

LAFFER | TENGLER

INVESTMENTS

RESEARCH BULLETIN

Nancy Tengler, Chief Investment Officer

August 31, 2021

Markets at a Glance - Index Prices as of 08/27/2021

	CURRENT PRICE	ONE MONTH CHANGE	YEAR TO DATE CHANGE
S&P 500	4,509.37	2.45%	20.06%
Dow Jones Industrial	35,455.80	1.13%	15.84%
MSCI World Index	3,133.67	2.11%	16.49%

Source: FactSet and Bloomberg

S&P 500



Currency: U.S. Dollar | Performance data as of: 27 Aug '21

Previous Close	4,509.37
52 Week High	4,509.37
52 Week Low	3,236.92
Change (%)	-
1 Day	0.88
1 Week	1.52
1 Month	2.45
3 Months	7.34
6 Months	18.32
YTD	20.06
1 Year	29.41
3 Year	55.67
5 Year	107.90
10 Year	283.19

Source: FactSet

Dow Jones Industrial



Currency: U.S. Dollar | Performance data as of: 27 Aug '21

Previous Close	35,455.80
52 Week High	35,625.40
52 Week Low	26,501.60
Change (%)	-
1 Day	0.69
1 Week	0.96
1 Month	1.13
3 Months	2.88
6 Months	14.62
YTD	15.84
1 Year	24.44
3 Year	36.11
5 Year	92.74
10 Year	214.20

Source: FactSet

VALUES AS OF 08/30/2021	CURRENT PRICE	ONE MONTH CHANGE	YEAR TO DATE CHANGE
10-Yr US Treasury Yld	1.2852	9.17%	40.74%
30-Yr US Treasury Yld	1.9004	2.78%	15.53%
Dollar Spot Index (DXY)	92.712	0.72%	3.09%
Crude Oil WTI	\$69.11	-3.03%	42.44%
Crude Oil Brent	\$73.17	0.38%	41.25%
Natural Gas	\$4.270	8.51%	68.18%
Gold	\$1,809.73 (spot)	-0.21%	-4.67%
Silver	\$23.95 (spot)	-5.74%	-9.28%
Copper (LME, cash)	\$9,423.75	-2.86%	21.61%
Platinum	\$1,004.95 (spot)	-5.18%	-6.27%
Palladium	\$2,474.02 (spot)	-7.76%	1.03%
Corn	\$542.75	-3.00%	24.84%
Wheat	\$714.75	-2.02%	11.59%

Source: Bloomberg

The Outlook for Equities

from Nancy Tengler, Portfolio Manager & Chief Investment Officer

Economic Growth: We are expecting growth to slow which is not to say we don't think the economy is humming along. As investors, we have to look ahead a minimum of six to nine months in positioning our portfolios. And, it is true, growth will slow in 2022. As we have said numerous times. It's just the math. It is difficult to sustain the kind of growth we've seen in the economic bounce back of 2020. Still there is plenty of good news as the U.S. economy continues to chug along.

- **Onshoring momentum continues:** 137 companies (so far) in 2021 announced U.S. onshoring with production coming largely from China then Europe and Japan. In 2020 250 companies announced reshoring to the US. This is kind of a gee whiz factoid but over the longer term, good for the supply chain. In AZ where I spend half my time, we are seeing massive buildings going up to accommodate foundries (INTC-2, TSM-1), server farms (GOOGL 750K square feet in Mesa) and distribution centers.
- **Inventories as measured by the ISM Purchasing Manager's Index are at historic lows.** New orders are up driving inventories to historic lows as supply chain disruptions make it difficult to obtain critical parts. Replenishing those inventories will drive economic growth in Q4 and into 2022.
- **Industrial production** rose 0.9% month over month in July while capacity utilization rose as well. High tech industrial production took a breather in July—flat over June. But take a look at that chart. It's breathtaking.

