

Presentation For  
**City of Fort Pierce, Florida Retirement  
and Benefit System**

First Quarter 2021

May 20, 2021  
Conference Call

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## AFFILIATES

**CEREDEX**  
VALUE ADVISORS®  
A VIRTUS INVESTMENT PARTNER

**DUFF & PHELPS**  
INVESTMENT MANAGEMENT CO.  
A VIRTUS INVESTMENT PARTNER

**KAR**  
KAYNE ANDERSON RUDNICK  
A VIRTUS INVESTMENT PARTNER

**Newfleet**  
ASSET MANAGEMENT  
A VIRTUS INVESTMENT PARTNER

**nfj**  
A VIRTUS Investment Partner

**SEIX**  
INVESTMENT ADVISORS LLC®  
A VIRTUS INVESTMENT PARTNER

**SILVANT**  
CAPITAL MANAGEMENT  
A VIRTUS INVESTMENT PARTNER

**SGA**  
Sustainable Growth Advisers  
A VIRTUS INVESTMENT PARTNER

**Virtus ETF Solutions**



## SUBADVISERS

**Allianz**   
Global Investors

**FORT**  
INVESTMENT MANAGEMENT

**Vontobel**

**ZVNBGRN**®<sup>1</sup>  
zevenbergen capital investments

<sup>1</sup> Virtus has a minority ownership position in Zevenbergen Capital Investments.  
As of 3/31/21.



## OUR FIRM

- Value Equity investing roots trace back to 1989
- Approximately \$9.2 billion AUM\* in three primary strategies
- Headquartered in Orlando, Florida

## OUR INVESTMENT STRATEGIES

	Large Cap Value	Mid-Cap Value	Small Cap Value
Assets	\$3.4 billion	\$4.2 billion	\$1.6 billion
Lead Manager Experience	38 Years	24 Years	35 Years

## OUR INVESTMENT PROFESSIONALS\*

- 13 Investment Professionals
- 3 Portfolio Managers have worked together for 24 years
- 9 CFA Charterholders

\*As of 3/31/21 (includes sub-advisory relationships and separate accounts).



## PORTFOLIO MANAGERS

**Mills Riddick, CFA**  
**Chief Investment Officer**  
**Large Cap Value Portfolio Manager**

- BS Accounting, Florida State University, 1980
- Certified Public Accountant (CPA), State of Florida 1981
- 38 years investment experience

**Donald Wordell, CFA**  
**Mid-Cap Value Portfolio Manager**

- BS Finance, University of Central Florida, 1992
- MBA, University of Central Florida, 1996
- 24 years investment experience

**Brett Barner, CFA**  
**Small Cap Value Portfolio Manager**

- BSBA Finance, University of Central Florida, 1985
- 35 years investment experience

## VALUE EQUITY ANALYSTS

**Charlie Carter, CFA**  
**Consumer Discretionary, Consumer Staples**

- BS Management, Georgia Institute of Technology, 2000
- 19 years investment experience

**Melissa Miller, CFA**  
**Financials**

- BA Accounting, Creighton University, 1996
- MBA, University of Iowa, 2001
- 19 years investment experience

**Cody Smith, CFA**  
**Health Care, Technology**

- BSBA Finance, Drake University, 2004
- 16 years investment experience

**Hein Hanekom, CFA**  
**Energy, Utilities**

- BS Finance, Western Carolina University, 2005
- MBA, University of Central Florida, 2007
- 15 years investment experience

**Jason Fraser, CFA**  
**Financials, Telecom**

- BS Finance, University of Florida, 2005
- MS Applied Economics, The Johns Hopkins University, 2020
- 15 years investment experience

**Jennifer Graff, CFA**  
**Industrials, Materials**

- BA Psychology, University of Central Florida, 1999
- 20 years investment experience

**Casey Johnson**  
**Materials**

- BA Economics, University of Notre Dame, 2003
- MBA, Rollins College, 2007
- 17 years investment experience

