plays a neutral role but thriving again in the early stage and outperforming the S&P 500 Index due to increased government spending and the prices of materials again. The materials sector has a market cap of \$2.50 Trillion and includes the following industries: chemicals, construction materials, containers and packaging, metals and mining, and paper and forest products.

Chemicals: The chemicals industry encompasses the producers of commodity, fertilizers, diversified, agricultural, and specialty chemicals. Industrial gases manufacturers are also included in the chemicals industry.

Construction Materials: The construction materials Industry includes companies involved with the procurement of raw materials used in construction. These materials include clay, cement, concrete, bricks, and sand. The construction materials industry is expected to experience growth into 2022 due to the expansion in both domestic and foreign construction industry, driving demand for construction materials.

Containers and Packaging: This industry is comprised of companies which manufacture metal, glass, plastic, paper, and cardboard containers. The containers and packaging industry relies heavily on food and beverage, pharmaceutical, and household items industries to drive sales.

Metals and Mining: The metals and mining industry includes producers of mining related products as well as companies specializing in the extraction of base and precious metals.

Paper and Forest Products: Companies that are included in the paper and forest products Industry are manufactures of timber and related wood products as well as producers of all grades of paper. Some companies specializing in paper packaging are excluded.

Performance*	1-Year	3-Year	5-Year
Sector	-13.89%	8.46%	5.30%
S&P 500	-18.11%	7.66%	9.42%

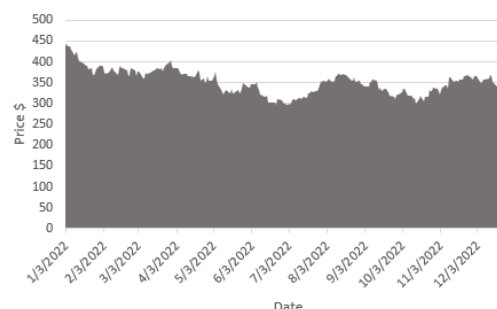
*Annualized Returns

Martin Marietta Materials, Inc. (NYSE: MLM)

Market Cap: \$21.06B	Sector: Industrials	Industry: Building Materials	Stock Type: Mid Core	Price (12/30/2022): \$337.97	Holding Return: 60.6%
				52-Week Range: \$296.05 - \$441.51	

Business Summary

Martin Marietta Materials Inc. is one of the largest producers of construction aggregates in the United States. Martin Marietta is a natural resource-based building materials company. The company has a network of over 300 quarries in 31 states, Canada, and the Bahamas. Martin Marietta also provides ready mixed concrete, asphalt, and paving services. The company's building materials are utilized in infrastructure, nonresidential, and residential construction. The company also operates a Magnesia Specialties business with production facilities in Michigan and Ohio. The company was formed in 1993 as a North Carolina corporation, and since then has completed over 90 smaller acquisitions.



Investment Rationale/Risk

- The company's geographic footprint is heavy in states that have a high need and the financial capability for an increase in road work. This illustrates the potential for strong and continued growth into the future.
- The company boasts a healthy balance sheet that allows it to consider large acquisitions. As mentioned in the business summary, it has over 90 successful acquisitions, allowing the company to grow in different markets, while eliminating competitors.
- The company's earnings depend on volatile outside factors like economic performance, government budgets, and lending availability. If the economic market takes a downturn, this can be harmful to the growth in the company and stock.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-21.41	63.90	2.35	55.96	-22.70
Return on Assets %	5.06	6.21	6.96	5.62	5.90
Return on Equity %	9.75	11.87	12.82	11.30	12.65
Net Profit Margin %	11.05	12.89	15.23	12.96	13.58
Total Asset Turnover	0.46	0.48	0.46	0.43	0.42
Financial Leverage	1.93	1.89	1.80	2.20	2.14
Operating Profit Margin %	16.59	18.68	21.28	19.06	19.73
Revenue Growth %	7.03	11.66	-0.19	14.46	13.79
Operating Income Growth %	-1.38	28.11	13.62	-3.14	23.92
EPS Growth %	-33.96	31.09	18.48	-2.77	23.62

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	21.96	12.30
Next Year	14.27	8.20
Past 5 Years	10.50	9.90
Next 5 Years	13.00	11.70

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	14.47	30.56	26.54	37.81	25.64
P/B	2.18	3.29	3.07	4.32	3.03
P/S	2.59	3.77	3.81	5.41	3.42
P/CF	15.95	19.22	17.74	24.04	23.02

Industry Peers

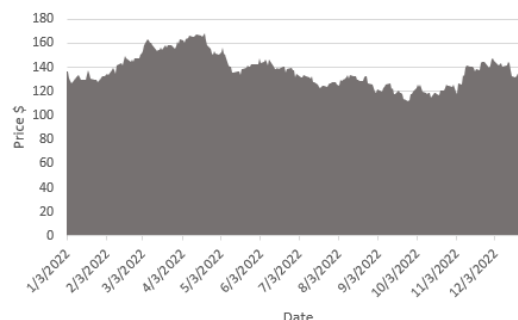
	Return %	ROE %
Vulcan Materials Co	-14.87	8.54
Summit Materials Inc A	-28.07	14.28
GCC SAB de CV	-1.49	12.33

Franco Nevada Corp. (NYSE: FNV)

Market Cap: \$26.19B	Sector: Materials	Industry: Gold	Stock Type: Large Growth	Price (12/30/2022): \$136.48	Holding Return: 95.4%
				52-Week Range: \$111.58 - \$168.01	

Business Summary

Franco-Nevada Corp is focused on precious metals royalties and investments. FNV owns a portfolio of royalty streams and precious metals that they actively manage to generate revenue. Most of its revenue comes from gold, silver, and platinum. FNV helps illiquid mining companies fund exploration and production projects and takes a claim (royalty) of an agreed upon amount of metal once ore has been mined. The success, or failure, of royalty companies is based upon the success of the projects they fund and the market price of the various commodities. Investing in FNV is like investing in a Gold ETF but with dividends.



Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-11.04	48.62	22.32	11.27	-0.38
Return on Assets %	2.86	6.74	6.00	12.43	10.92
Return on Equity %	2.98	7.10	6.21	12.79	11.26
Net Profit Margin %	21.28	40.77	31.97	56.44	53.25
Total Asset Turnover	0.13	0.17	0.19	0.22	0.21
Financial Leverage	1.06	1.04	1.03	1.03	1.03
Operating Profit Margin %	40.52	48.25	57.99	60.87	62.32
Revenue Growth %	-3.23	29.23	20.86	27.43	1.21
Operating Income Growth %	12.59	53.87	45.25	33.76	3.63
EPS Growth %	-29.25	144.00	-6.56	123.98	-5.17

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	3.41	4.30
Next Year	0.82	9.40
Past 5 Years	31.80	21.00
Next 5 Years	4.00	5.40

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	61.55	97.45	90.17	38.41	34.47
P/B	2.76	3.99	4.58	4.54	4.18
P/S	19.54	26.35	24.46	20.74	19.70
P/CF	26.10	36.44	32.09	28.70	26.08

Investment Rationale/Risk

- Historically, with a maturing business cycle, commodity prices strengthen. This presents an opportunity for FNV to fund more projects and generate more return on their portfolio of metal in the short-term. In the long-term, FNV will be affected by the availability of development capital.
- One key risk associated with royalty companies is the decline of production. Since 2000, the amount of gold ore produced has been steadily declining, leading to supply constraints. While this may drive up the price, if less mines are being built, FNV and its peers could be in serious financial distress.
- The ROA and ROE figures being so similar signifies that Franco-Nevada Corp is not taking on much debt. This prudent capital structure leads to increased Current and Quick Ratios, showing that the firm can remain liquid in a financial emergency.

