

## BALANCED CORE

Balanced Core is a separately managed account investment strategy

### Fact Sheet – 12/31/2018

All data below is current as of 12/31/18 unless otherwise specified.



### Composite Trailing Returns – 10 Years <sup>1</sup>

	1-Year	3-Years	5-Years	7-Years	10-Years	4Q18	YTD 12/31/18
Gross	-0.70%	7.05%	6.64%	8.17%	8.94%	-6.78%	-0.70%
Net	-3.66%	3.93%	3.53%	5.02%	5.78%	-7.53%	-3.66%
50% Russell 1000 Growth / 50% Barclays Capital Gov/Credit	-0.69%	6.76%	6.58%	8.16%	9.49%	-7.49%	-0.69%

### Large Cap Core Growth Sector Weightings <sup>2</sup>

	Large Cap Core Growth	Russell 1000 Growth
Communication Services	7.80%	11.93%
Consumer Discretionary	12.30%	15.14%
Consumer Staples	3.40%	6.03%
Energy	2.00%	0.76%
Financials	7.60%	4.40%

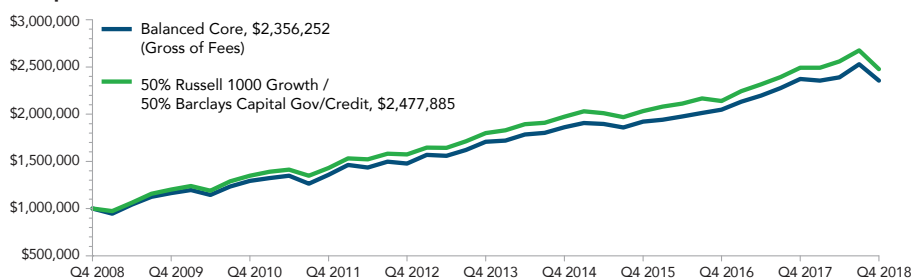
	Large Cap Core Growth	Russell 1000 Growth
Health Care	22.90%	14.29%
Industrials	12.60%	11.83%
Information Technology	28.90%	31.46%
Materials	2.50%	1.84%
Real Estate	0.00%	2.32%

### Core Fixed Income Sector Weightings <sup>2</sup>

	Core Fixed Income	Barclays Capital Gov/Credit
Agencies	23.91%	4.03%
Financials	19.86%	11.54%
Industrials	33.67%	21.15%
Non-Corporates	0.00%	4.78%

	Core Fixed Income	Barclays Capital Gov/Credit
Short-Term	2.45%	0.00%
U.S. Governments	17.09%	55.96%
Utilities	3.03%	2.54%

### Composite Growth of \$1 Million – 10 Years <sup>3</sup>



<sup>1</sup> Returns greater than one year are annualized.

<sup>2</sup> Model Portfolios are based on a hypothetical account managed during the current quarter. Actual characteristics and income may differ materially from model.

<sup>3</sup> Source: Zephyr StyleADVISOR.

<sup>4</sup> Median

<sup>5</sup> Yield to Effective Maturity.

The current quarter's data is preliminary. Net performance was calculated using the hypothetical highest annual all-inclusive wrap fee of 3% applied quarterly.

### Strategy Objective:

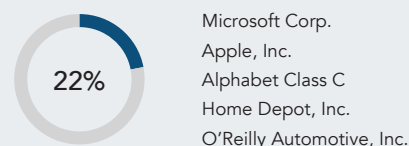
The Crossmark Balanced Core strategy seeks to provide a balance of growth and income.

- Equity and Fixed Income Investment Exposure
- Large-Cap Growth Oriented Equity Securities
- High Quality Intermediate-Maturity Fixed Income Securities

### Large Cap Core Growth Model Portfolio Characteristics <sup>2</sup>

Market Capitalization	\$ 204.08 B
Price/Earnings Ratio <sup>4</sup>	21.39x
Price/Book Ratio <sup>4</sup>	5.73x
Dividend Yield	1.73%

### Large Cap Core Growth Model Portfolio Top 5 Holdings <sup>2</sup>



% of Total Portfolio: 22%

### Core Fixed Income Model Portfolio Characteristics <sup>2</sup>

Yield To Maturity <sup>5</sup>	3.25%
Duration	3.18
Years To Maturity	4.05
Current Yield	3.31%
Average Coupon	3.36%
Average Price	\$100.78

### Core Fixed Income Model Portfolio Top 5 Issuers <sup>2</sup>

U.S. Treasury Notes  
Federal National Mortgage Association  
Federal Home Loan Mortgage Corp.  
Abbvie, Inc.  
Citigroup, Inc.