**David Maynard**  
**Industrials**

- BA Economics and Mathematics, Vanderbilt University, 2005
- MBA, University of Virginia, 2012
- 15 years investment experience

## PORTFOLIO SPECIALIST

**Sarah Thompson**

- BA Psychology, Purdue University, 1995
- 20 years investment experience

## CLIENT PORTFOLIO MANAGER

**Steve Loncar**

- BS Finance, Florida State University, 1994
- MBA, Rollins College, 2001
- 23 years investment experience



## Principles that have enabled the approach to be successful





## How We Define Ourselves

- Traditional Value
- Bottom-Up Stock Selection
- Fundamental Research Focus

## What Differentiates Us

- Dividend Focus
- Buy and Sell Decision Equally Important
- Equity Investing Equal Parts Art and Science
- Portfolio Manager/Analyst Dynamic; Stable and Seasoned Investment Management Team

## Our Process

- Dividends
- Valuation
- Fundamentals



\*Ceredex recently reduced the number of holdings in its strategies to allow focus on the securities in which there is higher conviction.

Large Cap Value – from 40-60 companies

Mid-Cap Value – from 50-70 companies

Small Cap Value – from 80-100 companies

Dividends reflect past performance and there is no guarantee they will continue to be paid.



Stock requires all three for purchase, but only one could trigger a sell:

## Dividend Policy Change

- Eliminated – Automatic Sell
- Cut unexpectedly – Reevaluate Fundamentals
- Cut expectedly – Retain

## Relative Value Weakens

- Stock Reaches its Previously Established Price Target
- More Attractive Risk/Reward Prospects

## Fundamentals Deteriorate

- Cyclical
- Structural
- Timing of Catalyst Extended

## Risk Management

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Investment Philosophy	<ul style="list-style-type: none"><li>• Focus on “high-quality” companies</li><li>• Company’s “business risk” is primary risk control factor</li></ul>
Portfolio Level Controls	<ul style="list-style-type: none"><li>• Individual security weights initiated at 1% to 3% of portfolio</li></ul>
Position Reviews	<ul style="list-style-type: none"><li>• Portfolios monitored daily and adjusted for fundamental news flow and price movement</li></ul>
Trading Guidelines	<ul style="list-style-type: none"><li>• Guidelines provided by portfolio managers when initiating and exiting portfolio holdings</li><li>• Relative benchmarks and transaction costs are monitored to ensure investments are implemented both efficiently and effectively</li></ul>

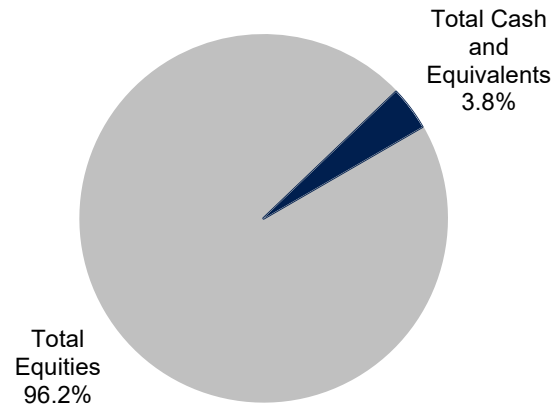
## Portfolio Monitoring

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Risk and Compliance	<ul style="list-style-type: none"><li>• Chief Investment Officer conducts a monthly evaluation of portfolio risk exposures – risk factors reports from FactSet and Axioma are reviewed monthly by the CIO</li><li>• A Compliance Analyst reviews portfolios against guidelines on a daily basis</li></ul>
CIO/PM Meetings	<ul style="list-style-type: none"><li>• The CIO and PMs meet daily to review, discuss, and explain each strategy’s portfolio positioning and its performance</li></ul>
Research Meetings	<ul style="list-style-type: none"><li>• Daily interaction between analysts and PMs to discuss and evaluate the portfolio holdings and overall industry trend</li></ul>
Performance Analytics & Portfolio Attribution	<ul style="list-style-type: none"><li>• Allows PMs to quantify investment decisions and understand drivers of return and risk characteristics on a regular basis</li></ul>



