

# CONCENTRATED EQUITY STRATEGY

4<sup>th</sup> Quarter 2023

# LAFFER | TENGLER

INVESTMENTS

## PORTFOLIO STRATEGY

The Laffer Tengler Concentrated Equity Strategy is a low-turnover, high-conviction, deeply concentrated portfolio that holds the 12 "best idea" positions from the Equity Growth and Equity Income Strategies. Both Equity Growth and Equity Income select and invest in securities based on the firm's proprietary buy/sell disciplines, Relative Price-to-Sales Ratio (RPSR) and Relative Dividend Yield (RDY), combined with our rigorous 12 Factor analysis process.

## INVESTMENT PHILOSOPHY

The Equity Growth and Equity Income investment strategies use two time-tested 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).

- Relative Dividend Yield measures the yield of an individual stock compared to the yield on the S&P 500 and does so over long periods of time. Consequently, a rising RDY provides an opportunity for investors to at least consider a high-quality, cheaply valued stock for purchase.
- Relative Price-to-Sales ratio reveals what investors have historically paid for a company's sales compared to what they are paying for the sales of all the companies in the S&P 500.

## MORNINGSTAR RATINGS

Inception Date	9/3/2019
Morningstar Category	US SA Large Blend
Morningstar Rating Date	12/31/2023

Time Period	Morningstar Rating	Funds in Category
Overall	★★★	610
3 Yr	★★★	610

This rating was awarded by Morningstar as of December 31<sup>st</sup>, 2023, based on a weighted average of the three-, five-, and ten-year ratings through December 31<sup>st</sup>, 2023. Laffer Tengler Investments, Inc. does not compensate Morningstar to be provided a rating; however, we do pay Morningstar to obtain other products and services available from them or their affiliates. Additional information about the Morningstar Rating system, including the calculation methodology, can be found at [https://www.morningstar.com/content/dam/marketing/shared/research/methodology/771945\\_Morningstar\\_Rating\\_for\\_Funds\\_Methodology.pdf](https://www.morningstar.com/content/dam/marketing/shared/research/methodology/771945_Morningstar_Rating_for_Funds_Methodology.pdf)

**CURRENT GROSS YIELD: 1.5%**

## COMPOSITE CHARACTERISTICS

Time Period: 9/1/2019 to 12/31/2023

Calculation Benchmark: DJ Industrial Average TR USD

	Strategy	Benchmark
Alpha	4.16	0.00
Beta	0.93	1.00
Standard Deviation	19.55	18.90
Up Capture Ratio	105.69	100.00
Down Capture Ratio	93.15	100.00
Information Ratio (arith)	0.41	
Correlation	0.90	1.00

## EQUITY SECTORS (GICS)

Portfolio Date: 12/31/2023



Sector	%
Energy	5.78
Materials	0.00
Industrials	5.67
Consumer Discretionary	25.79
Consumer Staples	0.00
Healthcare	6.40
Financials	7.25
Information Technology	42.59
Communication Services	0.00
Utilities	0.00
Real Estate	6.51
<b>Total</b>	<b>100.00</b>

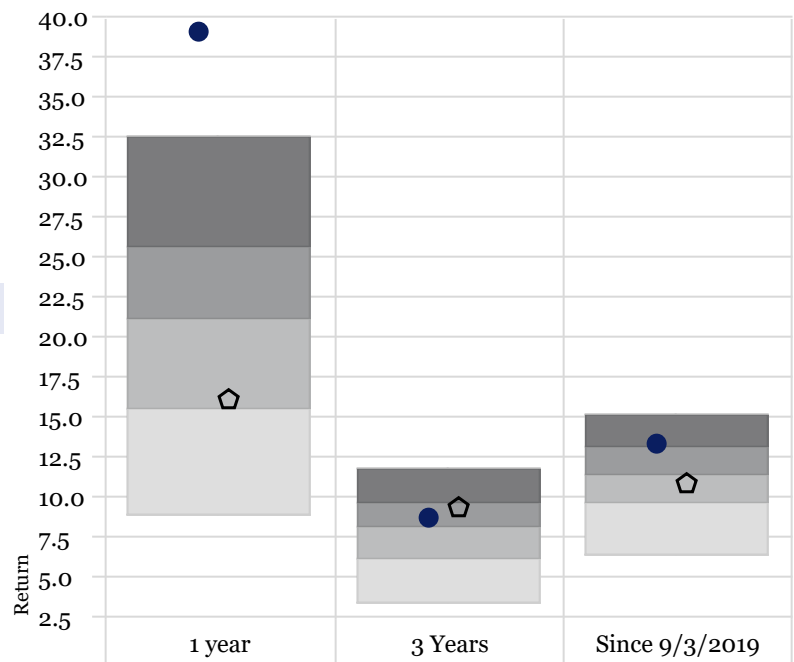
## TOP 5 HOLDINGS

Portfolio Date: 12/31/2023

Name	Portfolio Weighting %
Broadcom Inc	11.82
Palo Alto Networks Inc	10.83
ServiceNow Inc	10.19
Amazon.com Inc	9.55
Microsoft Corp	8.77

