



The Stevanovic
Metz Group

March 28, 2024

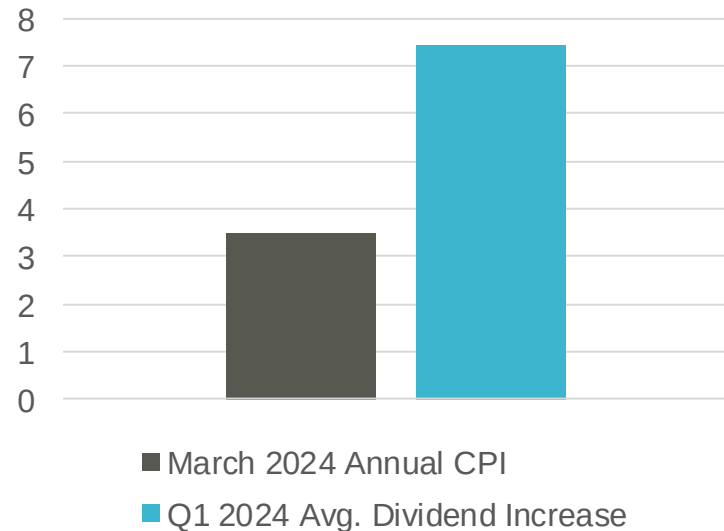
Focus Dividend Portfolio



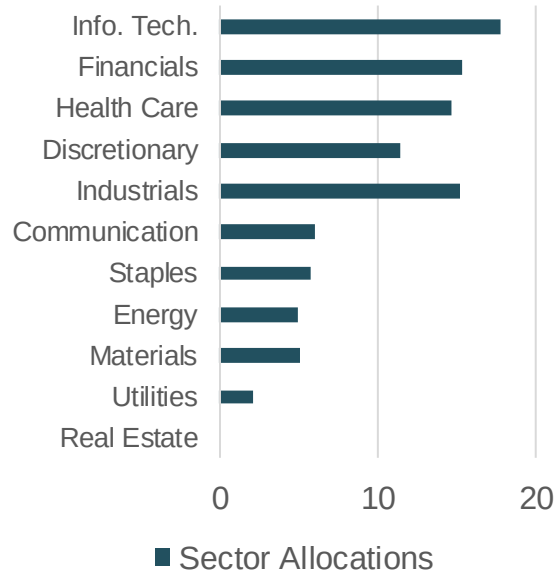
Portfolio Objective

The Focus Dividend Portfolio seeks to provide investors with exposure to a careful selection of global dividend-paying equities. The primary goal is to invest in companies that demonstrate a potential to consistently pay and increase their annual dividend. This strategy creates an opportunity for investors to earn a yield that is greater than the S&P 500 while simultaneously increasing the investor's income at a rate higher than inflation.

Avg. Dividend Increase vs. Inflation



Sector Weights



Strategy Overview

PORTFOLIO CHARACTERISTICS

- 30-40 Global dividend paying stocks
- Above avg. yield compared to benchmark
- Record of dividend growth or opportunity
- Low turnover target of <10%

UNDERSTANDING THE COMPANIES

- Review quarterly earnings call
- Attend analyst conferences and events
- Meet with company management

RISK MANAGEMENT

- Typically hold between 30-40 stocks
- Maximum 6% per individual holding
- +/- 15% deviations to benchmark allocation
- Use of dividend discount modeling to determine margin of safety

DISCIPLINED SELL PROCESS

- Excess valuation
- Dividend growth slowing
- Balance sheet deterioration
- Potential or actual dividend cut

Investment Team

Sheldon Metz, J.D. Portfolio Manager | Andy Smith, CIMA ® Portfolio Manager |

"Compound interest is the eighth wonder of the world. He who understands it, earns it. He who doesn't pays it." – Albert Einstein



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Focus Dividend Portfolio

Top 10 Holdings

Company	% of Portfolio
United Parcel Service	4.6
United Microelectronics	4.5
Ethan Allen Interiors	3.9
Lockheed Martin	3.9
Canadian Imperial Bank	3.8
Manulife Financial Corp.	3.7
BCE Inc.	3.6
Huntington Bancshares	3.5
NetApp Inc.	3.5
Johnson Controls Int'l	3.4

Characteristics*

	Portfolio	ACWI
Price / Earnings	18.9	21.11
EPS Growth (3 years)	6.4	5.02
Beta	0.95	1.00
Price / Book	4.67	3.07
Portfolio Dividend Yield	3.76	1.92

* Characteristics are provided by ThomsonOne

Dividend Increase Announcements

Companies	Q1 2024	YTD
Reported Increase	12 of 35	12 of 35
Average Increase	7.42%	7.42%

Investment Categories

Higher Average Yield

- We compare the dividends of each company to their peers and select companies that have a higher yield than their counterparts. This generally results in a higher portfolio yield than the market.

History of Dividend Growth

- Companies that, on average, have grown their dividends more than peers or can continue to grow their dividend payments annually.

Discounted Stock Valuation

- Utilizing multiple valuation models, we select stocks that have the largest margin of safety when comparing their market price to our internal valuations of the companies.

Price / Earnings is a common valuation measure that divides a portfolio's weighted avg. price by the earnings over the last 12 months. **EPS Growth** is a weighted avg. measure of the rate of growth of each company's earnings per share in the portfolio. **Beta** is a measure of a portfolio's sensitivity to the performance of its benchmark. A beta greater than 1 suggests higher volatility and vice versa. **Price / Book** compares a firm's market value of equity to the amount of common equity listed on the balance sheet. **Portfolio Dividend Yield** is a weighted avg. measure of the dividend yields for each component stock. Dividend yield is current price divided by current annualized dividend.

Disclosures

The portfolio is a model and may not reflect all investments and holdings in a client's account. Past performance is no guarantee of future results. All investments carry some level of risk. ETFs may be used as part of the investment strategy.

All material presented is compiled from sources believed to be reliable, but the accuracy and completeness, and the opinions based thereon, are not guaranteed.

Sources used for the Focus Growth Portfolio factsheet include but are not limited to Morningstar, ThomsonOne, Factset, and Fiserv.

All investments carry risk and dividends are not guaranteed. Robert W. Baird & Co. Incorporated.