## Portfolio Composition



Assets		Market Value	% of Total
<b>Total Portfolio</b>	\$	<b>7,091,414.03</b>	<b>100.0%</b>
<b>Total Equities</b>	\$	<b>6,821,762.01</b>	<b>96.2%</b>
<b>Total Cash and Equivalents</b>	\$	<b>269,652.02</b>	<b>3.8%</b>

Period Ending March 31, 2021. Source: Eagle Investment Systems, May 7, 2021.

**Past performance is not indicative of future results.**

This perspective was prepared for City of Fort Pierce, Florida Retirement and Benefit System, specific one-on-one presentation.



## Account Activity Summary - Quarter

Beginning Portfolio Market Value 12/31/2020	\$	6,220,390.97
Contributions	\$	-
Withdrawals	\$	(13,993.29)
Net Contributions/Withdrawals	\$	(13,993.29)
Portfolio Earnings		
Interest	\$	5.48
Dividends	\$	40,881.17
Realized Gains/Losses	\$	232,030.29
Unrealized Gains/Losses	\$	612,099.41
Total Portfolio Earnings	\$	885,016.35
<b>Ending Portfolio Market Value 03/31/2021</b>	<b>\$</b>	<b>7,091,414.03</b>
Net Change	\$	871,023.06

Period Ending March 31, 2021. Source: Eagle Investment Systems, May 7, 2021

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## Account Activity Summary - Annual

Beginning Portfolio Market Value 03/31/2020	\$	4,113,898.78
Contributions	\$	-
Withdrawals	\$	(45,132.57)
Net Contributions/Withdrawals	\$	(45,132.57)
Portfolio Earnings		
Interest	\$	162.31
Dividends	\$	131,730.66
Realized Gains/Losses	\$	555,664.81
Unrealized Gains/Losses	\$	2,335,090.04
Total Portfolio Earnings	\$	3,022,647.82
<b>Ending Portfolio Market Value 03/31/2021</b>	<b>\$</b>	<b>7,091,414.03</b>
Net Change	\$	2,977,515.25

Period Ending March 31, 2021. Source: Eagle Investment Systems, May 7, 2021.

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## Inception to Date Reconciliation

City of Fort Pierce Retirement & Benefit System Inception to Date Statement of Cash Flow January 5, 1999 through March 31, 2021		
\$ Original Investment		\$ 5,459,900.00
+ Subsequent Contributions		\$ 1,343,255.15
- Subsequent Withdrawals		\$ (21,859,268.72)
- Management Fees		\$ (1,397,672.76)
+ Total Investment Earnings		\$ 23,545,200.36
+ Income	\$ 3,656,306.30	
+/- Capital Appreciation (Depreciation)	\$ 19,888,894.06	
<b>Total Assets as of March 31, 2021</b>		<b>\$ 7,091,414.03</b>

Period Ending March 31, 2021. Source: Eagle Investment Systems and SunTrust Portfolio View, May 7, 2021.  
See Investment Performance in Appendix.