## NET ANNUALIZED RETURN VS. PEER GROUP

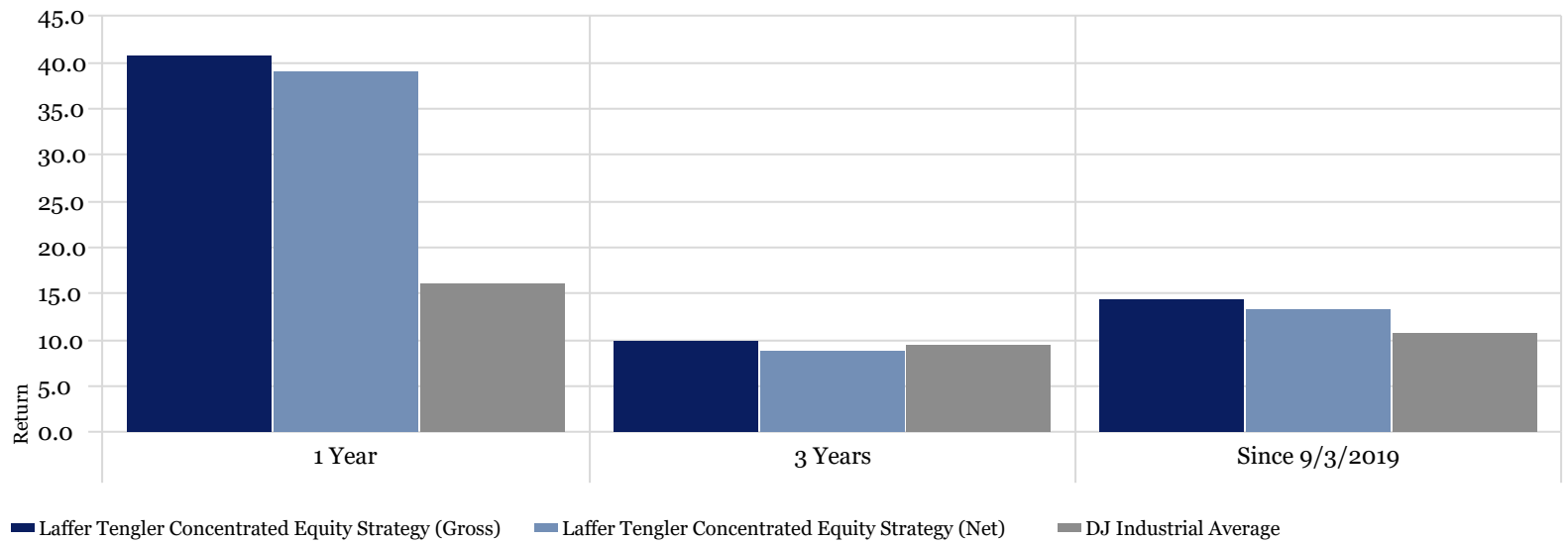
As of Date: 12/31/2023 Peer Group (5-95%): Separate Accounts - U.S. - Large Blend



● Laffer Tengler Concentrated Equity Strategy

● DJ Industrial Average

**GROSS AND NET ANNUALIZED RETURNS**



**ANNUALIZED GROSS RETURNS**

	1 Year	3 Years	Since 9/3/2019
Laffer Tengler Concentrated Equity Strategy	40.69	9.92	14.51
DJ Industrial Average	16.18	9.38	10.86

**ANNUALIZED NET RETURNS**

	1 Year	3 Years	Since 9/3/2019
Laffer Tengler Concentrated Equity Strategy	39.12	8.76	13.39
DJ Industrial Average	16.18	9.38	10.86

**GROSS CALENDAR YEAR RETURNS**

	2023	2022	2021	2020
Laffer Tengler Concentrated Equity Strategy	40.69	-23.89	24.04	23.39
DJ Industrial Average	16.18	-6.86	20.95	9.72

**NET CALENDAR YEAR RETURNS**

	2023	2022	2021	2020
Laffer Tengler Concentrated Equity Strategy	39.12	-24.79	22.94	22.30
DJ Industrial Average	16.18	-6.86	20.95	9.72

**STRATEGY TEAM**

- Nancy Tengler:** CEO & CIO  
*Strategy Team Leader*
- Jamie Meyers CFA®:** Securities Analyst  
*Strategy Team Member*
- John McGinn:** Securities Analyst  
*Strategy Team Member...*

**CONTACT US**

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**DISCLOSURE INFORMATION:**

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1. All information presented is accurate as of December 31<sup>st</sup>, 2023 unless otherwise indicated.