U.S. Industrial Production High Tech Jul: 135.2



Source: Cornerstone Macro, August 17, 2021

Higher taxes on the horizon. Democrats passed a budget resolution joining the Senate and setting in motion the budget reconciliation process to settle on the final price tag for the Biden Administration’s proposed \$3.5 trillion “human capital” bill. One of the most closely watched and anticipated taxes is the capital gains tax. As proposed the bill calls for a dramatic increase to over 40% on investment gains. However, it seems more likely the tax will increase from 20% to 28% on incomes above a certain threshold. The bill, as proposed, calls for the tax rate to increase on incomes above \$1MM but the murmur number is around \$400K. Add to that the 3.8% Obamacare tax on investment income for joint filers earning \$250,000 annually.

Finally, the outstanding question is “will the tax be retroactive?”. President Biden suggested the tax be retroactive to when he introduced the legislation in the spring. Our sources suggest the greatest likelihood is that the tax will be effective on the date when the legislation is introduced by the chairman of the Ways and Means Committee—likely mid- to late-September. Of course, no one knows and this is an educated guess but below is a table prepared by our friends at Cornerstone Macro outlining previous tax increases and their effective dates. Stay tuned.

PAST TIMES CONGRESS RAISED CAPITAL GAINS RATE

Tax Bill	Signed Into Law	Effective Date	Capital Gains Tax Rate Change
Revenue Act of 1978	Nov 6, 1978	Nov 1, 1978	Reduced rate to 28%
Economic Recovery Tax Act of 1981	Aug 13, 1981	Jun 10, 1981	Reduced rate to 20%
Tax Reform Act of 1986	Oct 22, 1986	Jan 1, 1987	Increase rate to 28%
Taxpayer Relief Act of 1997	Aug 5, 1997	May 6, 1997	Reduced rate to 20%
Jobs and Growth Tax Relief Reconciliation Act of 2003	May 28, 2003	May 6, 2003	Reduced rate to 15%
Health Care and Education Reconciliation Act of 2010	March 30, 2010	Jan 1, 2013	Added 3.8% tax on cap gains
American Taxpayer Relief Act of 2012	Jan 2, 2013	Jan 1, 2013	Increased to 20%, plus the 3.8%

Sources: Cornerstone Macro, JCT, and Congressional Research Service.

Jackson Hole: I thought this was one of Powell’s better speeches. I am sure others disagree with me. I have been a vocal critic of how badly the Fed missed the ferociousness of inflation and has had to raise their near-term target. And I am sure others disagree with me there too. However, the message was clear (whether I agree or not 😊) tapering will begin prior to year-end. “Substantial further progress” (which was defined by the Fed in December as the threshold for action) has been made on inflation and progress has been achieved in labor market. Labor is still below the Fed’s definition of “substantial further progress”.

What has been missing from the Fed’s jobs assessment is the clear effects of supplemental benefits on the demand for jobs. We know there is huge supply of jobs (\$10MM ish per JOLTS) but a lack of applicants or, supply. We also know that states which have ceased the supplemental benefits are experiencing significantly lower continuing claims. We wonder why the Fed has not noted that or considered it in their thinking about the employment picture. That said, it is clear rate hikes are not being tied to tapering and that the Fed will require full employment and a sustainable 2% level of inflation. Increasing spending on tech capex (and the sub-2% level a-cyclical inflation experienced over the last decade) are likely to put pressure on the 2% inflation target which makes us wonder if the risk to the Fed’s thesis is that after this inflation shock improving productivity will put pressure on sustainable inflation. Causing us to ask: will the Fed ever really be able to raise rates?

Bonds & Fixed Income

from Jason Weaver, CFA, Head Trader & Portfolio Manager

Relatively quiet couple of weeks in rates with 10yr Treasury yields stuck in a 10-12bp band, first rallying on COVID delta concerns then selling off as Fed officials come out possibly supporting an earlier taper timeline as soon as later in 2021. Most political analysts are predicting a continuation

of Powell's leadership of the Fed (which we agree with), with Lael Brainard possibly becoming vice chair with the implication she is next in line post Powell era. This policy continuity should limit the potential for more uncertainty which should be a calming influence on markets. We expect some incremental information on the boards (not the individual members') thoughts around taper timing and sizing at the conclusion of next week's Jackson Hole Symposium—but ultimately any change will be measured, gradual, and widely communicated, in the possible hopes to avoid a 2013 "tantrum" scenario.

