

CORE FIXED INCOME

Core Fixed Income is a separately managed account investment strategy

Fact Sheet – 6/30/2019

All data below is current as of 6/30/2019 unless otherwise specified.



Composite Trailing Returns – 10 Years ¹

	1-Year	3-Years	5-Years	7-Years	10-Years	2Q19	YTD 6/30/19
Gross	6.55%	2.54%	2.69%	2.68%	3.89%	2.72%	5.49%
Net	3.43%	-0.48%	-0.33%	-0.35%	0.84%	1.97%	3.95%
Barclays Capital Gov/Credit	8.52%	2.41%	3.11%	2.73%	4.09%	3.53%	6.90%

Model Maturity Distribution ²

	Core Fixed Income	Barclays Capital Gov/Credit
Less than 1 Year	20.21%	1.18%
1 - 5 Years	48.74%	49.19%
5 - 10 Years	17.52%	25.45%
Over 10 Years	13.53%	24.18%

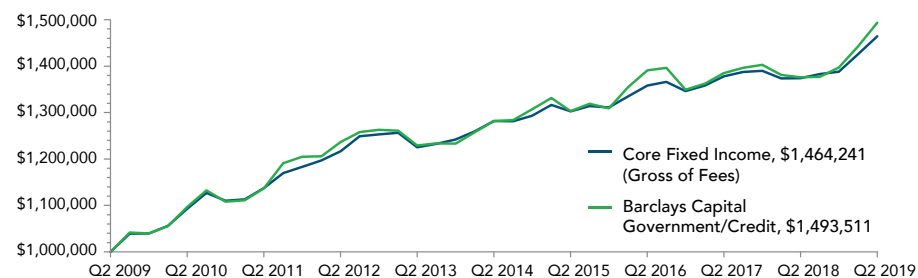
Model Sector Weightings ²

	Core Fixed Income	Barclays Capital Gov/Credit
Agencies	24.15%	3.67%
Financials	21.85%	11.37%
Industrials	31.64%	21.59%
Non-Corporates	0.00%	4.65%
Short-Term	3.83%	0.00%
U.S. Governments	15.55%	56.18%
Utilities	2.98%	2.54%

Composite Calendar Year Returns – 10 Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Gross	7.67%	6.80%	6.58%	5.92%	-0.87%	4.12%	1.34%	2.69%	3.23%	-0.13%
Net	4.54%	3.69%	3.46%	2.83%	-3.81%	1.07%	-1.65%	-0.33%	0.20%	-3.08%
Barclays Capital Gov/Credit	4.52%	6.59%	8.74%	4.82%	-2.35%	6.01%	0.15%	3.05%	4.00%	-0.42%

Composite Growth of \$1 Million – 10 Years ³



¹Returns greater than one year are annualized.

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

³Source: Zephyr StyleADVISOR.

⁴Yield to Effective Maturity

⁵Yield to Worst

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 Core Fixed Income strategy seeks active duration management and the selective rotation of market sectors and the securities within those sectors.

- High Quality Securities
- Active Duration Management
- Selective Sector Rotation
- Selective Security Rotation
- Intermediate-Maturity

Model Portfolio Characteristics ²

	Core Fixed Income	Barclays Capital Gov/Credit
Yield To Maturity	2.38% ⁴	2.42% ⁵
Duration	3.83	6.63
Years To Maturity	4.66	9.19
Current Yield	3.23%	2.92%
Average Coupon	3.44%	3.07%
Average Price	\$104.81	\$105.18
# of holdings	40	7,191

Top 10 Model Issuers ²

U.S. Treasury Notes
Federal National Mortgage Association
Federal Home Loan Mortgage Corp.
Abbvie, Inc.
Citigroup, Inc.
Goldman Sachs Group
Metlife, Inc.
Intel Corp.
Qualcomm, Inc.
Morgan Stanley

© 2019 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

CORE FIXED INCOME

Core Fixed Income is a separately managed account investment strategy

Fact Sheet – 6/30/2019

All data below is current as of 6/30/2019 unless otherwise specified.

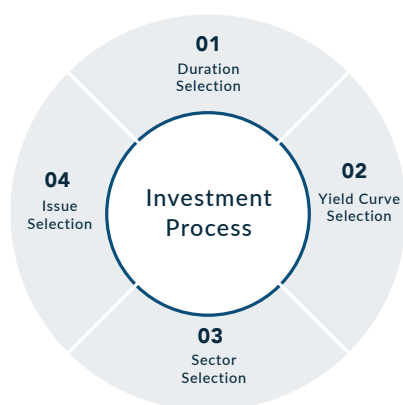
Model Current Yield ¹

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2Q19
Core Fixed Income	4.21%	4.00%	3.59%	3.56%	3.67%	3.50%	3.59%	3.39%	3.21%	3.31%	3.23%
Barclays Capital Gov/Credit	4.11%	3.63%	3.29%	2.92%	2.96%	2.87%	2.90%	2.82%	2.78%	3.04%	2.92%

¹ Model Portfolios are based on a hypothetical account managed during the current quarter. Actual characteristics and income may differ materially from model.

Investment Process

The Strategy employs a four-step process that seeks to outperform the bond market over a market cycle while providing positive returns on an annual basis.



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

Crossmark Core Fixed Income Wrap Composite contains fully discretionary wrap fixed income accounts. Core Fixed Income portfolios are invested in bonds of primarily intermediate maturity to provide high income and preservation of capital. 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 Barclays Capital Government/Credit Bond Index. The Barclays Capital U.S. Government/Credit Bond Index measures the performance of investments grade corporate debt and agency bonds that are dollar denominated and have a remaining maturity of greater than one year.

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.

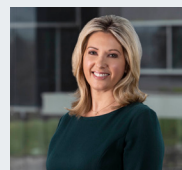
Past performance is not an indicator of future results. Investments made using this strategy involve risk of loss, including the potential loss of principal. The principal risks associated with the Core Fixed Income investment strategy are credit risk (the risk that an issuer will be unable to pay the 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).

GIPS® is a registered trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement.

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 they 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 \$5.0 billion in AUM.



VICTORIA FERNANDEZ
Chief Market Strategist

24 years of experience.

Supported by the entire Crossmark Global Investments team.

15375 Memorial Drive, Suite 200, Houston, TX 77079
888.845.6910 advisorsolutions@crossmarkglobal.com
crossmarkglobal.com