2. Unless otherwise indicated, performance results and other illustrated portfolio characteristics are based on the Laffer Tengler Concentrated Equity Composite ("Composite"). All performance results are shown on an annualized basis except for periods of less than one year. A composite is an aggregation of one or more portfolios managed by Laffer Tengler into a single group that represents a particular investment objective or strategy. The performance information contained in this presentation is therefore derived from actual results. The portfolio characteristics, holdings, and related information presented herein relate to the Composite as a whole.

3. Accounts that comprise the Composite are not identical and may have different inception dates, may be subject to client-imposed restrictions or otherwise may have more or less flexibility in achieving their investment objective (including with respect to capitalization, industry, or geography). They also vary in size. Additionally, the firm's views and advice as to portfolio composition and characteristics for accounts following the strategy as reflected in the Composite evolve over time. Decisions made for one account may differ from those made for other accounts. For pre-existing accounts transferred to Laffer Tengler, Laffer Tengler may determine to retain prior holdings or employ different account weightings for a variety of reasons including tax characteristics or consequences, holding periods, transaction costs, legal or client-imposed restrictions. Thus, at any time, any particular account among those comprising the Composite may or may not include some or all of the same securities (or weightings) as other accounts that comprise the Composite. Any particular account may have portfolio characteristics and performance that differs from other accounts within the Composite. The firm's current market outlook is subject to change from time to time and without notice. A change in market outlook would generally lead to changes in account compositions, which may impact the characteristics presented herein. Individual results and portfolio compositions may also vary as a result of market conditions, trading costs, account size, cash flows, account restrictions and other factors that may be unique to each account. The portfolio characteristics, holdings, and related information for any particular account comprising the Composite will vary from time to time based on, among other things, available cash, market conditions and the client's individual investment needs guidelines and restrictions. There is no guarantee that the portfolio characteristics, holdings, and related information for the Composite will remain identical to that presented here; Laffer Tengler may make investment decisions which cause the portfolio characteristics, holdings, and related information to vary from that presented herein over time.

4. Current Yield is as of December 31<sup>st</sup>, 2023. Indicated yield is used in all cases unless otherwise noted. Indicated yield is the most recently announced dividend amount, annualized based on the payment frequency (quarterly, semiannually, etc.) divided by the closing market price. In noted cases, the 12-month yield is used. The 12-month yield is the sum of dividends per share amounts that have gone ex-dividend over the past 12 months, based on dividend frequency, divided by the closing market price.

5. The illustrated performance is historical and does not represent future results. Historical performance is not predictive or indicative of future performance. Your actual return and yield will vary, and your account may generate a gain or a loss. All performance data labeled as "Gross" reflects performance with no deduction of advisory fees or other expenses (except for brokerage commissions where applicable) associated with managing the accounts in the Composite. The returns are calculated pre-tax and would be lower if advisory fees and other expenses were deducted. For example, if a 1.00% annual advisory fee were deducted quarterly and your annual return were 10.00% (based on quarterly returns of approximately 2.41% each) before deduction of investment advisory fees, the deduction of the investment advisory fees would result in an annual return of approximately 8.93% due, in part, to the compound effect of such fees. All performance data labeled as "Net" reflects deduction of fees charged to customers by Laffer Tengler. For the strategy shown, the performance has been reduced by the amount of the highest fee charged to any customer employing the strategy used in managing the accounts within the Composite during the period under consideration. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. Laffer Tengler's fees are available upon request and may be found in Part of its Form ADV. All returns reflect reinvestment of dividends and capital gains. The inception date for the Laffer Tengler Concentrated Equity Composite is September 3rd, 2019.

6. The Laffer Tengler Concentrated Equity Composite illustrated benchmark is the Dow Jones Industrial Average (DJ Industrial Average). The DJ Industrial Average is the most relevant index for performance comparison of the Composite. The DJ Industrial Average measures the performance of 30 US blue-chip stocks covering all industries with exception of transportation and utilities. It is price-weighted.

7. Nothing in this report should be considered a recommendation to purchase or sell any named or unnamed securities. Nothing in this report is intended to imply that any specifically mentioned security was or would have been profitable to any person. Likewise, it should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities referenced in this report. The securities referenced in this report may or may not have been held in the Composite at any time before or after the stated date of this report. Where a holding is represented as comprising a certain percentage of the Composite, cash and cash equivalents are included for purposes of calculating the percentages, but the percentage of the cash position is not illustrated. Laffer Tengler will furnish, on request, a list of all securities purchased or sold within the immediately preceding one-year period.

8. Laffer Tengler Investments, Inc. does not control and has not independently verified data provided by third parties, including the data presented in this report. While we believe the information presented is reliable, Laffer Tengler makes no representation or warranty concerning the accuracy of any third-party data presented. All information provided in this report is for informational purposes only, and the graphs shown are for illustrative purposes only.