



STEWARD INTERNATIONAL ENHANCED INDEX FUND

COMMENTARY | QUARTERLY UPDATE: 2Q 2023



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written by _____
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Institutional Shares

Steward International Enhanced Index Fund - Institutional	
Ticker	SNTCX
Inception Date	2/28/2006
Prospectus Dated	8/28/2022
Prospectus Expense Ratio	0.76%
Primary Benchmark	S&P Global 1200 ADR

Top 10 Holdings	
Taiwan Semiconductor Mfg. Co	7.53%
Alibaba Group Holding Ltd	3.84%
ASML Holding NV	3.77%
Shell PLC	2.88%
Unilever PLC	2.68%
SAP SE	2.21%
HSBC Holdings PLC	2.15%
Royal Bank of Canada	2.03%
BHP Group Ltd	1.95%
TotalEnergies SE	1.81%
Total % of Portfolio	30.87%

Markets and Performance

For the quarter ending June 30, 2023, the Steward International Enhanced Index Fund underperformed its primary benchmark, the S&P Global 1200 ADR index, by 1.08%, returning 2.44% vs. the benchmark's 3.52%. For comparison purposes, the return for the S&P Emerging 50 ADR index for the same period was -0.31% while the return for the MSCI EAFE Index (Europe, Australia, and Far East) was 3.19%.

Positive and Negative Contributors to Performance

The Fund's dual market structure maintained the same allocation throughout the quarter: 85% allocated towards non-U.S. developed markets and 15% towards emerging markets. As a reminder, the Fund's dual market structure has historically tilted its emerging markets allocation between 10-20% of total net assets, with 15% representing a neutral positioning. During the second quarter of 2023, the allocation to emerging markets negatively impacted the Fund by 59 basis points relative to the primary benchmark.

Performance of the Fund can also be affected by the Fund's values-based screening policies. For the quarter, the values-based screening policies had a slightly positive impact on fund performance, adding 2 bps. Companies such as Toyota (abortion – owner acute care facilities), up 13.45%, and Novartis AG (embryonic stem cell research), up 9.68%, outperformed the benchmark. Screening out these two securities detracted 48 bps from performance. Conversely, not owning companies such as, Diageo PLC (alcohol), down 4.25%, and Anheuser-Busch InBev (alcohol), down 14.19%, positively impacted performance by 29 basis points.

Looking Ahead

Global markets are dealing with the same primary issue as the U.S. markets with most global central banks fighting inflation. They are all trying to balance the need to control inflation without sending their economies into recession. In general, they are seeing some early signs of success as inflation pressures are moderating. But the job is not complete. Concerns will shift to the slowing economic growth which is the result of central banks fighting inflation. The negative longer-term impact from inflation is generally viewed as more harmful than the more temporary pain from a recession. We continue to monitor the direction of global interest rates, foreign exchange, commodity prices and inflationary impacts in an effort to inform or decision to increase or decrease the fund's exposure to emerging markets.

Performance	QTD	YTD	1 Year	3 Years	5 Years	10 Years
Steward International Enhanced Index Fund - Institutional	2.44%	10.21%	12.27%	9.98%	3.78%	4.20%
S&P Global 1200 ADR	3.52%	11.47%	15.06%	12.42%	5.75%	5.42%

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

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.

Our Firm

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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.

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