In credit, even noting the tightness of markets historically, we like our positioning as modestly aggressive which should perform well under a still-continuing recovery cycle, albeit a bit slower than we have seen to date. Our partners at Strategas Group report that leading up to the 2013 taper, high yield performed best of all asset classes, and during the taper local currency EM debt performed worst. Note – we have a significant position in high yield bonds as well as similar credit quality bank loans - both with very limited interest rate exposure and, we recently sold our local currency EM exposure.

Convertible Securities

from Stan Rogers, Portfolio Manager

The primary convertible market began to show small signs of emerging from a summer slowdown with 3 issues priced for \$2.3 billion in proceeds. Word on the street is that post Labor Day, the primary calendar will meaningfully pick up.

News/Earnings of note:

Illumina (ILMN) made a pre-emptive move to go ahead and close the acquisition of GRAIL, a cancer testing startup, ahead of European and US regulatory approval of the deal. The move could hinder relationships with regulators. Management indicated they made the move due to what they perceived as delaying tactics by European regulators, and stated that they did not have jurisdiction anyway, since GRAIL has no operations there. This news, coupled with potential earnings dilution in 2022, caused the stock to move lower.

Lumentum (LITE) delivered a strong Q4 report. Earnings and sales were above estimates, and the company also guided Q1 up slightly. The guidance could have been more impressive, but management said that critical semiconductor components would hurt revenue. Margins also improved on better laser demand and seasonal strength on Apple iPhone ramp.

Palo Alto Networks (PANW) had a stellar Q4 report. Earnings and revenue were above consensus, and the company guided FY earnings and revenue higher. Billing growth accelerated reflecting a broad-based demand for security solutions. The company is also showing signs of success in transitioning to a subscription cloud-based model. The only negative in the report was a compression in operating margins, where op-ex increased as the company continued to invest in growth initiatives. The stock reacted favorably to the news.

Splunk (SPLK) announced a solid Q2, with earnings and revenue exceeding estimates. Cloud and license revenue growth were both strong. The company's transition to a subscription model had hindered earnings in previous quarters, but this report shows the progress the company is making. Annualized recurring revenue and the number of customers provides comfort in management's execution and future growth opportunities.

Transactions:

We exited the CenterPoint Energy (CNP) 7% mandatory convertible preferred position. It matures/converts on September 1, and we already received the final dividend.

Upcoming maturities/redemptions:

IFFT 6% mandatory convertible preferred. Goes ex on 9-11 and matures on 9-15 and will try and sell in this narrow window.

NI 7.75% mandatory is a replacement candidate for the CNP position.

Equity Hedging

from David Jeffress., Portfolio Manager

We continue to watch the VIX and wait for an opportunity to purchase VIX calls, essentially hedging not only the equity market's downside, but also increased volatility. We had previously communicated to you that we were looking for an attractive price on the VIX before we purchased calls on the index, and that number was 12, later revised to 15. The VIX never did quite make it, dropping as low as 15.45 on 8/13 before briefly rising to 21.63 on 8/19 and then resuming its fall back towards 16. We will continue to watch and conduct our analysis on the relative opportunity between VIX Index calls and S&P 500 puts, which we continue to measure through the SPY exchange-traded fund.

As of August 2021, it has been 10 months without a 5% fall in the S&P 500, so hedging for drastic moves to the downside has been an exercise in both patience and maintaining our discipline. We will continue to monitor the situation and will report back with new developments as they come our way.

