CROSSMARK
GLOBAL INVESTMENTS

QUARTERLY UPDATE: 4Q 2021
STEWARD COVERED CALL INCOME FUND COMMENTARY

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

Top 10 Holdings	
Microsoft Corp.	4.86%
Apple, Inc.	4.57%
Adobe, Inc.	2.49%
Meta Platforms, Inc.	2.32%
NVIDIA Corp.	2.22%
Amazon.com, Inc.	2.09%
Danaher Corp.	2.07%
Tesla, Inc.	1.99%
Berkshire Hathaway, Inc.	1.88%
Alphabet, Inc.	1.82%
Total % of Portfolio	**26.31%**

Source: Morningstar Direct

Markets and Performance

For the fourth quarter of 2021, the total return for the Steward Covered Call Income Fund (institutional class shares) was 7.09%. For comparison purposes, the total return for the S&P 500 Index for the same period was 11.03% and the total return for the CBOE S&P 500 BuyWrite Index - BXM was 6.98%. Leading into the last week of November, the S&P 500 was up more than 9% after a strong third-quarter earnings season, the passage of the bipartisan Infrastructure and Jobs Act, and a Fed that seemed better prepared to fight runaway inflation after switching from “Team Transitory” to “Team Maybe Not Transitory.” However, concerns around the new Omicron variant appeared to induce a steep (-2.6%) S&P 500 sell-off in the last week of November. Ultimately, the S&P 500 was able to power through the idea of runaway inflation and concerns about Omicron, finishing the quarter at an all-time high. Given the path dependency of call option writing (which didn’t lean in our favor despite decent volatility), the Fund lagged the overall market but inched out its primary benchmark for the quarter.

Positive and Negative Contributors to Performance

Fund holdings contributing the most to relative quarterly performance against the S&P 500 were consumer discretionary, consumer staples, and energy. Holdings detracting most from relative performance were technology, financials, and health care. More specifically, the holdings contributing the most were Accenture (1.6% of average total net assets), Amazon (2.2% of average total net assets), and Broadcom (1.3% of average total net assets). Holdings detracting the most from relative performance were Apple (4.7% of average total net assets), Medtronic (1.2% of average total net assets), and Adobe (2.6% of average total net assets). When considering the values-based screens we apply, the net impact for the Fund by not owning the screened-out companies was a slight negative of 14 basis points, with a majority of this impact coming from Pfizer and UnitedHealth Group (Abortion and Embryonic Stem Cell Research).

Looking Ahead

As we put 2021 behind us and turn the focus to 2022, many investors and strategists expect tougher conditions as the Fed tapers off its pandemic monetary policy and continues to face persistent inflation issues.

Looking Ahead (continue)

Solid economic and earnings growth will likely continue to be a tailwind for stocks, with rising rates and inflation posing some formidable headwinds. We expect this will produce an increase in volatility that the Fund will exploit by looking for trading opportunities on the option overlay, maximizing income, and reducing as much inherent risk as possible.

Trailing Returns

	Qtr	YTD	1 Year	3 Years	Since Inception
Steward Covered Call Income Fund - Institutional	7.09%	21.80%	21.80%	16.31%	10.88%
S&P 500 TR USD	11.03%	28.71%	28.71%	26.06%	17.56%
CBOE S&P 500 BuyWrite BXM	6.98%	20.47%	20.47%	10.66%	6.63%

Source: Morningstar Direct

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, callings, 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.

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