Industry Peers

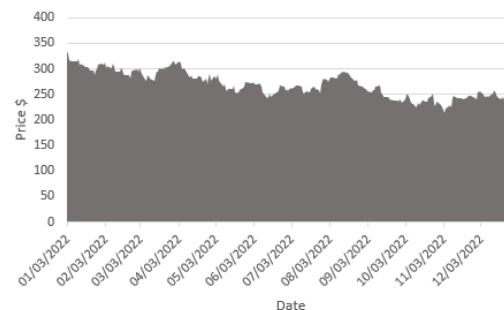
	Return %	ROE %
Newmont Corp	-20.35	-2.07
Barrick Gold Corp	-6.16	7.97
Wheaton Precious Metals Corp	-7.57	12.66

Boise Cascade Company (NYSE: BCC)

Market Cap: \$2.71B	Sector: Materials	Industry: Building Materials	Stock Type: Small Value	Price (12/30/2022): \$68.67	Holding Return: -4.0%
				52-Week Range: \$55.36 - \$85.06	

Business Summary

Boise Cascade Company is the only nationwide full-line wholesale distributor of building products for residential construction. The company makes and delivers building materials for both the residential and light commercial construction industry. They specify in two different areas, building materials distribution and wood products manufacturing with a corporate shared services model. Within their building materials distribution, this is where the company wholesales building products with a total of 38 branches nationwide and 9 millwork door shops. On the other end, Boise Cascade Company manufactures different types of wood including lumber, plywood, and environmentally friendly engineered wood products, such as laminated veneer lumber (LVL), I-joists, and laminated beams. This part of their business mainly operates in the Pacific Northwest and Southeastern Regions of the US and includes one plant in Canada. With them having these two areas, most of their revenue stems from their Building Materials Distribution Segment.



Investment Rationale/Risk

- The company's footprint with having 38 branches nationwide and 9 millwork door shops boasts well for their business. This also ties into them being the only nationwide wholesale distributor.
- One risk associated with this is how the business performs in economic downturn. They are relatively new compared to competitors in the building materials industry. Since most of their revenue stems from their distribution for residential construction, as residential construction begins to slow as interest rates and inflation keep rising, they might see a downturn in business from this. Recovering from this might lead to higher returns and key statistics.
- The company is seeing health returns over the past 5 years with other statistics continuing to grow. This large growth period might not fare well in the next 5 years as analysts predicting a negative earnings growth.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-36.97	58.91	36.33	60.29	2.08
Return on Assets %	1.28	4.94	9.56	31.40	30.63
Return on Equity %	3.04	11.78	22.55	64.67	55.30
Net Profit Margin %	0.41	1.74	3.20	8.99	10.65
Total Asset Turnover	3.13	2.84	2.99	3.49	2.89
Financial Leverage	2.35	2.41	2.31	1.90	1.70
Operating Profit Margin %	1.71	2.89	6.01	12.26	13.80
Revenue Growth %	12.71	-7.04	17.91	44.77	5.80
Operating Income Growth %	-39.53	56.98	145.76	195.11	19.14
EPS Growth %	-75.47	296.15	115.53	304.73	19.98

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	-60.90	-34.60
Next Year	-9.20	22.60
Past 5 Years	62.70	23.20
Next 5 Years	-	11.80

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	8.43	-	11.52	4.95	3.00
P/B	1.23	1.95	2.41	2.14	1.37
P/S	0.19	0.31	0.37	0.37	0.32
P/CF	6.09	6.01	5.46	5.34	2.86

Industry Peers

	Return %	ROE %
Louisiana-Pacific Corp.	-23.32	81.38
West Fraser Timber Co. Ltd	-22.99	25.86
James Hardie Industries PLC	-55.38	38.36

REAL ESTATE – MARKET WEIGHT

Sector Overview

The real estate sector made a large comeback after the recession of 2008 because properties gained some of their value back after the economic downturn. After 2008, GDP increased and, hence, consumers had more household income. People slowly began to buy houses instead of renting. In 2010 and 2011, the sector saw a 27.1% and 32.3% increase, respectively. Between 2017 and 2020, there has been minimal increase due to the stage of the business cycle-the late stage. Each segment within the industry has different metrics that are used to gauge the health of the industry. The segments that lie in the real estate sector are residential real estate, industrial real estate and commercial real estate. Real estate investment trusts are another segment which can encompass all types of properties. During the late stages of the business cycle, real estate performs at an average rate compared to the S&P 500. It is important to note that the real estate industry does not perform well when interest rates rise. As the cost of borrowing for consumers and real estate carriers increases, the demand for mortgages and acquisitions may decline. The industry becomes very defensive in the late stages of the business. Real estate investment trusts focus on repositioning and strengthening their portfolio in these stages. The real estate industry must maintain a workable supply to feed demand for rentable units when unattractive factors are involved, such as rising interest rates. Development of new properties continues in the late stages to ensure supply is adequate and higher returns can be achieved.

Residential Real Estate: The residential segment of the industry focuses on the buying and selling of properties used as homes or for non-professional purposes. This segment heavily relies on housing prices within the market to determine the health of the segment. Construction of new houses changes the supply and demand for residential real estate. Firms that manage rentable properties perform well when renting is attractive, and supply of rentable units is high.

Industrial Real Estate: The industrial real estate segment focuses on properties that are used for manufacturing and production. Some examples are the factories and plants that are involved in vertical supply chain systems to provide consumer products to retailers or other manufacturing centers. Consumer spending and supply chain operating costs affect this industry the most.

Commercial Real Estate: Commercial real estate segment consists of the properties that are used for business purposes such as retail and office spaces. The segment tends to perform cyclically in relation to the economy.

Real Estate Investment Trusts: REITs invest in a variety of properties to achieve returns that can sustain the company financially. For REITs, the company must distribute 90% of their taxable income in dividends to their investors. Other income is invested in the development or acquisition of properties to ensure higher returns for stockholders. They also can provide mortgages on various real assets.

Performance*	1-Year	3-Year	5-Year
Sector	-12.67%	-6.03%	28.83%
S&P 500	-18.11%	7.66%	9.42%

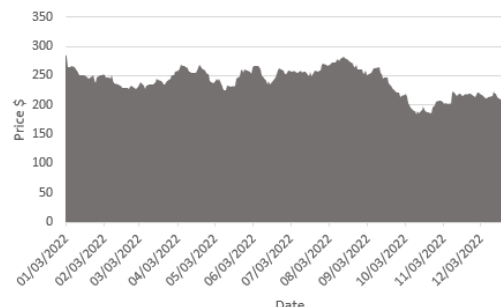
*Annualized Returns

American Tower Corp. (NYSE: AMT)

Market Cap: \$98.6B	Sector: Real Estate	Industry: Equity REIT	Stock Type: Large Growth	Price (12/31/2022): \$211.86	Holding Return: 113.7%
				52-Week Range: \$ 182.44 - \$293.03	

Business Summary

American Tower Corporation (AMT) is a real estate investment trust founded in 1995 in Boston, Massachusetts. AMT invests in the global real estate markets as well as being a large independent operator of wireless and broadcast communication sites. American Tower owns and operates more than 220,000 cell towers throughout the U.S., Asia, Latin America, Europe, and the Middle East. Through its subsidiaries, AMT owns, operates, and develops wireless and broadcast communications properties. This includes 40,000 in the United States and Canada. The company also leases antenna space on multi-tenant communication sites to wireless service providers, radio, television broadcast companies, government agencies, municipalities, and other tenants in several industries.



Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	13.09	47.67	-0.36	32.63	-25.57
Return on Assets %	3.71	4.98	3.76	4.38	2.60
Return on Equity %	21.20	36.33	36.96	55.97	33.20
Net Profit Margin %	16.49	24.90	21.02	27.44	16.50
Total Asset Turnover	0.22	0.20	0.18	0.16	0.20
Financial Leverage	6.19	8.47	11.54	13.75	7.60
Operating Profit Margin %	25.60	35.47	38.89	35.57	12.40
Revenue Growth %	11.65	1.88	6.08	16.36	14.50
Operating Income Growth %	-4.67	41.12	16.34	6.42	-8.77
EPS Growth %	3.75	53.07	-10.61	49.34	-32.51

Investment Rationale/Risk

- Concentrates investments in countries that are in earlier stages of wireless infrastructure. Invests in projects that accrue in value as the infrastructure develops.
- Has recurring revenue increases, high operating leverage, predictable operating costs, and minimal nondiscretionary capital expenditures.
- Revenue is reliable due to strong credit quality of tenants, low tenant turnover, and growing wireless adoptions.
- Operating leverage is high due to the availability for tenants to invest in new towers within their current leases.

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	0.52	0.60
Next Year	3.20	4.50
Past 5 Years	11.10	-2.40
Next 5 Years	11.40	9.60

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	59.47	63.84	53.06	53.18	33.68
P/B	13.04	19.42	26.73	24.64	15.70
P/S	9.93	13.13	12.77	14.59	9.33
P/CF	21.26	25.43	26.75	24.99	30.57

Industry Peers

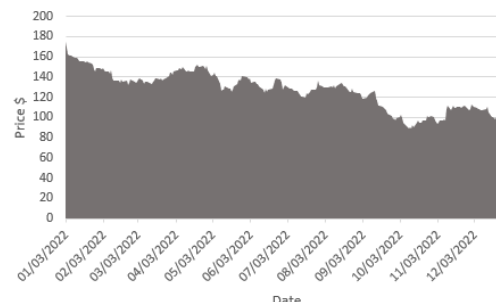
	Return%	ROE %
Crown Castle International Corp	34.56	12.37
SBA Communications Corp	38.71	-
Cellnex Telecom SA	-3.38	-1.05

Digital Realty Trust Inc (NYSE: DLR)

Market Cap: \$28.83B	Sector: Real Estate	Industry: Equity REIT	Stock Type: Mid Core	Price (12/31/2022): \$100.27	Holding Return: -30.75%
				52-Week Range: \$88.24 - \$168.24	

Business Summary

Digital Realty Trust Inc (DLR) is a real estate investment trust founded in 2004 in Austin, Texas. DLR invests in the global real estate markets as well as being a large independent operator of data warehouses. Digital Realty owns and operates more than 284 facilities in 48 metros across 23 countries. Through its subsidiaries, DLR owns, operates, and develops full spectrum data center services to provide customers with a trusted foundation and methodology to scale digital businesses and efficiently manage data gravity challenges.



Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-2.91	16.43	20.25	30.11	-40.55
Return on Assets %	1.11	2.11	0.89	4.64	0.90
Return on Equity %	21.20	36.33	36.96	55.97	2.00
Net Profit Margin %	16.49	24.90	21.02	27.44	7.20
Total Asset Turnover	0.22	0.20	0.18	0.16	0.10
Financial Leverage	6.19	8.47	11.54	13.75	0.46
Operating Profit Margin %	25.60	35.47	38.89	35.57	14.10
Revenue Growth %	11.65	1.88	6.08	16.36	5.96
Operating Income Growth %	-4.67	41.12	16.34	6.42	-12.90
EPS Growth %	3.75	53.07	-10.61	49.34	-81.31

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	0.30	0.60
Next Year	8.18	4.50
Past 5 Years	1.70	-2.40
Next 5 Years	6.80	9.60

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	80.72	119.74	59.37	74.94	20.55
P/B	2.51	3.00	2.34	3.04	1.77
P/S	7.34	7.81	9.41	11.40	6.40
P/CF	16.00	17.07	21.58	28.11	17.69

Investment Rationale/Risk

- Concentrates investments in countries that are in earlier stages of wireless infrastructure. Invests in projects that accrue in value as the infrastructure develops.
- Has recurring revenue increases, high operating leverage, predictable operating costs, and minimal nondiscretionary capital expenditures.
- Revenue is reliable due to strong credit quality of tenants, low tenant turnover, and growing wireless adoptions.
- Operating leverage is high due to the availability for tenants to invest in new towers within their current leases.

Industry Peers

	Return %	ROE %
Equinix Inc	34.56	12.37
Nextdc Ltd	38.71	0.54
Alexandria R.E. Equities Inc	-32.55	2.92

UTILITIES – UNDERWEIGHT

Sector Overview

The Utility sector has a market cap of \$1.55 trillion and is comprised of companies that provide utilities like electricity, gas, or water. Utilities is a defensive sector that historically performs well through the late and recession stages in the business cycle. Utilities should be a stable sector in the near future.

Electric Utilities: The Electric Utilities Industry includes companies that engage primarily in providing electricity to individuals or companies. This industry alone has a market cap of about \$845.93 billion and is the largest industry within this sector. Stocks in this industry typically offer high dividend yields with low volatility. Distribution of electricity is regulated by state commissions and transmission is overseen by the states or the Federal Energy Regulatory Commission. As environmental concerns have risen in recent years, companies have been expected and regulated by both the government and general society to conduct their business with less of an environmental impact.

Gas Utilities: The gas utilities industry includes companies whose primary business is to distribute and transmit natural and manufactured gas. It does not include companies primarily involved in gas exploration or production. Demand and production of natural gas has increased tremendously in recent years due to its versatility, but the market cap is relatively small at around 60.43 billion dollars.

Independent Power and Renewable Electricity

Producers: This industry, with a market cap of \$122.25 billion, includes companies that engage in the generation and distribution of electricity using renewable sources. Some examples of renewable energy are solar energy, hydropower, wind power, and biomass. This industry also includes companies that are independent power producers, gas and power marketing and trading specialists, or integrated energy merchants, but does not include companies that manufacture the capital equipment that is used to produce renewable energy. This industry is the fastest growing industry within this sector.

Multi-Utilities: The multi-utilities or diversified utilities industry is the second largest industry within the utilities sector and has a market cap of \$453.49 billion. This industry is made up of companies who have business in more than one specific utility industry. Companies who can provide a combination of electric, gas, or water utilities maintain noticeable stability due to their ability to operate in several different departments of the energy generation business.

Water Utilities: The water utilities industry includes companies who engage in the purchase and redistribution of water to consumers that range from residential to industrial. Companies that are included in this industry could also operate in large-scale water treatment systems. This industry has a market cap of \$67.76 billion.

Performance*	1-Year	3-Year	5-Year
Sector	-1.16%	3.31%	5.98%
S&P 500	-18.11%	7.66%	9.42%

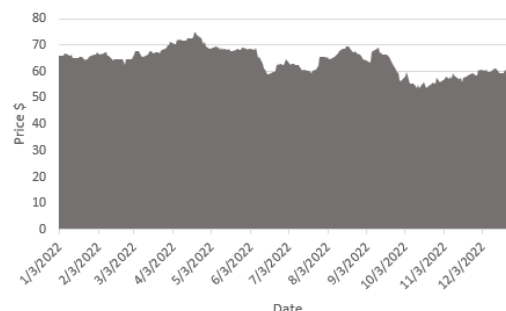
*Annualized Returns

Public Service Enterprise Group, Inc. (NYSE: PEG)

Market Cap: \$30.57B	Sector: Utilities	Industry: Utilities- Regulated Electric	Stock Type: Mid Value	Price (12/31/2022): \$61.27	Holding Return: 84.7%
				52-Week Range: \$53.48-\$74.73	

Business Summary

Public Service Enterprise Group Incorporated was incorporated in 1985 and is based in Newark, New Jersey. Through its subsidiaries, the firm operates as an energy company that primarily conducts its operations in the Northeastern United States, serving over four million customers. It operates through two segments, PSE&G and PSEG Power. The PSE&G segment transmits and distributes electricity and gas to residential, commercial, and industrial customers, as well as invests in solar generation projects. The Power segment operates facilities that generate nuclear, coal, gas, oil-fired, solar, and renewable energies. PEG has a distribution and transmission of the electricity system of 25,000 circuit miles, with 862,000 poles.