Nancy Tengler's Recent USA Today Articles

[Consider These Three Investments To Add To Your Portfolio](#) (Aug 24)

[Volatility is Not a Bubble — Here's Why the Market Will Likely Continue to Be Bullish](#) (Feb 24)

[Joining a Reddit Revolution is Not an Investment Plan](#) (Jan 28)

[As You Reshuffle Your 401\(k\) for the Biden Administration, Look Across the Pond](#) (Jan 24)

Nancy Tengler's Recent Media Appearances

[Sector-By-Sector Stock Showdown With Nancy Tengler](#) (CNBC, August 25)

[Nasdaq And S&P 500 Close At Record Highs](#) (CNBC, August 25)

[Experts Weigh In On Market Concerns Amid Afghanistan Conflict](#) (Fox Business, August 23)

[Two Traders Share The Sectors Theyre Picking After Infrastructure Bill Passes The Senate](#)

(CNBC, August 10)

[Chinese Stocks Stretch Comeback Into Day Two But Trader Warns It May Not Last](#) (CNBC, August 10)

[Common Thread Of Companies Planning To Do Buybacks](#) (CNBC, August 6)

[Takeaways From The Market](#) (TD Ameri Trade, August 5)

[Nancy Tengler Shares Her Thoughts On Recent Fed Changes](#) (Bloomberg TV, July 29)

[Top Picks For The Automotive Market](#) (CNBC, July 27)

[China Tech Stocks Extend Losses](#) (CNBC, July 27)

[Starbucks Earnings On Deck - What To Expect](#) (CNBC, July 27)

[Is Biden Putting America's Fate In Foreign Hands, Again?](#) (Fox News, July 13)

[Nancy Tengler Talks About The Importance Of Growth Picks](#) (Ameri Trade, June 25)

Completed Analysis Item(s) for Portfolio Companies

**To request any company analyses, please email info@laffertengler.com.*

Broadcom Inc. (AVGO)

FedEx (FDX)

International Flavors &

Fragrances, Inc. (IFF)

Palo Alto Networks, Inc.

(PANW)

Morgan Stanley (MS)

Boeing (BA)

Goldman Sachs (GS)

Visa (V)

AbbVie (ABBV)

Tiffany & Co. (TIF)

Walt Disney Company (DIS)

International Paper Co. (IP)

Salesforce.com (CRM)

Micron (MU)

Pfizer (PFE)

AT&T (T)

Boston Scientific Corp. (BSX)

Western Digital Corp. (WDC)

Fortive Corp. (FTV)

Pinnacle West Capital (PNW)

Danaher Corporation (DHR)

Southwest Airlines Co. (LUV)

QUALCOMM Inc. (QCOM)

Dominion Energy (D)

Booking.com (BKNG)

Hannon Armstrong Sustainable

Infrastructure Capital, Inc. (HASI)

Becton, Dickinson and Co. (BDX)

American Tower Corp. (AMT)

Illinois Tool Works (ITW)

Square, Inc. Class A (SQ)

Ecolab Inc. (ECL)

Snap-on Incorporated (SNA)

Prudential Financial, Inc. (PRU)

ServiceNow, Inc. (NOW)

Facebook, Inc. (FB)

Home Depot, Inc. (HD)

Apple Computer, Inc. (AAPL)

Walmart Inc. (WMT)

Starbucks Corporation (SBUX)

Microsoft Corp. (MSFT)

Johnson & Johnson (JNJ)

Cisco Systems, Inc. (CSCO)

Amgen Inc. (AMGN)

JPMorgan Chase & Co. (JPM)

Texas Instruments Inc. (TXN)

United Parcel Service, Inc. (UPS)

McDonald's Corporation (MCD)

PepsiCo, Inc. (PEP)

Medtronic Plc (MDT)

Dominion Energy (D)

PNC Fin. Serv. Group, Inc. (PNC)

BlackRock, Inc. (BLK)