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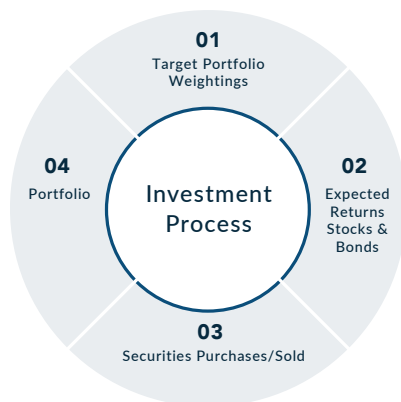
## Composite Calendar Year Returns – 10 Years <sup>1</sup>

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Gross	16.58%	11.07%	4.98%	8.66%	15.61%	8.97%	3.17%	6.57%	15.94%	-0.70%
Net	13.25%	7.85%	1.89%	5.50%	12.30%	5.81%	0.13%	3.46%	12.62%	-3.66%
50% Russell 1000 Growth / 50% Barclays Capital Gov/ Credit	20.20%	12.18%	6.00%	10.13%	14.35%	9.57%	3.14%	5.22%	16.46%	-0.69%

<sup>1</sup> The current quarter's data is preliminary. Net performance was calculated using the hypothetical highest annual all-inclusive wrap fee of 3% applied quarterly.

## Investment Process

The Strategy employs a four-step process that combines our Large Cap Core Growth and Core Fixed Income strategies to form a total portfolio solution of stocks and bonds.



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Crossmark Balanced Core Wrap Composite contains fully discretionary wrap balanced core accounts. Balanced Core portfolios are invested primarily in growth stocks of large dividend paying companies and investment grade bonds primarily of intermediate maturity. The composite excludes portfolios for which the clients have imposed restrictions or requirements that impede the manager from fully executing their strategy such that the results will not be representative of the strategy. For comparison purposes the composite is measured against the Russell 1000 Growth Index equally blended with the Barclays Capital Government/Credit Bond Index. The Russell 1000 Growth Index measures the performance of the large cap growth segment of the U.S. equity universe. The Barclays Capital U.S. Government/Credit Bond Index measures the performance of investment grade corporate debt and agency bonds that are dollar denominated and have a remaining maturity of greater than one year. The blended benchmark returns presented are calculated by linking the monthly blended component returns.

The U.S. Dollar is the currency used to express performance. The performance reflects the reinvestment of dividends and other earnings to the extent that client accounts included in the composite elected to reinvest dividends and earnings. Performance figures shown gross of fees do not reflect the payment of investment advisory fees.

Past performance is not an indicator of future results. Investments made using this strategy involve risk of loss, including the potential loss of principle. The principal risks associated with the Core Fixed Income investment strategy are credit risk (the risk that an issuer will be unable to pay the principal and interest due), interest rate risk (the risk that the value of a particular bond will fluctuate as market interest rates fluctuate), liquidity risk (the risk that the trading market for a particular bond is reduced), and duration risk (interest rate risk over time). For the Large Cap Core Growth investment strategy it includes periodic stock market declines and declines in individual holdings. The Balanced Core strategy is an allocation among the Core Fixed Income and Large Cap Core Growth strategies.

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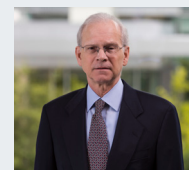
**Global Investment Performance Standards**

## Our Firm:

Crossmark Global Investments is an innovative investment management firm. We provide a full suite of investment management solutions to institutional investors, financial advisors and the clients we serve. We have a multi-decade legacy of specializing in values-based investment strategies for clients. Founded in 1987, the firm is headquartered in Houston, Texas and manages approximately \$4.5 billion in AUM.



**VICTORIA FERNANDEZ**  
Chief Market Strategist



**MELVILLE L. CODY**  
Senior Portfolio Manager

54 years of combined experience.

Supported by the entire Crossmark Global Investments team.

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