Investment Rationale/Risk

- PEG has paid annual dividends since 1907. Raising it an average of 5% annually the past five years.
- New Jersey's aggressive clean energy goals should result in several growth opportunities for PEG.
- While PEG is subject to regulation, their departure from the wholesale power generation business decreases their risk, as well as their environmental impact.
- Innovation, customer service, and infrastructure provide PEG with a substantial competitive advantage in the Mid-Atlantic Regions. The limited number of competitors in their geographical area makes their stock very dependable.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	4.56	17.06	2.05	17.96	-4.95
Return on Assets %	3.27	3.64	3.90	-1.31	1.42
Return on Equity %	10.19	11.49	12.26	-4.26	5.04
Net Profit Margin %	14.83	16.80	19.84	-6.67	7.08
Total Asset Turnover	0.22	0.22	0.20	0.20	0.20
Financial Leverage	3.15	3.16	3.13	3.39	-
Operating Profit Margin %	23.70	23.27	21.98	18.12	14.45
Revenue Growth %	6.74	3.92	-4.69	1.24	-0.05
Operating Income Growth %	60.81	2.05	-9.98	-16.53	-20.32
EPS Growth %	-8.71	17.67	12.91	-	-

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	-1.15	2.50
Next Year	7.00	5.40
Past 5 Years	3.10	4.10
Next 5 Years	2.40	5.80

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	12.05	20.65	15.46	-	45.05
P/B	1.83	1.99	1.86	2.39	2.31
P/S	2.83	2.97	3.05	3.71	3.15
P/FCF	8.74	9.57	9.27	19.10	24.42

Industry Peers

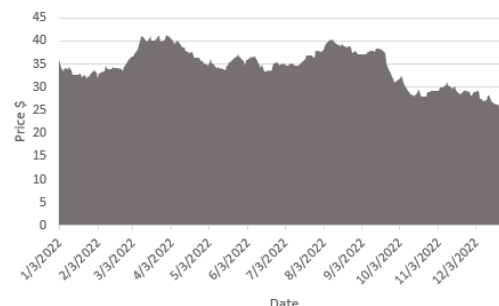
	Return %	ROE %
Consolidated Edison Inc	15.41	8.31
Exelon Corp	3.10	7.34
FirstEnergy Corp	4.49	4.31

Brookfield Renewable Partners LP (NYSE: BEP)

Market Cap: \$6.96B	Sector: Utilities	Industry: Utilities- Renewables	Stock Type: Mid Growth	Price (12/31/2022): \$25.34 52-Week Range: \$24.82-\$41.28	Holding Return: -29.3%
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Business Summary

BEP is a power generating company that operates in the renewable utility industry. The company's operations span across the world including segments in North and South America, Europe, and Asia, with a diverse portfolio of assets of around 24,000 megawatts in installed capacity and over 8,000 power generating facilities. Its assets, worth around \$72B, consist of generation in hydroelectric, wind, solar, storage, cogeneration, and biomass. ESG is a primary focus at BEG, proven by a goal of net zero greenhouse gas emissions by 2050.



Investment Rationale/Risk

- BEP has been achieving its goal of reducing carbon emissions and has been doing so through agreements and acquisitions. This can be seen through their low ESG rating.
- Given their diverse global portfolio, BEP is well positioned amongst their competitors.
- BEP has seen negative returns of -18.50% over the trailing twelve months. Their earnings per share are also negative, at -\$0.51.
- BEP is exposed to several risks, such as currency exchange rates, that provide uncertainty to the valuations provided in the DCF model. Because of these risks, the future results could be negatively impacted if one of these were to occur.

Key Statistics	2018	2019	2020	2021	2022
Total Stock Return %	-20.19	87.99	73.49	-14.24	-25.62
Return on Assets %	0.07	-0.10	-0.43	-0.36	-0.29
Return on Equity %	0.50	-0.64	-3.58	-3.88	-3.59
Net Profit Margin %	0.80	-1.14	-4.83	-4.66	-3.32
Total Asset Turnover	0.09	0.09	0.09	0.08	0.09
Financial Leverage	6.57	6.60	10.20	11.23	12.87
Operating Profit Margin %	35.11	36.11	18.45	21.58	28.09
Revenue Growth %	13.60	-0.07	27.85	7.51	15.01
Operating Income Growth %	33.72	2.77	-34.67	25.75	64.14
EPS Growth %	-	-	-	-	-

Earnings Growth Estimates

Earnings Growth Estimate %	Company	Industry
Current Year	40.00	2.50
Next Year	44.40	5.40
Past 5 Years	-24.56	4.10
Next 5 Years	13.20	5.80

Stock Valuation Ratios

Ratio	2018	2019	2020	2021	2022
P/E	-	149.53	-	-	-
P/B	1.11	1.69	2.82	2.42	1.56
P/S	1.63	2.75	4.19	2.49	1.52
P/FCF	4.68	6.46	12.83	13.11	5.03

Industry Peers

	Return %	ROE %
Northland Power Inc.	-10.40	21.34
Atlantica Sustainable Infrastructure PLC	-14.56	-1.36
Algonquin Power & Utilities Corp	-39.29	0.58

FIXED INCOME - UNDERWEIGHT

Description

Fixed Income is described as an investment approach that is planned to give someone a steady stream of income with less risk than investing in stocks. Usually, fixed income has set payments they make to the bond holders on a quarterly basis which helps lower the beta of portfolios. The IMP class uses fixed income to help pay for the \$5,000 scholarship that is given out every year to finance students.

Our Outlook

Fixed income currently is not doing too well in the long term since interest rates are on the rise and inflation is still higher than usual. The IMP class decided to underweight fixed income overall and remodel our fixed income side to not have as many preferred stocks and switch it to mostly short-term, inflation protected bonds for the near future. We still want to stay diversified which is why we didn't 100% change to only this model, but we want to be heavier on the short duration side for the near future.

Performance*	1-Year	3-Year	5-Year
AGG	-13.01%	-2.76%	0.43%

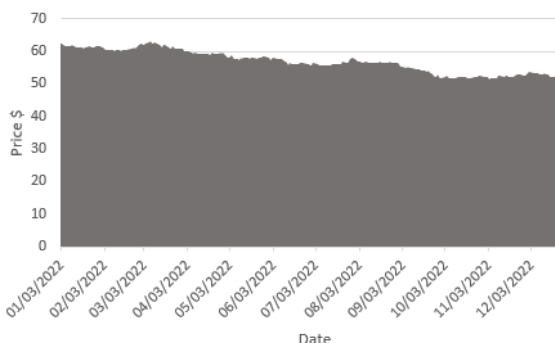
*Annualized Returns

Schwab U.S. TIPS ETF (NYSE: SCHP)

Sector: US Fund Inflation- Protected Bond	Expense: 0.040%	Maturity: 7.10 years Duration: 6.60 years	Credit Rating: AAA	Current Price (12/30/2022): \$51.79 52-Week Range: \$51.47 - \$62.99	Holding Return: -18.7%
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Overview

The fund's goal is to track as closely as possible, before fees and expenses, the total return of an index composed of inflation-protected U.S. Treasury securities. The fund tracks the Bloomberg U.S. Treasury Inflation-Linked Bond Index, which includes U.S. TIPS with at least one year until maturity. Holdings are weighted in proportion to their market value (excluding amounts held by the Federal Reserve), which mitigates transaction costs and makes the index easy to track.



