



The Stevanovic
Metz Group

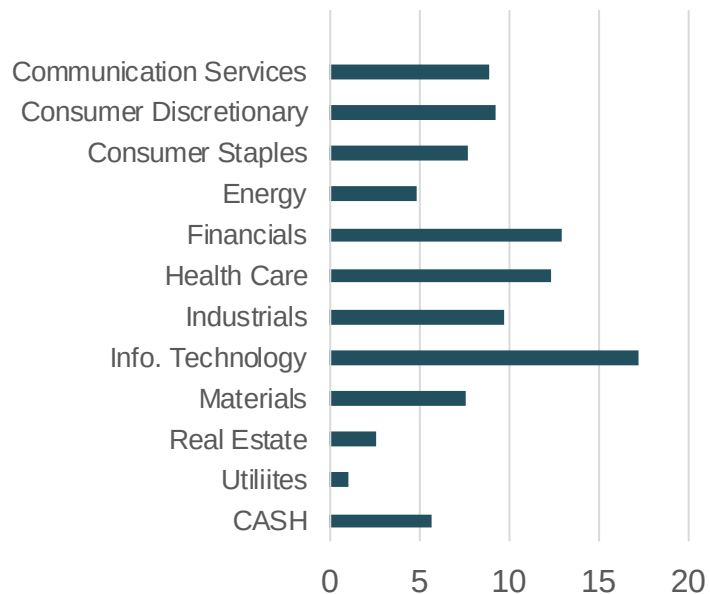
Focus Portfolio



Portfolio Objective

The strategy seeks to achieve superior risk adjusted returns by investing in the three equity strategies of the Stevanovic Metz group in a strategic manner. The portfolio utilizes a core and satellite approach. The core portfolio is the Focus Dividend portfolio, and the satellite portfolios are the Focus Value and Focus Growth portfolios.

Sector Allocation



Characteristics*

	Portfolio	FTSE Global All Cap Index
Price / Earnings	20.69	20.1
Return on Equity	22.95	17.3
Beta	0.94	1.0
Price / Book	3.98	2.8
Portfolio Dividend Yield	2.92%	1.92%

* Characteristics are provided by ThomsonOne

Strategy Overview

PORTFOLIO CHARACTERISTICS

- 50% dividend growth stocks
- 25% tactical sector growth stocks
- 25% deep value and opportunistic stocks
- Turnover target of <25%

UNDERSTANDING THE COMPANIES

- Review quarterly earnings call
- Deep review of company financial statements
- Macro and micro economic analysis

RISK MANAGEMENT

- Typically hold between 55 – 70 stocks
- Maximum 6% per individual holding
- +/- 50% weighting to the largest seven S&P 500 sectors, 30% maximum
- Can hold cash if no opportunities exist

DISCIPLINED SELL PROCESS

- Excess valuation
- Change in company objectives or senior management
- Erosion of fundamentals / technicals
- Global macroeconomic changes

Investment Team

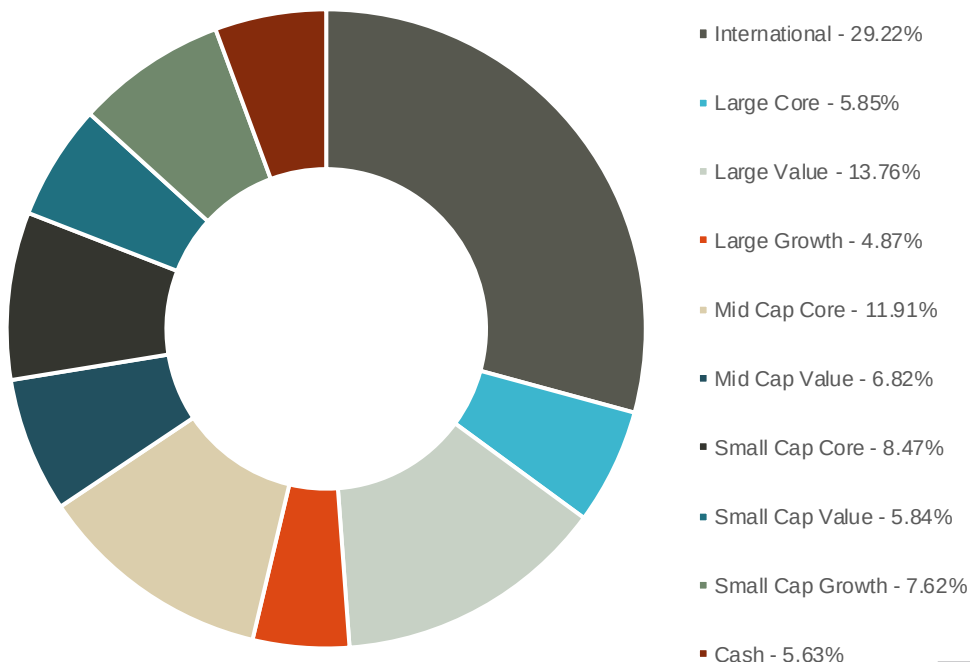
Sheldon Metz, J.D. Portfolio Manager | Andy Smith, CIMA ® Portfolio Manager |



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Asset Allocation



Investment Categories

FOCUS DIVIDEND

- Global allocation to dividend paying stocks that pay, on avg., a higher yield than the market with the goal to increase dividend payouts above the rate of historical inflation.

FOCUS GROWTH

- A tactical sector rotation strategy that overweight high-quality stocks in favored sectors and underweight exposure to stocks in unfavored or neutral sectors.

FOCUS VALUE

- An allocation to deep value contrarian stocks as well as a small selection of opportunistic value stocks that have fallen out of favor for a short period of time.

Price / Earnings is a common valuation measure that divides a portfolio's weighted avg. price by the earnings over the last 12 months. **Return on Equity (ROE)** is the percentage a company earns on its shareholders' equity in a given year. ROE is a common measure of profitability. **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.

An investment cannot be made directly into an index.

The FTSE Global All Cap Index is a market-capitalization weighted index representing the performance of the large, mid and small cap stocks globally.

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

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