



STEWARD COVERED CALL INCOME FUND

COMMENTARY | QUARTERLY UPDATE: 1Q 2023



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Institutional Shares

Steward Covered Call Income Fund - Institutional	
Ticker	SCJIX
Inception Date	12/14/2017
Prospectus Dated	8/28/2022
Prospectus Expense Ratio	Gross 1.61% Net 1.00%
Primary Benchmark	S&P 500

Top 10 Holdings

Microsoft Corp.	4.58%
Apple, Inc.	4.50%
Amazon.com, Inc.	2.73%
NVIDIA Corp.	2.33%
Berkshire Hathaway, Inc.	2.09%
Alphabet, Inc.	1.89%
Exxon Mobil Corp.	1.82%
Coca-Cola Co.	1.77%
Procter & Gamble Co.	1.70%
Tesla, Inc.	1.67%
Total % of Portfolio	25.08%

The net expense ratio reflects a contractual commitment by the Fund's investment adviser to waive fees and/or reimburse expenses through August 27, 2023. Absent the waiver and/or reimbursement, expenses would be higher and total returns would be less. Please see the prospectus for details.

Markets and Performance

It is hard to imagine that the markets actually posted single digit gains during the first quarter of the year. The path higher wasn't smooth and the outlook remains quite uncertain as investors deal with high inflation and the unknowns surrounding the banking sector. The markets in the first quarter were in a constant tug of war battle with data showing inflation at insanely high levels, as well as expectations of still more Fed rate hikes ahead. Things quickly turned even more volatile in March as the continued rate hike cycle contributed to stresses in the banking system which resulted in the collapse of three regional banks and a forced takeover of Credit Suisse. While volatility was extreme within certain equity sectors, mainly financials, the VIX index actually didn't move that much. The VIX closed with a high of 26.52 before closing the quarter under 19. On top of all of that news, crude oil surged on unexpected production cuts announcements made by OPEC.

Positive and Negative Contributors to Performance

The Steward Covered Call Income Fund slightly outperformed the BXM benchmark during the quarter ending 3-31-23, returning 5.96% and 5.95%, respectively, while underperforming the S&P 500 index benchmark which returned 7.50% for the quarter. Energy and Information technology had positive contributions to return from a sector standpoint. Some individual stocks worth mentioning that had positive contributions to return during the quarter were Advanced Micro Devices (0.84% of total net assets), Microsoft Corp (4.58% of total net assets), and NVIDIA (2.33% of total net assets). Financials, industrials and consumer services were among the weakest performing sectors during the quarter with CVS Corp (0.57% of total net assets), Charles Schwab (0.37% of total net assets) and Bank of America (0.75% of total net assets) generating negative contributions to return during the first quarter. From an option overlay standpoint, we continued to be opportunistic trading certain names and sectors with the plan being to stay short in duration. We also took advantage of the volatility throughout the quarter, especially during March, by resetting multiple option strikes allowed for a continued increase in cash flow.

When considering the Steward values-based screens we apply, the net impact on Fund performance by not owning restricted companies was a materially positive +105 basis points relative to the S&P 500. The majority of this positive impact came from not owning pharmaceutical companies engaged in abortion and Embryonic Stem Cell Research. The largest single name positive impact on performance (+30 bps) came from not owning UnitedHealth Group (restriction: Abortion – Owner of Acute Care Facilities). The largest single name negative impact on performance (-10 bps) came from not owning General Electric (restriction: Embryonic Stem Cell Research).

Looking Ahead

As we head into the second quarter of the year, a key variable for investors to digest will be the impact of the banking crisis on the economy. Monetary tightening is either at, or close, to an end but the markets will also be anxiously looking for an increase in leading economic indicators that could lead to a viable move higher in the markets. Last month the Fed pushed forward with another 25bps rate hike, bringing the total number of rate hikes to 19 in just 12 months. The probability of another rate hike currently sits around 55-65%, but what is important to note, are the conversations shifting to when and how fast the Fed begins to cut rates. How markets react will largely depend on the rhetoric driving the upcoming rate cut season. The Crossmark team will continue to look for trading opportunities on the option overlay with the goal of increasing income through call option premiums and reducing overall volatility.

Performance	QTD	YTD	1 Year	3 Years	5 Years	Since Inception
Steward Covered Call Income Fund - Institutional	5.96%	5.96%	-3.65%	14.50%	7.42%	6.74%
S&P 500	7.50%	7.50%	-7.73%	18.60%	11.19%	10.56%
CBOE S&P 500 Buy/Write BXM	5.95%	5.95%	-6.86%	12.25%	4.25%	3.79%

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 go further by aligning 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. If the market price of a security increases, a call option written against that security limits the gain that can be realized. And, there can be 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.

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