Investment Rationale/Risk

- This is a sound approach because it is cost-effective, it promotes low turnover, and the market does a decent job pricing these bonds. There is limited return potential in this market segment because TIPS are issued by the U.S. Treasury Department and don't contain material credit risk.
- The fund's performance has been consistent. It outperformed its average category peer by 14 basis points over the 10 years through September 2022. Despite exhibiting more volatility, it edged out its average category peer on a risk-adjusted basis over that period.

Sector Allocation (%)	
Treasury	100

Credit Rating Breakdown (%)	
AAA	100

Maturity Breakdown (%)	
Less than 1 Year	0.00
1 – 3 Years	25.90
3 – 5 Years	25.40
5 – 7 Years	15.60
7 – 10 Years	19.60
10 – 20 Years	3.20
20 Years or More	10.30

Performance

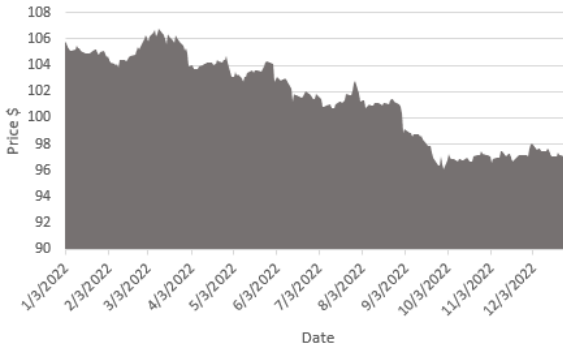
	SCHP	U.S. Agg.
1-Year Return %	-12.02	-13.01
3-Year Return %	1.07	-2.76
5-Year Return %	2.01	0.42

iShares 0-5 Year TIPS Bond ETF (NYSE: STIP)

Sector: US Fund Inflation- Protected Bond	Expense: 0.030%	Maturity: 2.40 years Duration: 2.34 years	Credit Rating: AAA	Current Price (12/30/2022): \$96.96 52-Week Range: \$96.11 - \$106.76	Holding Return: -8.9%
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Overview

The iShares 0-5 Year TIPS Bond ETF seeks to track the investment results of an index composed of inflation-protected U.S. Treasury bonds with remaining maturities of less than five years.



Sector Allocation (%)	
Treasury	99.53
Other	0.47

Investment Rationale/Risk

- This share class led its average peer by an annualized excess return of 26 basis points over a 10-year period. And it mirrored the category index's, Bloomberg Barclays U.S. Treasury Inflation-Protected Securities Index's, performance over the same period.
- One-year performance does not largely affect this share class's rating. However, its impressive 1.5% loss is worth mentioning, a 5.0-percentage-point lead over its average peer, placing it within the top 10% of its category.

Credit Rating Breakdown (%)	
AAA	99.58
Others	0.42

Maturity Breakdown (%)	
0 - 1 Years	17.92
1 - 2 Years	20.54
2 - 3 Years	20.78
3 - 5 Years	40.34

Performance

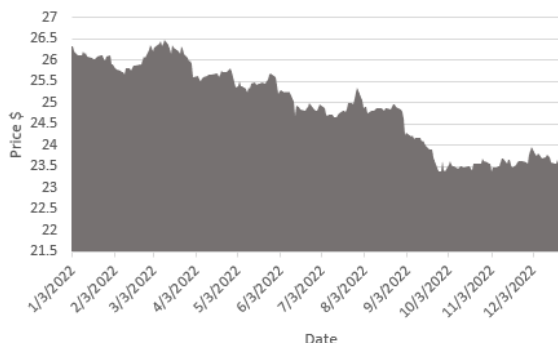
	STIP	U.S. Agg.
1-Year Return %	-3.01	-13.01
3-Year Return %	2.53	-2.76
5-Year Return %	2.60	0.42

FlexShares iBoxx 3-Year Target Duration TIPS Index Fund (NYSE:TDTT)

Sector: US Fund Inflation- Protected Bond	Expense: 0.18%	Maturity: 3.53 years Duration: 3.09 years	Credit Rating: AAA	Current Price (12/30/2022): \$23.52 52-Week Range: \$26.47 - \$23.38	Holding Return: -8.6%
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Overview

FlexShares iBoxx 3-Year Target Duration TIPS Index Fund seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the iBoxx 3-Year Target Duration TIPS Index Fund.



Sector Allocation (%)	
Treasury	99.97
Other	0.03

Credit Rating Breakdown (%)	
AAA	100.00

Maturity Breakdown (%)	
0 - 1 Years	0.00
1 - 3 Years	29.15
3 - 5 Years	49.84
5 - 10 Years	20.99
10 - 20 Years	0.00

Investment Rationale/Risk

- The highest U.S. inflation rate in 30 years along with rising real interest rates during the fiscal year led to a negative total return performance for both the Fund and the Underlying Index.
- For the 12-month period, the NAV performance of the Fund outperformed the Bloomberg U.S. TIPS 1-10 Year Index 10 by +278 bps due in part to lower overall duration in the 1-3-year section of the TIPS yield curve with rising real interest rates.

Performance

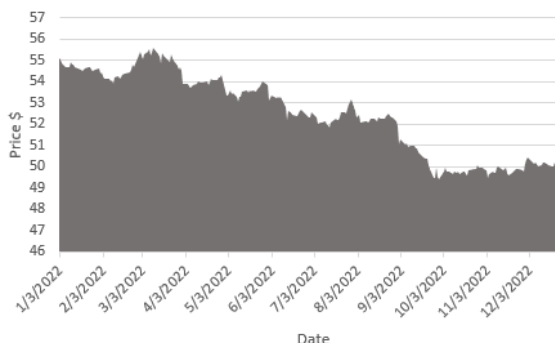
	STIP	U.S. Agg.
1-Year Return %	-4.83	-13.01
3-Year Return %	2.32	-2.76
5-Year Return %	2.62	0.42

PIMCO 1-5 Year U.S. TIPS Index Exchange-Traded Fund (NYSE: STPZ)

Sector: US Fund	Expense: 0.200%	Maturity: 2.90 years	Credit Rating: AAA	Current Price (12/30/2022): \$49.87	Holding Return: -7.8%
Inflation-Protected Bond		Duration: 2.80 years		52-Week Range: \$55.59 - \$49.41	

Overview

The 15 Year U.S. TIPS Index Exchange Traded Fund is the first exchange traded fund (ETF) that aims to capture, before fees and expenses, the returns of the shorter maturity subset of the Treasury Inflation-- Protected Securities (TIPS) market by tracking The ICE BofAML 15 Year US InflationLinked Treasury Index. The fund aims to achieve the real return (above inflation), capital preservation, and low volatility level inherent in short maturity TIPS.



Sector Allocation (%)	
Treasury	99.70
Other	0.30

Investment Rationale/Risk

- Over the 10 years through August 2022, the fund lagged its category peers by 8 basis points annually as it took on less interest-rate risk than the category average. However, its low-risk strategy resulted in less volatility, allowing the fund to outperform its average peer on a risk-adjusted basis.
- TIPS have virtually no credit risk since they are backed by the U.S. government. As a result, interest-rate risk is the primary driver of category-relative returns. During times of increased interest-rate volatility, the fund's exposure to the shorter end of the curve has aided its performance.