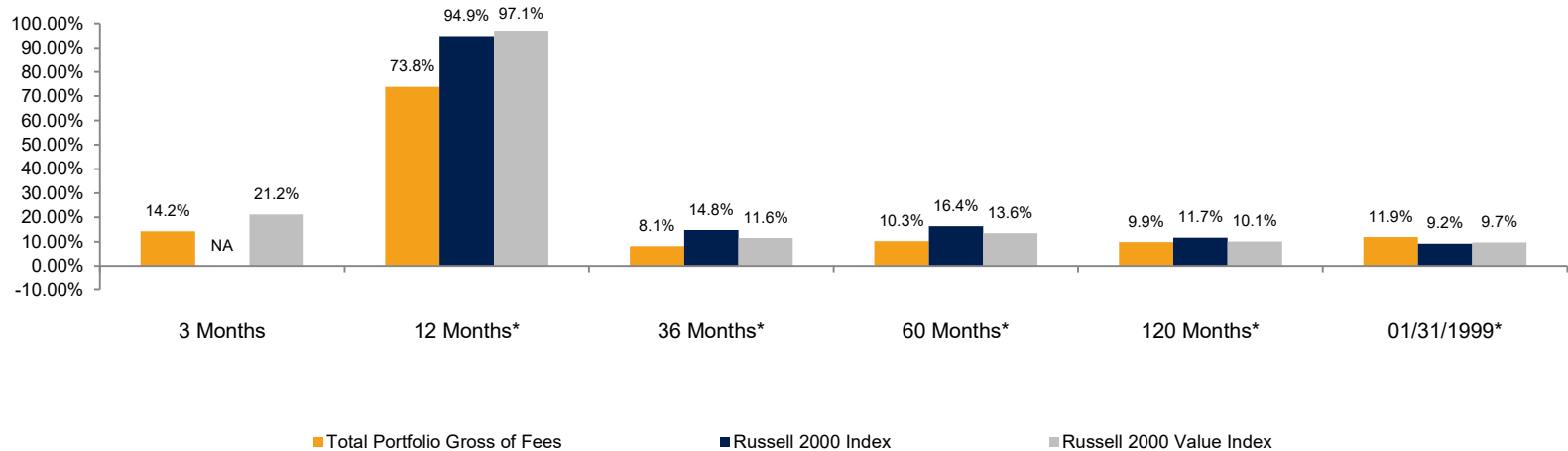
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## Performance Comparisons

	<u>3 Months</u>	<u>12 Months*</u>	<u>36 Months*</u>	<u>60 Months*</u>	<u>120 Months*</u>	<u>Inception to Date</u> <u>01/31/1999*</u>
<b>Total Portfolio Gross of Fees</b>	<b>14.24 %</b>	<b>73.79 %</b>	<b>8.14 %</b>	<b>10.29 %</b>	<b>9.88 %</b>	<b>11.89 %</b>
Russell 2000 Index	21.70 %	94.85 %	14.76 %	16.35 %	11.68 %	9.17 %
Russell 2000 Value Index	21.17 %	97.05 %	11.57 %	13.56 %	10.06 %	9.66 %



Period Ending March 31, 2021. Source: Eagle Investment Systems, May 7, 2021.

\*Annualized returns.

**Past performance is not indicative of future results.**

The comparative performance contained herein reflects annualized returns for specific time periods, are gross of all fees, are not indicative of actual annual returns, and may not be relied upon for investment decisions. See Investment Performance Disclosure in Appendix.

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## Performance Attribution – Quarter