Roku, Inc. (ROKU)
Chevron Corporation (CVX)
Lam Research Corp. (LCRX)
II-VI Incorporated (IIVI)
3M Company (MMM)
Roku, Inc. (ROKU)
Coca-Cola Company (KO)
Comcast Corporation (CMCSA)
D.R. Horton, Inc. (DHI)
Fastenal Company (FAST)
Intel Corporation (INTC)
Procter & Gamble Company (PG)
T. Rowe Price Group (TROW)
Raytheon Tech. Corp. (RTX)
Chipotle Mexican Grill (CMG)
Target Corporation (TGT)
Alphabet Inc. Class A (GOOGL)
American Express Co. (AXP)
Honeywell Int'l Inc. (HON)
Lowe's Companies, Inc. (LOW)
Splunk Inc. (SPLK)
Ulta Beauty Inc. (ULTA)
Amazon.com Inc. (AMZN)
Emerson Electric Co. (EMR)
BCE Inc. (BCE)
Tyson Foods (TSN)
Magellan Mid. Partners (MMP)
Lululemon Athletica Inc. (LULU)
CVS Healthcare Corp. (CVS)
Taiwan Semi. Manuf. Co. (TSM)
Truist Financial Corp. (TFC)
Lockheed Martin Corp. (LMT)
BHP Group (ADR) (BHP)
Lumentum Holdings, Inc. (LITE)
NVR, Inc. (NVR)
Twitter, Inc. (TWTR)
Freeport-McMoRan, Inc. (FCX)
Dominion Energy, Inc. (D)
Trimble Inc. (TRMB)
Littelfuse, Inc. (LFUS)
Jacobs Engineering Group (J)
Air Prod. and Chemicals (APD)
Steel Dynamics Inc. (STLD)
BorgWarner, Inc. (BWA)
Lear Corporation (LEA)
Exelon Corporation (EXC)
L3Harris (LHX)
Corning Inc. (GLW)
Diamondback Energy (FANG)
EOG Resources, Inc. (EOG)
Splunk, Inc (SPLK) – convertible
Oracle Corporation (ORCL)
Unilever (UL)
AES Corp. (AES) – convertible
Martin Marietta Materials, Inc. (MLM)
Americold Realty Trust (COLD)
Xylem Inc. (XYL)
Quest Diagnostics Incorporated (DGX)
Viacom CBS (convertible)
Winnebago Industries Inc. (WGO)
Twitter Inc. (TWTR) - convertible
Enbridge (ENB)
Vertex Pharmaceuticals (VRTX)
Lumentum Holdings, Inc. (LITE)
Stryker (SYK)
Phillips 66 (PSX)
Hormel Foods Corp. (HRL)
Public Storage (PSA)
DexCom Inc. (DXCM)
UnitedHealth Group Inc. (UNH)
LyondellBasell Industries NV (LYB)
Kimberly-Clark Corporation (KMB)
Caterpillar Inc. (CAT)
Molson Coors Beverage Co. (TAP)
Oracle Corporation (ORCL)
Winnebago Industries Inc. (WGO)
Tyson Foods Inc. (TSN)
Kimco Realty Corporation (KIM)
Weyerhaeuser Company (WY)
Zscaler, Inc. (ZS)
Fortinet Inc. (FTNT)
Palantir (PLTR)
Bank of New York Mellon (BK)
PulteGroup, Inc. (PHM)
Amphenol Corporation Class A (APH)
Discovery, Inc. Class C (DISCK)
Fox Corporation (FOXA)