Credit Rating Breakdown (%)	
AAA	100.00

Maturity Breakdown (%)	
0 - 1 Years	4.52
1 - 2 Years	1.01
2 - 3 Years	0.31
3 - 4 Years	1.82

Performance

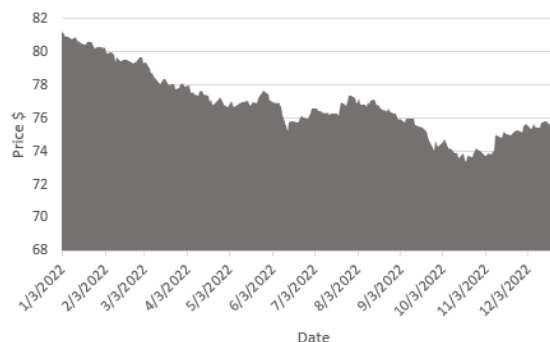
	STIP	U.S. Agg.
1-Year Return %	-4.47	-13.01
3-Year Return %	2.06	-2.76
5-Year Return %	2.25	0.42

Vanguard Short-Term Corporate Bond Index Fund ETF (NYSE: VCSH)

Sector: US Fund Short – Term Bond	Expense: 0.040%	Maturity: 2.9 Years Duration: 2.7 Years	Credit Rating: A-	Current Price (12/30/2022): \$75.11 52-Week Range: \$73.43 - \$81.25	Holding Return: -8.0%
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Overview

The Vanguard Short-Term Corporate Bond Index Fund ETF is a broad portfolio of short-term, investment grade corporate bonds which appear riskier than its category peers, however investors should be compensated accordingly. It tracks the Bloomberg 1-5 Year Corporate Bond Index, which provides a market-cap weighted portfolio of investment-grade corporate bonds with between one and five years remaining to maturity.



Investment Rationale/Risk

- Since 2009, the fund has outperformed the category average by 90 basis points annualized. This is due to its low fee and broad portfolio, as well as its riskier credit quality profile. The fund did well when credit spreads tightened in recent years such as the recovery from COVID-19 and the first half of 2016. In those instances, it outperformed the category average by 2.61 and 1.08 percentage points respectively.
- The fund is more volatile than the category average and will likely fall more during major credit shocks. For instance, it trailed the category average by 1.30 percentage points at the bottom of the COVID-19 shock. The fund's higher duration can also make it more vulnerable to interest-rate shocks. The fund fell by 68 basis points more than the category average over the first half of 2022.

Performance

	VCSH	U.S. Agg.
1-Year Return %	-3.27	-13.01
3-Year Return %	-0.69	-2.76
5-Year Return %	1.53	0.42

Sector Allocation (%)	
Corporate Bonds	99.48
Other	0.52

Credit Rating Breakdown (%)	
US Gov.	0.20
AAA	0.90
AA	6.60
A	47.60
BBB	44.70

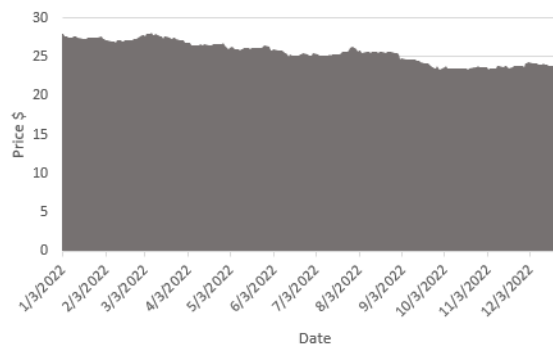
Maturity Breakdown (%)	
0 – 2 Years	22.60
2 – 4 Years	48.60
4 + Years	28.80

FlexShares iBoxx 5-Year Duration Index Fund ETF (NYSE: TDTF)

Sector:	Expense:	Maturity:	Credit Rating:	Current Price	Holding Return:
US Fund	0.18%	6.16 Years	AAA	(12/30/2022):	-0.8%
Inflation –		Duration:		\$23.62	
Protected		5.15 Years		52-Week Range:	
Bond				\$23.36 - \$28.06	

Overview

FlexShares iBoxx® 5-Year Target Duration TIPS Index Fund seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the iBoxx® 5-Year Target Duration TIPS Index (Underlying Index).



Investment Rationale/Risk

- FlexShares iBoxx 5-Year Target Duration TIPS Index Fund (TDTF) uses to manage duration and interest rate risk in a portfolio that holds TIPS to hedge against the threat of inflation.

Sector Allocation (%)	
Corporate Bonds	99.96
Other	0.04

Credit Rating Breakdown (%)	
AAA	100

Maturity Breakdown (%)	
3 – 5 Years	38.87
5 – 10 Years	59.14
10 + Years	1.95

Performance

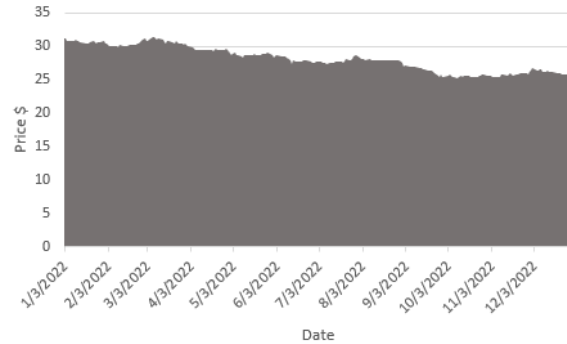
	VCSH	U.S. Agg.
1-Year Return %	-9.59	-13.01
3-Year Return %	1.63	-2.76
5-Year Return %	2.35	0.42

SPDR Portfolio TIPS ETF (NYSE: SPIP)

Sector: US Fund Inflation – Protected Bond	Expense: 0.120%	Maturity: 7.80 Years Duration: 7.21 Years	Credit Rating: AAA	Current Price (12/30/2022): \$25.76 52-Week Range: \$25.28 - \$31.50	Holding Return: -12.7%
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Overview

The SPDR Portfolio TIPS ETF (SPIP) seeks to provide price and yield performances close to that of the Bloomberg US Government Inflation-Linked Bond Index with this ETF being one of the lower cost cores. This ETF diversifies to different exposures of asset classes and hedge the erosion of purchasing power from inflation.



Investment Rationale/Risk

- This fund tracks the Bloomberg US Government Inflation-Linked Bond Index with maturities ranging from 1 to 30 years. The fund allows investors to invest into TIPS at a low cost compared to other ETFs and Index, with the Index having average cost of about \$95, while also giving exposure to the different asset classes that are offered within the Index that the ETF tends to follow.
- The fund's performance over the last year has not been great, declining about 12% but still beating the US Aggregate by about 28 basis points. Looking at both the 3- and 5-year annualized returns of the fund, it outperforms the US Aggregate by almost 3% in the 3-year and 1.5% in the 5-year return. Comparing the fund to the Index that it follows, it beats out the performance in the short term up to 1 year and falls short in the 3-, 5-, and 10-year performances.