### Performance Attribution

City of Fort Pierce - Transactions vs. Russell 2000 Value

12/31/2020 to 3/31/2021

USD

				Russell 2000 Value			Variation			Attribution Analysis		
	Average Weight	Total Return	Contribution to Return	Average Weight	Total Return	Contribution to Return	Average Weight	Total Return	Contribution to Return	Allocation Effect	Selection + Interaction	Total Effect
GICS Sector New												
<b>[Unassigned]</b>	0.00	0.56	0.00	0.00	0.00	0.00	0.00	0.56	0.00	0.00	0.00	0.00
<b>Communication Services</b>	5.54	26.19	1.41	2.50	18.48	0.44	3.04	7.71	0.98	-0.10	0.48	0.38
<b>Consumer Discretionary</b>	2.35	27.69	0.49	13.82	35.83	4.52	-11.47	-8.14	-4.03	-1.42	-0.18	-1.60
<b>Consumer Staples</b>	4.30	12.59	0.52	3.47	18.57	0.66	0.83	-5.98	-0.14	0.02	-0.27	-0.25
<b>Energy</b>	0.00	0.00	0.00	4.88	41.94	1.90	-4.88	-41.94	-1.90	-0.86	0.00	-0.86
<b>Financials</b>	30.49	21.40	6.67	26.90	20.69	5.49	3.59	0.71	1.18	-0.02	0.15	0.14
<b>Health Care</b>	8.08	15.45	1.18	6.69	16.27	1.20	1.39	-0.82	-0.02	-0.04	-0.22	-0.26
<b>Industrials</b>	12.30	17.11	2.14	17.20	19.34	3.38	-4.90	-2.23	-1.24	0.15	-0.18	-0.03
<b>Information Technology</b>	11.57	8.42	1.18	6.07	14.87	1.00	5.50	-6.45	0.18	-0.21	-0.83	-1.04
<b>Materials</b>	8.65	8.08	0.78	6.03	22.71	1.38	2.63	-14.63	-0.61	0.12	-1.34	-1.23
<b>Real Estate</b>	12.18	3.18	0.42	8.46	12.38	1.03	3.72	-9.20	-0.61	-0.22	-1.10	-1.32
<b>Utilities</b>	4.52	0.73	0.00	3.98	4.86	0.18	0.54	-4.13	-0.17	-0.10	-0.21	-0.31
<b>Total</b>	<b>100.00</b>	<b>14.78</b>	<b>14.78</b>	<b>100.00</b>	<b>21.16</b>	<b>21.16</b>	<b>0.00</b>	<b>-6.38</b>	<b>-6.38</b>	<b>-2.70</b>	<b>-3.71</b>	<b>-6.38</b>

Russell 2000 Value 1/04/2021 through 3/31/2021

Period Ending March 31, 2021. Source: FactSet, May 7, 2021.

#### Past performance is not indicative of future results.

Performance attribution does not incorporate the effects of cash, unclassified securities or expenses and may change at any time without notice. The total impact may not equal the difference between Portfolio and Benchmark returns.

Russell 2000 Value is an unmanaged index which is comprised of the securities in the Russell 2000 Index, as defined by Russell Investment Group, with a less-than-average growth orientation. Companies in this index generally have low price-to-book and price-to-earnings ratios.

Investors cannot invest directly in an index.

This perspective was prepared for City of Fort Pierce, Florida Retirement and Benefit System, specific one-on-one presentation.



## Performance Attribution – Annual

### Performance Attribution

City of Fort Pierce - Transactions vs. Russell 2000 Value

3/31/2020 to 3/31/2021

USD

				Russell 2000 Value			Variation			Attribution Analysis		
	Average Weight	Total Return	Contribution to Return	Average Weight	Total Return	Contribution to Return	Average Weight	Total Return	Contribution to Return	Allocation Effect	Selection + Interaction	Total Effect
GICS Sector New												
<b>[Unassigned]</b>	0.00	-100.00	-0.02	0.00	-2.92	0.00	0.00	-97.08	-0.02	-0.19	0.00	-0.19
<b>Communication Services</b>	3.04	90.39	3.32	2.36	75.58	1.79	0.68	14.81	1.52	0.16	0.35	0.41
<b>Consumer Discretionary</b>	1.77	128.08	2.06	12.09	244.91	21.00	-10.32	-116.83	-18.94	-7.24	-1.55	-8.89
<b>Consumer Staples</b>	3.58	36.04	1.64	3.51	96.06	3.45	0.07	-60.02	-1.81	-0.14	-1.86	-2.09
<b>Energy</b>	0.00	0.00	0.00	4.26	136.38	4.84	-4.26	-136.38	-4.84	-1.19	0.00	-1.19
<b>Financials</b>	27.99	76.14	20.45	27.67	75.09	20.62	0.33	1.06	-0.16	0.24	-0.71	-0.56
<b>Health Care</b>	8.60	52.34	4.61	6.57	106.88	7.52	2.03	-54.54	-2.92	0.35	-5.10	-4.84
<b>Industrials</b>	15.04	116.52	16.93	16.35	100.72	16.58	-1.30	15.79	0.35	0.11	3.03	3.05
<b>Information Technology</b>	15.70	103.34	16.42	6.80	97.64	6.95	8.90	5.70	9.48	-0.10	1.72	1.53
<b>Materials</b>	8.96	62.00	6.33	5.63	155.20	7.72	3.33	-93.21	-1.39	1.40	-6.04	-4.74
<b>Real Estate</b>	13.20	30.10	5.20	9.58	54.98	5.65	3.62	-24.88	-0.45	-1.22	-2.66	-3.97
<b>Utilities</b>	2.12	5.52	0.24	5.19	16.81	0.89	-3.07	-11.29	-0.65	2.68	-0.94	1.64
<b>Total</b>	<b>100.00</b>	<b>77.17</b>	<b>77.17</b>	<b>100.00</b>	<b>97.00</b>	<b>97.00</b>	<b>0.00</b>	<b>-19.83</b>	<b>-19.83</b>	<b>-5.12</b>	<b>-13.77</b>	<b>-19.83</b>

