

CROSSMARKGLOBAL.COM

### Strategy Objective:

The Crossmark Current Income Portfolio (CIP) solution seeks to optimize a diversified fixed income strategy while seeking higher levels of income.

### Offering Investors:

- High Current Income
- Diversified Fixed Income Exposure
- Investment-Grade Securities

### Model Portfolio Characteristics <sup>4</sup>

	CIP	Barclays Capital Intermediate Gov/Credit
Yield to Maturity	3.81% <sup>2</sup>	3.20% <sup>3</sup>
Duration <sup>1</sup>	2.86	3.84
Years to Maturity <sup>1</sup>	2.46	4.36
Current Yield	4.30%	2.64%
# of Holdings	35	4,831

### Top 10 Model Issuers <sup>4</sup>

1. Federal Home Loan Mortgage Corp.
2. Federal National Mortgage Association
3. Torchmark Corp.
4. ING Groep NV
5. eBay, Inc.
6. Stanley Black & Decker, Inc.
7. Public Storage
8. Duke Energy Corp.
9. Charles Schwab Corp.
10. Pitney Bowes, Inc.

<sup>1</sup> Does not include preferred stocks

<sup>2</sup> Yield to Effective Maturity

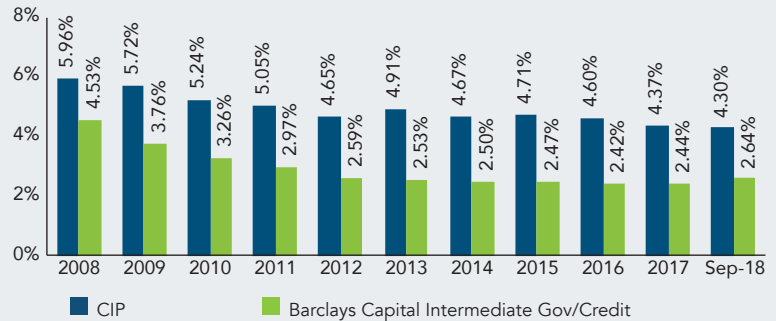
<sup>3</sup> Yield to Worst

<sup>4</sup> Model Portfolios are based on a hypothetical account managed during the current quarter. Actual characteristics and income may differ materially from model.

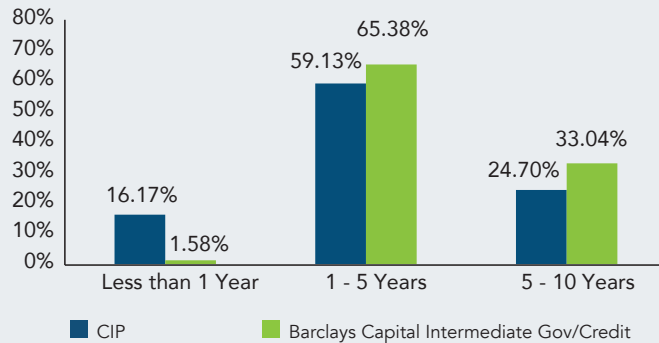
<sup>5</sup> Returns greater than one year are annualized.

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

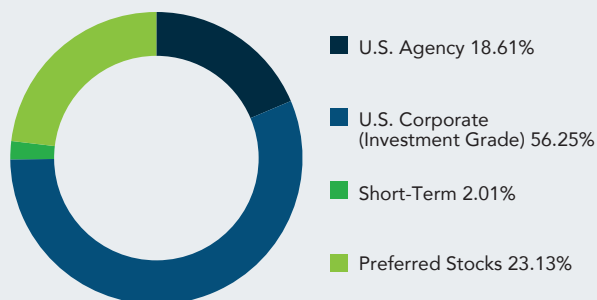
### Model Current Yield <sup>4</sup>



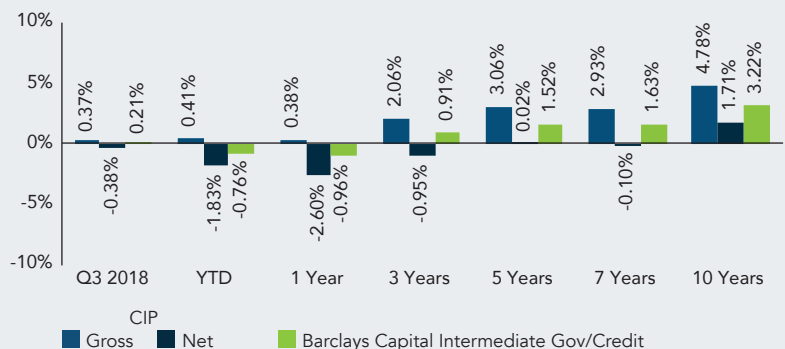
### Model Maturity Distribution <sup>4</sup>



### Model Sector Weightings <sup>4</sup>



### Composite Trailing Returns – 10 Years <sup>5</sup>



# CIP Fact Sheet

## Composite Calendar Year Returns – 10 Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
CIP - Gross	-1.98%	13.26%	8.76%	5.83%	6.17%	-1.92%	6.19%	3.19%	1.31%	3.76%
CIP - Net	-4.90%	10.00%	5.60%	2.73%	3.07%	-4.84%	3.09%	0.15%	-1.68%	0.71%
Barclays Capital Intermediate Gov/Credit	5.08%	5.24%	5.89%	5.80%	3.89%	-0.86%	3.13%	1.07%	2.08%	2.14%

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:

Crossmark employs a disciplined 4 step process in the management of Fixed Income accounts.

This process seeks to produce above market returns, while providing clients with reliable levels of current income.

This process allows us to add investment value by:

- Controlling interest rate risk
- Identifying advantageous yield curve placement
- Rotating credit sectors
- Rebalancing allocations
- Employing special security structures



### 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 \$5.2 billion in AUM.



**VICTORIA FERNANDEZ**  
Chief Market Strategist

### Portfolio Manager:

The Strategy is managed by Victoria Fernandez, Chief Market Strategist. Victoria has Portfolio Manager responsibilities for fixed income products and serves as a member of Crossmark's Investment Policy Committee. She began her career in 1994 and spent the next 24 years in a variety of roles within fixed income investment management.

Supported by the entire Crossmark Global Investments team.

Crossmark Global Investments, Inc. is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Crossmark claims compliance with the Global Investment Performance Standards (GIPS®). Prospective clients can obtain a compliant presentation and/or list of composite descriptions by sending a request to: [advisorsolutions@crossmarkglobal.com](mailto:advisorsolutions@crossmarkglobal.com)

Crossmark Current Income Portfolio Wrap Composite contains fully discretionary wrap current income portfolio accounts. Fixed current income portfolios are invested in high yield bonds of primarily intermediate maturity and selected preferred stocks. 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 Barclays Capital Intermediate Government/Credit Bond Index. Barclays Intermediate Govt/ Credit Bond is an unmanaged index that tracks the performance of intermediate term U.S. government and corporate bonds.

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.

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