



STEWARD GLOBAL EQUITY INCOME FUND

COMMENTARY | QUARTERLY UPDATE: 4Q 2022

Institutional Shares



written by **Rob Botard, CFA®** Managing Director – Portfolio Manager

Steward Global Equity Income Fund - Institutional	
Ticker	SGISX
Inception Date	4/1/2008
Prospectus Dated	8/28/2022
Prospectus Expense Ratio	0.99%
Primary Benchmark	S&P Global 1200

Top 10 Holdings	
Cigna Corp.	3.54%
McDonald's Corp.	2.87%
Quest Diagnostics, Inc.	2.38%
Texas Instruments, Inc.	2.33%
Paychex, Inc.	2.14%
AbbVie, Inc.	2.13%
Coca-Cola Co.	2.09%
Gilead Sciences, Inc.	2.07%
Thomson Reuters Corp.	1.97%
Kellogg Co.	1.82%
Total % of Portfolio	23.34%

Markets and Performance

Performance for the global equity markets overall returned positive results for the fourth quarter ending December 31, 2022. The Steward Global Equity Income Fund (the Fund) benchmarks (the S&P Global 1200 Index and the S&P 500 Index) ended the quarter with returns of 10.58% and 7.56%, respectively. Dividend stocks overall outperformed the general equity market. For global dividend index comparison purposes, the MSCI World High Dividend Yield Index returned 14.41%. The Fund outperformed the S&P Global 1200 Index but underperformed the MSCI World High Dividend Yield Index for the quarter returning 11.04%.

Positive and Negative Contributors to Performance

Positive relative performance for the quarter was led by Cigna Corp. (3.54% of total net assets) which rose 19.41% during the period as quarterly earnings exceeded analyst expectations. The health insurance provider continues to report better than expected membership growth driven by a diversified and expanding product portfolio. Strategic acquisitions are strengthening the company's competitive position as it becomes a one-stop shop for customer healthcare needs. The company is focused on shareholder value, having distributed more than \$6.6 billion to shareholders in the first nine months of this year through dividends and share repurchases. Quest Diagnostics (2.38% of total net assets) shares increased 27.51% as improved pricing and productivity gains offset labor and inflationary challenges. One of the largest providers of commercial laboratory services in North America, the company reported improving trends throughout the quarter as well as a higher mix of advanced diagnostic testing. Quarterly sales beat consensus expectations, even with a year over year decrease in COVID testing revenues, driven by a mid-single digit improvement in its base business as the company continues to expand its consumer-initiated test offerings.

Negative contributors to relative performance included Broadridge Financial Solutions, Inc. (1.25% of total net assets) which decreased 7.06% during the period. The company provides investor communications, such as proxy materials, and technology-driven solutions for the financial services industry. Revenues for the quarter were better than estimates as new business and organic growth improved year over year but earnings missed consensus expectations on higher investment spending. However, management reaffirmed guidance and detailed plans to improve profit margins going forward. C.H. Robinson Worldwide, Inc. (1.69% of total net assets) fell 4.93%. The company, headquartered in Minnesota, engages in freight transportation services and global logistics solutions. Weakness during the quarter was driven by a moderation in freight demand as well as a sharp drop in ocean transport pricing. Despite current challenging macro conditions, the company raised its dividend 10.9% in November.

For the fourth quarter, the faith-based investment policies had a slightly negative impact on performance.

Looking Ahead

The market is sharply focused on whether or not the U.S. experiences a recession. One of the challenges facing investors is determining the full impact of the monetary tightening that has already occurred domestically and across the globe. Inflationary pressures that have increased wages, transportation, and raw input costs for companies are expected to soften but remain at unacceptable levels – negatively impacting revenues, profit margins, and earnings even for companies with strong balance sheets. This scenario continues to be favorable for a dividend strategy with its lower risk profile and ability to lessen the impact of potential market volatility.

Performance	QTD	YTD	1 Year	3 Years	5 Years	10 Years
Steward Global Equity Income Fund - Institutional	11.04%	-11.21%	-11.21%	4.85%	5.84%	9.17%
S&P Global 1200	10.58%	-16.83%	-16.83%	5.32%	6.59%	9.33%
MSCI World High Dividend Yield	14.41%	-4.74%	-4.74%	3.33%	4.66%	6.97%
S&P 500	7.56%	-18.11%	-18.11%	7.66%	9.42%	12.56%

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.

The Steward Funds are distributed by **Crossmark Distributors, Inc., member FINRA**. Crossmark Distributors is an affiliate of Crossmark Global Investments, Inc., the Steward Funds' investment adviser. Crossmark Global Investments is an investment adviser registered with the Securities and Exchange Commission that provides discretionary investment management services to mutual funds, institutions, and individual clients.

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, credit worthiness, business plan, and overall perception of the viability of the issuer's business (selection risk).

Investments in securities of issuers in foreign countries involves additional risks not associated with domestic investments. These risks include, but are not limited to: (1) political and financial instability; (2) currency exchange rate fluctuations; (3) greater price volatility and less liquidity in particular securities and in certain foreign markets; (4) lack of uniform accounting, auditing, and financial reporting standards; (5) less government regulation and supervision of some foreign stock exchanges, brokers and listed companies; (6) delays in transaction settlement in certain foreign markets; (7) less availability of information; and (8) imposition of foreign withholding or other taxes.

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.

© 2023 Crossmark Distributors, Inc. Distributor Member FINRA

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

Not FDIC Insured - No Bank Guarantee - May Lose Value