LAFFER | TENGLER

INVESTMENTS

Adobe Inc. (ADBE)
Arista Networks Inc. (ANET)
BJ's Wholesale Club (BJ)
AutoNation, Inc. (AN)
Dollar Tree, Inc. (DLTR)
Darden Restaurants, Inc. (DRI)
Charter Communications, Inc. (CHTR)
TJX Companies, Inc. (TJX)
Discover Financial Services (DFS)
O'Reilly Automotive, Inc. (ORLY)
NiSource Inc. (NI)
Exelixis, Inc. (EXEL)
Chubb Limited (CB)
Gilead Sciences, Inc. (GILD)
Hershey Company (HSY)
Interpublic Group of Companies, Inc. (IPG)
Zebra Technologies Corp. (ZRBA)
Lincoln National Corporation (LNC)
FMC Corporation (FMC)
National Instruments Corporation (NATI)
Newell Brands Inc. (NWL)
JM Smucker Company (SJM)
Darden Restaurants Inc. (DRI)
Adobe Inc. (ADBE)
Polaris, Inc. (PII)
Compass Minerals International, Inc. (CMP)
Electronic Arts Inc. (EA)
iRobot Corporation (IRBT)
Constellation Brands, Inc. (STZ)
Best Buy Co., Inc. (BBY)
CME Group Inc. Class A (CME)
Nasdaq, Inc. (NDAQ)
Bunge Limited (BG)
DTE Energy Company (DTE)
Southern Company (SO)
NextEra Energy, Inc. (NEE)
NiSource Inc. (NI)
Anglo American Plc Sponsored ADR (NGLOY)
Vale S.A. Sponsored ADR (VALE)
First Quantum Minerals Ltd. (FQVLF)
Southern Copper Corporation (SCCO)
Reliance Steel & Aluminum Co. (RS)
Cleveland-Cliffs Inc. (CLF)
Wheaton Precious Metals Corp. (WPM)
Pan American Silver Corp. (PAAS)
Turquoise Hill Resources Ltd. (TRQ)

THE LAFFER TENGLER INVESTMENTS DISCIPLINE

Discipline is key to sustainable long-term total returns:

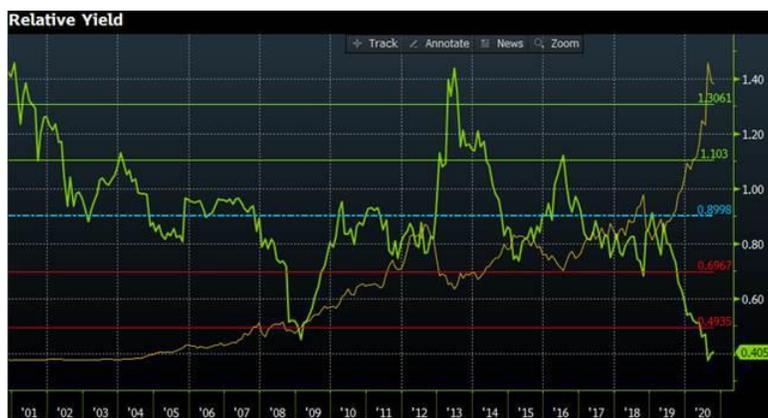
- At Laffer Tengler Investments we use two, time-proven stock valuation metrics (both pioneered by our team) that are consistent and robust indicators of value: Relative Dividend Yield (RDY) and Relative-Price-to-Sales Ratio (RPSR).
- Why not use earnings like almost everyone else? Because earnings are often an unreliable indicator of value. In May of 2016, I published the following:

Earnings reported by corporations have always been subject to the vagaries of accounting gimmickry. You don't have to be a novice to scratch your head at the way managements (or governments for that matter!) account for various items.

A recent case in point: The Wall Street Journal (Thursday, February 25, 2016) reported that according to FactSet, pro forma earnings for S&P 500 companies rose 0.4% in 2015. Using generally accepted accounting principles or GAAP, earnings per share actually fell 12.7% in 2015 (this according to S&P Dow Jones Indices). The author's point is that according to GAAP earnings, investors are paying a great deal more for stocks than they think. The price-to-earnings ratio (P/E) on pro forma earnings (which is the most commonly accepted method) is 17x 2015 earnings. But when GAAP earnings are considered, the P/E jumps to more than 21x.

It is important to remember that the P/E ratio for any given stock is only as good as the price input (a fact) and the reported earnings input (apparently not a fact at all).

- RDY measures the yield of a particular stock compared to the yield on the S&P 500 and does so over long periods of time. Since a stock's relative yield and relative price are inverse, we can generally conclude that as a stock's yield is rising, its price is declining—similar to a bond. Consequently, a rising RDY provides an opportunity for investors to at least consider an underperforming, cheaply valued stock for purchase.