Performance

	SPIP	U.S. Agg.
1-Year Return %	-12.73	-13.01
3-Year Return %	0.93	-2.76
5-Year Return %	1.91	0.42

Sector Allocation (%)	
Treasury	99.94
Other	0.06

Credit Rating Breakdown (%)	
AAA	100

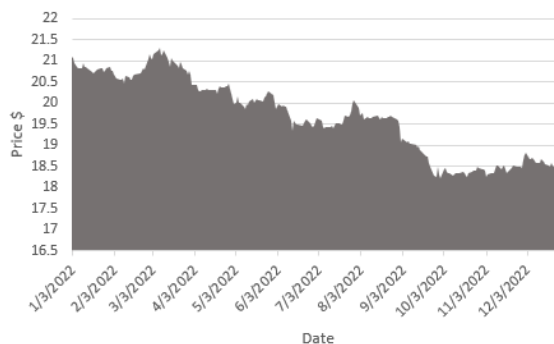
Maturity Breakdown (%)	
Under 1 Year	0.05
1 - 2 Years	10.43
2 - 5 Years	38.06
5 - 10 Years	34.90
15 -30 Years	16.56

SPDR Bloomberg 1-10 Year TIPS ETF (NYSE: TIPX)

Sector:	Expense:	Maturity:	Credit Rating:	Current Price	Holding Return:
US Fund	0.150%	4.76 Years	AAA	(12/30/2022):	-9.5%
Inflation –		Duration:		\$18.45	
Protected		4.53 Years		52-Week Range:	
Bond				\$18.21 - \$21.295	

Overview

The SPDR Bloomberg 1-10 Year TIPS ETF (TIPX) seeks to provide and correspond yield and price performances close to that of the Bloomberg 1-10 Year US Government Inflation-Linked Bond Index. The fund seeks maturities from 1-10 years.



Investment Rationale/Risk

- The fund tracks the Bloomberg 1-10 Year US Government Inflation-Linked Bond Index, which includes fixed income ranging from 1-10 years. The fund rebalances monthly on the last day of the month. The fund ranges from maturities between 1-10 years with majority of maturities being in 3-5 years of about 28%.
- The fund's performance over the last year has declined 7.61%. Comparing to the US Aggregate, it has beaten by about 5.5% and outperforms also in the 3- and 5-year returns but varying percentages. Comparing to the tracked Index, the fund outperforms in the short term up to 1 year and underperforms thereafter.

Performance

	TIPX	U.S. Agg.
1-Year Return %	-7.61	-13.01
3-Year Return %	1.86	-2.76
5-Year Return %	2.35	0.42

Sector Allocation (%)	
Treasury	99.96
Other	0.04

Credit Rating Breakdown (%)	
AAA	100

Maturity Breakdown (%)	
Under 1 Year	0.04
1 - 2 Years	12.43
2 - 3 Years	16.40
3 - 5 Years	28.24
5 - 7 Years	22.47
7 - 10 Years	20.41

