

CROSSMARKGLOBAL.COM

### Strategy Objective:

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

### Offering Investors:

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

### Model Portfolio Characteristics <sup>3</sup>

	Core Fixed Income	Barclays Capital Gov/Credit
Yield To Maturity	3.17% <sup>1</sup>	3.40% <sup>2</sup>
Duration	3.08	6.33
Years To Maturity	3.83	8.88
Current Yield	3.27%	3.00%
Average Coupon	3.35%	2.97%
Average Price	\$ 101.24	\$ 99.02
# of holdings	38	7,008

### Top 10 Model Issuers <sup>3</sup>

1. U.S. Treasury Notes
2. Federal Home Loan Mortgage Corp.
3. Federal National Mortgage Association
4. Abbvie, Inc.
5. Citigroup, Inc.
6. Goldman Sachs Group
7. Metlife, Inc.
8. Prudential Financial, Inc.
9. Keycorp
10. Morgan Stanley

<sup>1</sup> Yield to Effective Maturity

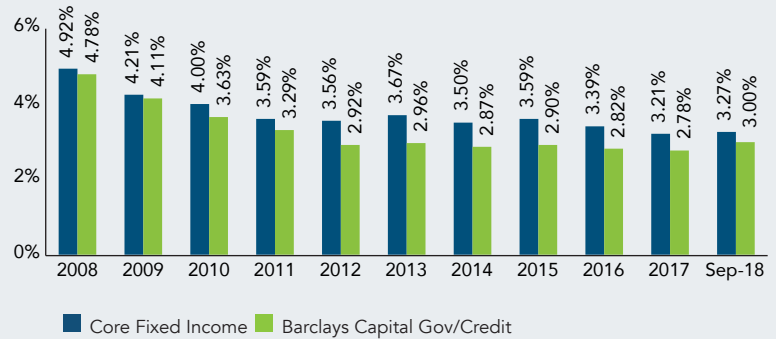
<sup>2</sup> Yield to Worst

<sup>3</sup> Model Portfolios are based on a hypothetical account managed during the current quarter. Actual characteristics and income may differ materially from model.

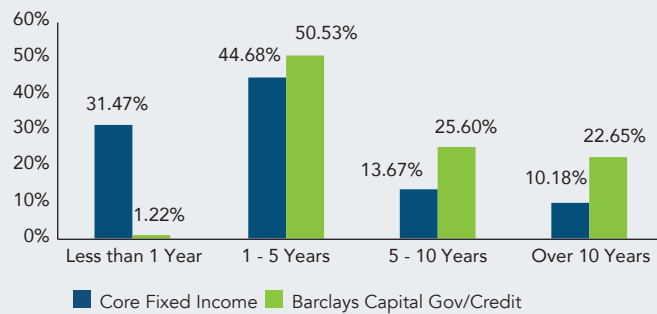
<sup>4</sup> Returns greater than one year are annualized.

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

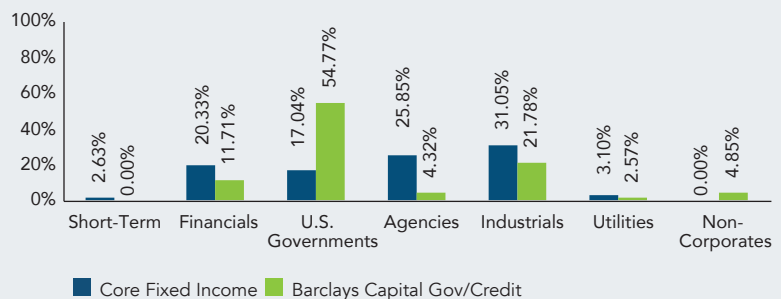
### Model Current Yield <sup>3</sup>



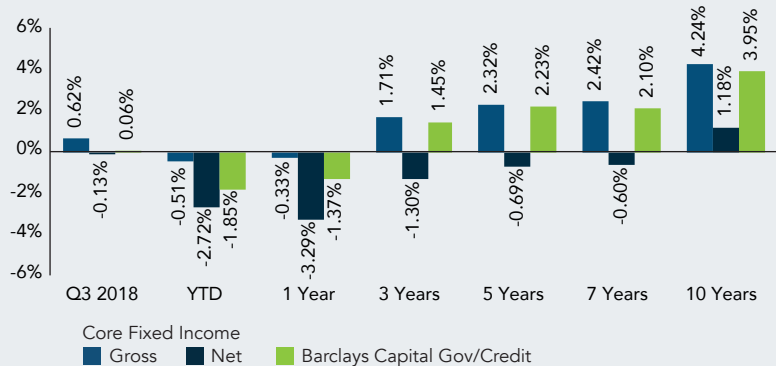
### Model Maturity Distribution <sup>3</sup>



### Model Sector Distribution <sup>3</sup>



### Composite Trailing Returns – 10 Years <sup>4</sup>



# Core Fixed Income Fact Sheet

## Composite Calendar Year Returns – 10 Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Core Fixed Income - Gross</b>	3.69%	7.67%	6.80%	6.58%	5.92%	-0.87%	4.12%	1.34%	2.69%	3.23%
<b>Core Fixed Income - Net</b>	0.64%	4.54%	3.69%	3.46%	2.83%	-3.81%	1.07%	-1.65%	-0.33%	0.20%
<b>Barclays Capital Gov/Credit</b>	5.70%	4.52%	6.59%	8.74%	4.82%	-2.35%	6.01%	0.15%	3.05%	4.00%

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 Core Fixed Income strategy seeks to outperform the bond market over a market cycle while providing positive returns on an annual basis.

- Focused portfolio construction utilizing high quality, primarily intermediate maturity securities
- Enhanced value through duration management and the selective rotation of market sectors and the securities within those sectors
- A disciplined 4 step selection process:
  - o Duration
  - o Yield Curve
  - o Sector
  - o Issue



### 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 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 principle.

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