- Company managements and boards of directors pay the dividend out of free cash flow, not earnings. In maturing U.S. companies these seasoned professionals often operate within a “dividend paying culture” and set the dividend as a portion of long-term, sustainable real earnings power because management teams are loathed to cut dividends.
- The relative nature of the RDY metric is also important because it measures the relative attractiveness of a stock compared to its own history and compared to the S&P 500. (In 1992, I co-authored Relative Dividend Yield, Common Stock Investing for Income and Appreciation with Tony Spare)

- **RPSR:** In fallen-angel growth companies where the dividend is less of a factor in management’s calculus, we look at sales—a fact. Rarely are sales manipulated and when they are someone usually goes to jail. The price-to-sales ratio measures how much investors are paying for a unit of sales, the relative price-to-sales ratio reveals what investors have historically paid for a particular company’s sales compared to what they are paying for the sales of all the companies in the S&P 500. In 2003, I authored New Era Value Investing, John Wiley & Sons where I outline the benefits of RPSR in stock selection.



- Discipline, in summary, is the only way to navigate volatile markets. We remain disciplined and over time that consistency generates excess return.

Fundamental Research reduces the ownership of terminally cheap companies:

Meet the 12 Fundamental Factors.

Our proprietary research approach analyzes fundamental qualitative and quantitative factors.

- **Qualitative Factors:** Catalyst for Outperformance, Franchise Value & Market Growth, Top Management/Board of Directors.
- **Quantitative Factors:** Sales Growth, Operating Margins, Relative P/E, Positive Free Cash Flow, Dividend Coverage/Growth, Asset Turnover Ratio, Use of Cash (buyback, debt, div.), Leverage, Financial Risk.

General Disclosures

Advisory services offered through Laffer Tengler Investments, Inc. Information and commentary provided by Laffer Tengler Investments, Inc. (“Laffer Tengler”) are opinions and should not be construed as facts. The market commentary is for informational purposes only and should not be deemed as a solicitation to invest or increase investments in Laffer Tengler products or the products of Laffer Tengler affiliates. The information contained herein constitutes general information and is not directed to, designed for, or individually tailored to, any particular investor or potential investor. This report is not intended to be a client-specific suitability analysis or recommendation, an offer to participate in any investment, or a recommendation to buy, hold or sell securities. Do not use this report as the sole basis for investment decisions. Do not select an asset class or investment product based on performance alone. Consider all relevant information, including your existing portfolio, investment objectives, risk tolerance, liquidity needs and investment time horizon. There can be no guarantee that any of the described objectives can be achieved. Laffer Tengler Investments, Inc. does not undertake to advise you of any change in its opinions or the information contained in this report. Past performance is not a guarantee of future results. Information provided from third parties was obtained from sources believed to be reliable, but no reservation or warranty is made as to its accuracy or completeness.

Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will be profitable. The price of any investment may rise or fall due to changes in the broad markets or changes in a company’s financial condition and may do so unpredictably. Laffer Tengler Investments, Inc. does not make any representation that any strategy will or is likely to achieve returns similar to those shown in any performance results that may be illustrated in this presentation.

There is no assurance that a portfolio will achieve its investment objective.

Definitions and Indices

The S&P 500 Index is a stock market index based on the market capitalization of 500 leading companies publicly traded in the U.S. stock market, as determined by Standard & Poor’s.

Unless otherwise noted, index returns reflect the reinvestment of income dividends and capital gains, if any, but do not reflect fees, brokerage commissions, or other expenses of investing. Investors cannot make direct investments into any index.

Laffer Tengler Investments, Inc. is a Registered Investment Advisor. Registration with the SEC or a state securities authority does not imply a certain level of skill or training. Laffer Tengler’s advisory fee and risks are fully detailed in Part 2 of its Form ADV, available on request.

310 Seven Springs Way, Suite 230
Brentwood, TN 37027
www.laffertengler.com