Investment Management Program Portfolio

2022 Year Performance

		Summary											
Security	Ticker	December 31, 2021				December 31, 2022				Annual Return	Holding Return		
		Shares	Price	Value	Weight	Shares	Price	Value	Weight				
Equity:													
3M	MMM	19	\$ 177.63	\$ 3,374.97	1.04%	19	\$ 119.92	\$ 2,278.48	0.80%	-29.1%	53.1%		
AbbVie Inc	ABBV	37	\$ 135.40	\$ 5,009.80	1.55%	37	\$ 161.61	\$ 5,979.57	2.09%	23.5%	46.7%		
Accenture PLC Class A	ACN	40	\$ 414.55	\$ 16,582.00	5.12%	40	\$ 266.84	\$ 10,673.60	3.74%	-34.7%	234.4%		
Alphabet Inc.	GOOG	3	\$ 2,893.59	\$ 8,680.77	2.68%	60	\$ 88.73	\$ 5,323.80	1.86%	-38.7%	-40.6%		
Amazon.com Inc	AMZN	5	\$ 3,334.34	\$ 16,671.70	5.15%	100	\$ 84.00	\$ 8,400.00	2.94%	-49.6%	171.7%		
American Tower Corp.	AMT	20	\$ 292.50	\$ 5,850.00	1.81%	20	\$ 211.86	\$ 4,237.20	1.48%	-25.6%	106.6%		
AmerisourceBergen Corp.	ABC					35	\$ 165.71	\$ 5,799.85	2.03%	16.7%	15.7%		
Amgen Inc.	AMGN	21	\$ 224.97	\$ 4,724.37	1.46%	21	\$ 262.64	\$ 5,515.44	1.93%	20.2%	61.9%		
Apple Inc.	AAPL	118	\$ 177.57	\$ 20,953.26	6.47%	118	\$ 129.93	\$ 15,331.74	5.37%	-26.3%	1952.1%		
Bank of America	BAC	148	\$ 44.49	\$ 6,584.52	2.03%	148	\$ 33.12	\$ 4,901.76	1.72%	-23.6%	62.7%		
BlackRock, Inc	BLK	7	\$ 915.56	\$ 6,408.92	1.98%	7	\$ 708.63	\$ 4,960.41	1.74%	-20.5%	-15.6%		
Bristol-Myers Squibb Co	BMJ	30	\$ 62.35	\$ 1,870.50	0.58%					11.2%	167.0%		
Boise Cascade Co.	BCC					28	\$ 68.67	\$ 1,922.76	0.67%	1.4%	-4.0%		
Brookfield Renewable Partners	BEP	30	\$ 35.79	\$ 1,073.70	0.33%	30	\$ 25.34	\$ 760.20	0.27%	-26.1%	-29.3%		
Capital One Financial Corp.	COF	50	\$ 145.09	\$ 7,254.50	2.24%	50	\$ 92.96	\$ 4,648.00	1.63%	-49.3%	-1.3%		
Cheniere Energy	LNG	20	\$ 101.42	\$ 2,028.40	0.63%	20	\$ 149.96	\$ 2,999.20	1.05%	49.2%	134.3%		
Comfort Systems USA	FIX	35	\$ 98.94	\$ 3,462.90	1.07%	35	\$ 115.08	\$ 4,027.80	1.41%	16.9%	24.0%		
CVS Health Corp.	CVS	30	\$ 103.16	\$ 3,094.80	0.96%	30	\$ 93.19	\$ 2,795.70	0.98%	-7.5%	2.8%		
Digital Realty Trust Inc.	DLR					14	\$ 100.27	\$ 1,403.78	0.49%	-29.1%	-30.8%		
Dominos's Pizza Inc	DPZ	6	\$ 564.33	\$ 3,385.98	1.04%	6	\$ 346.40	\$ 2,078.40	0.73%	-37.8%	-11.9%		
Franco Nevada Co.	FNV	22	\$ 138.29	\$ 3,042.38	0.94%	22	\$ 136.48	\$ 3,002.56	1.05%	-0.5%	95.4%		
General Motors Co.	GM	62	\$ 58.63	\$ 3,635.06	1.12%	62	\$ 33.64	\$ 2,085.68	0.73%	-42.3%	-47.9%		
The Hershey Co.	HSY	20	\$ 193.47	\$ 3,869.40	1.19%	20	\$ 231.57	\$ 4,631.40	1.62%	21.7%	58.2%		
Honeywell International, Inc.	HON	20	\$ 208.51	\$ 4,170.20	1.29%	20	\$ 214.30	\$ 4,286.00	1.50%	4.7%	18.0%		
Horizon Technology Finance Corporation	HRZN	200	\$ 15.92	\$ 3,184.00	0.98%	200	\$ 11.60	\$ 2,320.00	0.81%	-19.3%	-7.2%		
Johnson & Johnson	JNJ	25	\$ 171.07	\$ 4,276.75	1.32%	25	\$ 176.65	\$ 4,416.25	1.55%	5.9%	26.2%		
Lockheed Martin Co.	LMT	9	\$ 355.41	\$ 3,198.69	0.99%	9	\$ 486.49	\$ 4,378.41	1.53%	40.1%	79.8%		
Marathon Petroleum Corp.	MPC	37	\$ 63.99	\$ 2,367.63	0.73%	37	\$ 116.39	\$ 4,306.43	1.51%	85.8%	71.2%		
Martin Marietta Materials Inc.	MLM	7	\$ 440.52	\$ 3,083.64	0.95%	7	\$ 337.97	\$ 2,365.79	0.83%	-62.7%	60.6%		
Meta Platforms Inc Com Cl A	META	17	\$ 336.35	\$ 5,717.95	1.76%	17	\$ 120.34	\$ 2,045.78	0.72%	-64.2%	-18.7%		
Microsoft Corp.	MSFT	75	\$ 336.32	\$ 25,224.00	7.78%	75	\$ 239.82	\$ 17,986.50	6.30%	-27.9%	842.1%		
NVIDIA Corporation	NVDA	100	\$ 294.11	\$ 29,411.00	9.08%	100	\$ 146.14	\$ 14,614.00	5.12%	-50.3%	207.2%		
Omnicom Group Inc.	OMC					36	\$ 81.57	\$ 2,936.52	1.03%	1.3%	-0.4%		
Procter & Gamble Co.	PG	60	\$ 163.58	\$ 9,814.80	3.03%	60	\$ 151.56	\$ 9,093.60	3.19%	-5.1%	99.0%		
Public Service Enterprise Group Inc.	PEG	60	\$ 66.73	\$ 4,003.80	1.24%	60	\$ 61.27	\$ 3,676.20	1.29%	-4.9%	84.7%		
Rockwell Automation Inc.	ROK					12	\$ 257.57	\$ 3,090.84	1.08%	-4.8%	-6.1%		
Roper Technology Inc.	ROP	6	\$ 491.86	\$ 2,951.16	0.91%	6	\$ 432.09	\$ 2,592.54	0.91%	-11.6%	9.9%		
T-Mobile	TMUS	35	\$ 115.98	\$ 4,059.30	1.25%	35	\$ 140.00	\$ 4,900.00	1.72%	20.7%	20.5%		
Taiwan Semiconductor Manufacturing Co LTD	TSM	30	\$ 120.31	\$ 3,609.30	1.11%	30	\$ 74.49	\$ 2,234.70	0.78%	-36.9%	-35.2%		
TC Energy Corporation	TRP	94	\$ 46.54	\$ 4,374.76	1.35%	94	\$ 39.86	\$ 3,746.84	1.31%	-9.3%	-7.1%		
The TJX Companies, Inc.	TJX	43	\$ 75.92	\$ 3,264.56	1.01%	43	\$ 79.60	\$ 3,422.80	1.20%	6.4%	45.9%		
UnitedHealth Group Inc.	UNH	40	\$ 502.14	\$ 20,085.60	6.20%	40	\$ 530.18	\$ 21,207.20	7.43%	6.9%	803.6%		
Visa Inc.	V	40	\$ 216.71	\$ 8,668.40	2.68%	40	\$ 207.76	\$ 8,310.40	2.91%	-3.4%	216.5%		
The Walt Disney Company	DIS	60	\$ 154.89	\$ 9,293.40	2.87%	60	\$ 86.88	\$ 5,212.80	1.83%	-43.9%	-27.5%		
Total				\$ 278,316.87	85.89%			\$ 230,900.93	80.88%				
Equity ETFs													
Total				\$ -	0.00%			\$ -	0.00%				
Fixed-Income Securities & Others:													
Schwab Strategic TR US TIPS ETF	SCHP	79	\$ 62.89	\$ 4,968.31	1.53%	79	\$ 51.79	\$ 4,091.41	1.43%	-11.7%	-18.7%		
iShares 0-5 Year TIPS Bond ETF	STIP	47	\$ 105.88	\$ 4,976.36	1.54%	47	\$ 96.96	\$ 4,557.12	1.60%	-2.9%	-8.9%		
iShares 0-5 Year Investment Grade Corporate Bond ETF	SLQD	97	\$ 51.05	\$ 4,951.85	1.53%	97	\$ 47.86	\$ 4,642.42	1.63%	-4.4%	-6.7%		
FlexShares iBoxx 5-Year Target Duration TIPS Index Fund	TDTF	177	\$ 28.04	\$ 4,963.08	1.53%	177	\$ 23.62	\$ 4,180.74	1.46%	-9.4%	-16.4%		
Vanguard Short-Term Corporate Bond Index Fund ETF	VCSH	61	\$ 81.26	\$ 4,956.86	1.53%	61	\$ 75.19	\$ 4,586.59	1.61%	-5.6%	-8.0%		
Invesco Exchange Traded Fund TPDF ETF	PGX	330	\$ 15.00	\$ 4,950.00	1.53%					-12.2%	-14.3%		
iShares Trust PFD and INCM SEC ETF	PFJ	128	\$ 39.43	\$ 5,047.04	1.56%					-10.0%	-9.6%		
Vanguard STRM INFPROIDX ETF	VTIP	96	\$ 51.40	\$ 4,934.40	1.52%					-0.6%	-2.2%		
SPDR Portfolio TIPS ETF	SPII					153	\$ 25.76	\$ 3,941.28	1.38%	-7.8%	-12.7%		
SPDR Bloomberg 1-10 Year TIPS ETF	TIPX					221	\$ 18.45	\$ 4,077.45	1.43%	-4.9%	-9.5%		
FlexShares iBoxx 3-Year Target Duration TIPS Index Fund	TDIT					175	\$ 23.52	\$ 4,116.00	1.44%	-3.6%	-8.6%		
PIMCO 1-5 Year U.S. TIPS Index Exchange-Traded Fund	STPZ					83	\$ 49.87	\$ 4,139.21	1.45%	-3.6%	-7.8%		
Total				\$ 39,747.90	12.27%			\$ 38,332.22	13.43%				
Sold													
Security	Ticker	Shares	Sale Price	Avg Purchase Price	Sale Proceeds	Cost Basis	Reg Fee	Gain/Loss	Return	Date			
Bristol-Myers Squibb Co.	BMJ	30	\$ 68.79	\$ 55.84	\$ 2,063.55	\$ 1,675.11	\$ 0.01	\$ 388.43	23.2%	3/2/2022			
iShares Preferred & Income Securities ETF	PFF	128	\$ 35.11	\$ 38.84	\$ 4,494.08	\$ 4,971.52	\$ 0.04	\$ (477.48)	-9.6%	4/11/2022			
Invesco Preferred ETF	PGX	330	\$ 13.00	\$ 15.17	\$ 4,288.35	\$ 5,006.10	\$ 0.06	\$ (717.81)	-14.3%	4/11/2022			
Vanguard Short-Term Inflation-Protected Securities Index Fund ETF	VTIP	96	\$ 50.62	\$ 51.75	\$ 4,859.04	\$ 4,968.00	\$ 0.04	\$ (109.00)	-2.2%	4/20/2022			
Actively Managed Totals				\$ 318,064.77	98.16%			\$ 269,233.15	94.31%				
Insured Deposit Account (IDA)				\$ 5,957.36	1.84%			\$ 16,233.08	5.69%				
Cash				\$ 8.16	0.00%			\$ 8.47	0.00%				
Portfolio Value				\$ 324,030.29	100.00%			\$ 285,474.70	100.00%		-18.04%		
Scholarship Distributions (None for 2022)													
Funds Added In (2/8/22)													
									\$ 12,355.00				
Funds Added In (12/9/22)													
									\$ 9,750.00				
Benchmarks													
S&P 500 index change				4,766.18				3,839.50	-19.44%				
S&P 500 dividend yield									1.33%				
S&P 500 total return									-18.11%				
Bloomberg Barclays US Aggregate Bond index				LBUSTRUU	2355.14			2,048.73	-13.01%				
Benchmark (80% the S&P 500 index + 20% the Bloomberg Barclays US Aggregate Bond index)													
										vs. benchmark	-0.95%		

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