Russell 2000 Value 4/01/2020 through 3/31/2021

Period Ending March 31, 2021. Source: FactSet, May 7, 2021.

#### Past performance is not indicative of future results.

Performance attribution does not incorporate the effects of cash, unclassified securities or expenses and may change at any time without notice. The total impact may not equal the difference between Portfolio and Benchmark returns.

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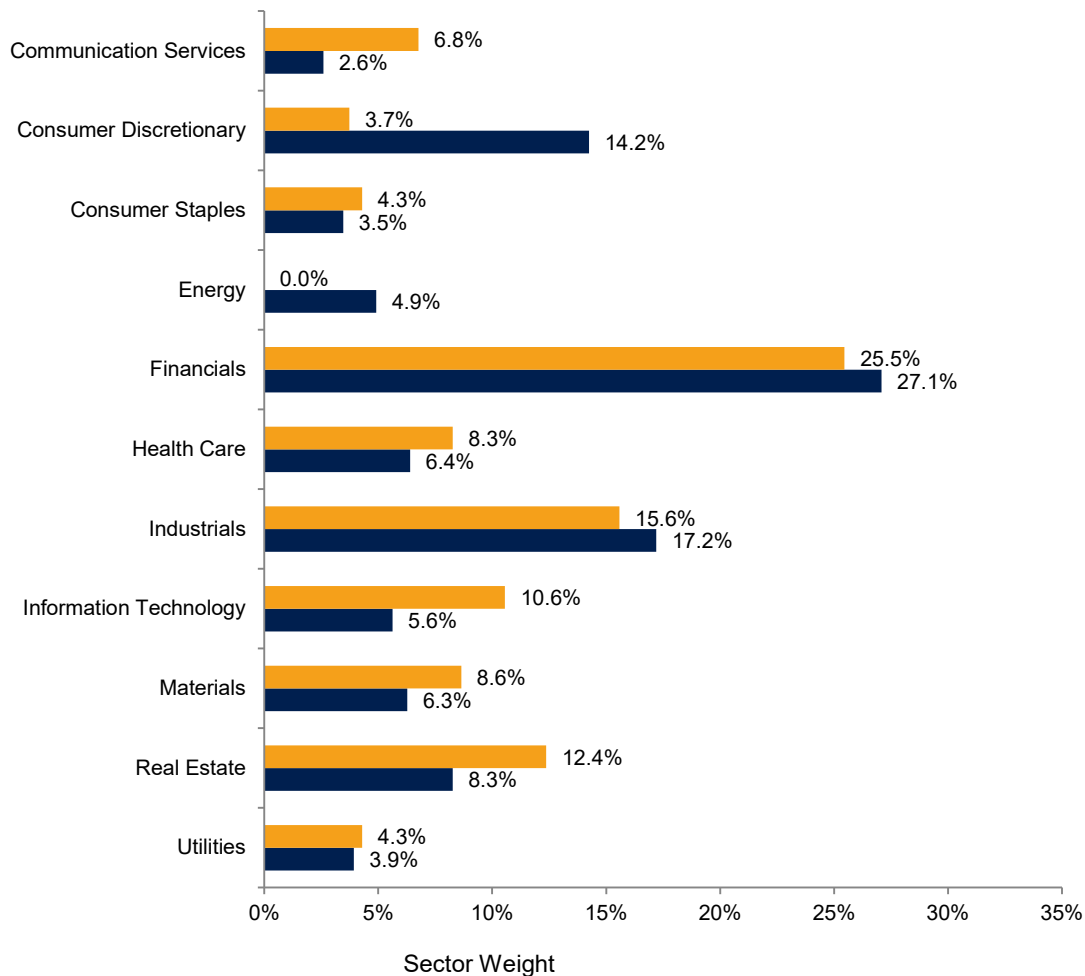
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## Sector Concentration\*

