CROSSMARK GLOBAL INVESTMENTS

QUARTERLY UPDATE: 1Q 2022
STEWARD COVERED CALL INCOME FUND
COMMENTARY

written by
Ryan Caylor, CFA® Portfolio Manager – Head of Research

Steward Covered Call Income Fund - Institutional	
Ticker	SCJIX
Inception Date	12/14/2017
Net Expense Ratio	1.00%
Primary Benchmark	S&P 500

Top 10 Holdings	
Apple, Inc.	4.49%
Microsoft Corp.	4.26%
Amazon.com, Inc.	3.10%
Alphabet, Inc. Class A	2.66%
Alphabet, Inc. Class C	2.65%
NVIDIA Corp.	2.60%
Tesla, Inc.	2.57%
Berkshire Hathaway, Inc.	2.02%
Procter & Gamble	1.75%
Pepsico, Inc.	1.59%
Total % of Portfolio	**27.68%**

Source: Morningstar Direct

Markets and Performance

For the three months ended March 31, 2022, the Steward Covered Call Income Fund (Institutional shares) returned -3.49%, outperforming its primary benchmark, the S&P 500 Index, which returned -4.60%. The Fund underperformed the CBOE S&P 500 BuyWrite Index (BXM) by 431 basis points, as the index returned 0.82%.

Positive and Negative Contributors to Performance

The overall market was down month-over-month through the end of February. After bottoming in mid-March, it regained some of its losses before the end of the quarter. In a declining market environment (such as we saw through mid-March), call overwriting strategies will tend to outperform the overall market (due to the upfront premium collected) – this was the case for the Fund as well. However, in this declining market environment, the Fund can also underperform its primary benchmark given (but not limited to) the following: how the BXM Index is designed (systematically sells front-month near-the-money SPX Index options) relative to how the Fund is managed, the slope of the forward volatility curve, and the path dependency of option values. So while the Fund outperformed the overall market decline, it underperformed the BXM Index over the quarter.

Sectors contributing the most to relative quarterly performance against the S&P 500 Index were Industrials (equal weight), Health Care (underweight), and Tech (slight overweight); sectors detracting most from relative performance were Communication Services (overweight), Financials (overweight), and Consumer Staples (overweight). Equity holdings contributing the most to relative quarterly performance were AbbVie (1.23% of average total net assets), ConocoPhillips (0.67% of average total net assets), and Chevron (1.09% of average total net assets). Equity holdings detracting the most from relative performance were Adobe (1.52% of average total net assets), Meta Platforms (1.59% of average total net assets), and Starbucks (0.87% of average total net assets). When considering our values-based screens, the net impact for the Fund by not owning the screened-out companies was a slight negative (28 bps), with a majority of this impact coming from Johnson & Johnson and Bristol-Myers Squibb (Embryonic Stem Cell Research) and UnitedHealth Group (Abortion/Acute Care Facilities).

Looking Ahead

The strong rebound in March could potentially be good news for stocks. However, the aggressive Fed and the unsettled war in Ukraine will keep volatility front and center for the time being. One other development to watch is the yield curve. Rates for two-year Treasuries briefly rose above those for 10-year Treasuries during the first quarter. Such a move has preceded six of the seven recessions since 1978. The Crossmark team will continue to monitor volatility with the intent to trade the value-added option overlay to maximize income and reduce as much inherent market risk as possible. We expect the second quarter of the year will produce numerous option trading opportunities.

Trailing Returns	Qtr	YTD	1 Year	3 Years	Since Inception
Steward Covered Call Income Fund - Institutional	-3.49%	-3.49%	11.25%	11.40%	9.32%
S&P 500	-4.60%	-4.60%	15.65%	18.92%	15.32%
CBOE S&P 500 Buy/Write BXM	0.82%	0.82%	14.88%	8.57%	6.43%

Source: Morningstar Direct

Index returns shown assume the reinvestment of all dividends and distributions.

Our Firm

Crossmark Global Investments is a faith-based firm that creates, manages, and distributes values-based investment strategies that equip financial intermediaries and their clients to align their wealth with their passions and convictions. For over 30 years, the firm has delivered uniquely constructed products based on its proprietary, disciplined, and repeatable process. Founded in 1987, the firm is headquartered in Houston, Texas. For more information visit: www.crossmarkglobal.com.

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Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. The Fund's current performance may be lower or higher than quoted. Before investing in a mutual fund, you should read the fund's prospectus carefully and consider the fund's investment objectives, risks, charges, and expenses. The prospectus contains this and other information about the fund. To obtain Fund performance as of the most recent month-end or to obtain a copy of the Steward Funds' prospectus free of charge, call Crossmark Distributors at 888.845.6910.

The Fund may not achieve its objective if the managers' expectations regarding particular securities or markets are not met. Equity investments generally involve two principal risks—market risk and selection risk. The value of equity securities will rise and fall in response to general market and/or economic conditions (equity market risk). The value of any individual equity security will rise and fall in response to the market's perception of the issuer's revenues, earnings, balance sheet, creditworthiness, business plan, and overall perception of the viability of the issuer's business (selection risk).

Options are not suitable for every investor. Writing call options to generate income and to potentially hedge against market declines by generating option premiums involves risk. These risks include, but are not limited to, potential losses if equity markets or an individual equity security do not move as expected, and the potential for greater losses than if these techniques had not been used. If the market price of a security increases, a call option written against that security limits the gain that can be realized. And, there are significant differences between the securities and options markets that could result in an imperfect correlation between these markets, causing a given transaction not to achieve its objectives.

The Fund's values-based screening policies exclude certain securities issuers from the universe of otherwise available investments. As a result, the Fund may not achieve the same level of performance as it otherwise would have in the absence of the screening process. If the Fund has invested in a company that is later discovered to be in violation of one or more screening criteria and liquidation of an investment in that company is required, selling the securities at issue could result in a loss to the Fund. Further, the Fund's values-based screening policies may prevent the Fund from participating in an otherwise suitable investment opportunity.

Crossmark Global Investments, Inc.
15375 Memorial Drive, Suite 200, Houston, TX 77079
888.845.6910 advisorsolutions@crossmarkglobal.com
crossmarkglobal.com