● Portfolio ● Russell 2000 Value



## Portfolio Characteristics\*

Characteristic	Portfolio	Russell 2000 Value
Market Cap (billion)	\$6.3	\$3.1
Dividend Yield	1.9%	1.6%
Price-to-Earnings (12 months trailing)	24.8	17.8
Price-to-Book	2.6	1.7
Price-to-Sales	2.0	1.1

## Top 10 Holdings\*

Security	%
Interpublic Group of Companies,	5.1
Aptargroup, Inc.	4.4
Hill-Rom Holdings, Inc.	3.9
Evercore Inc. Class A	3.9
Power Integrations, Inc.	3.8
Kemper Corporation	3.7
Physicians Realty Trust	3.4
Healthcare Trust of America, Inc.	3.3
Stantec Inc.	3.2
SLM Corp	3.1

See Holdings Disclosure in Appendix.

\* Period Ending March 31, 2021. Source: FactSet, May 7, 2021.

**Past performance is not indicative of future results.**

Portfolio characteristics, sector analysis, and holdings exclude cash and may change at any time without notice.

See Holdings Disclosure, Sector Weightings and Portfolio Characteristics in Appendix.

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## Top 10 Holdings

Security	Description
<b>Interpublic Group of Companies,</b>	Interpublic Group of Cos., Inc. engages in the provision of advertising and marketing services. The firm specializes in consumer advertising, digital marketing, communications planning and media buying, public relations and specialized communications disciplines. It operates through the following segments: Integrated Agency Network (IAN) and Constituency Management Group (CMG).
<b>Aptargroup, Inc.</b>	AptarGroup, Inc. develops manufactures and sales of consumer product dispensing systems. It operates through the following business segments: Beauty & Home, Pharma and Food & Beverage. The Beauty & Home segment primarily sells pumps, aerosol valves and accessories to the personal care and household markets and pumps and decorative components to the fragrance/cosmetic market.
<b>Hill-Rom Holdings, Inc.</b>	Hill-Rom Holdings, Inc. operates as a medical technology company. The firm focuses on patient care solutions that improve clinical and economic outcomes. It operates through the following segments: Patient Support System, Front Line Care and Surgical Solutions. The Patient Support Systems segment provides bed frames and surfaces, mobility and clinical workflow solutions.
<b>Evercore Inc. Class A</b>	Evercore, Inc. operates as an independent investment banking advisory company. It operates through the Investment Banking and Investment Management business segments. The Investment Banking segment includes the global advisory business of the company through, which the firm deliver strategic corporate advisory, capital markets advisory, and institutional equities services.
<b>Power Integrations, Inc.</b>	Power Integrations, Inc. engages in the design, development and marketing of analog and mixed-signal integrated circuits and other electronic components and circuitry used in high voltage power conversion. Its products are used in power converters that convert electricity from a high-voltage source to the type of power required for a specified downstream use.
<b>Kemper Corporation</b>	Kemper Corp. is a holding company, which engages in the property and casualty insurance, and life and health insurance businesses. It operates through the following segments: Specialty Property and Casualty Insurance, Preferred Property and Casualty Insurance, and Life and Health Insurance. The Specialty Property and Casualty Insurance segment provides personal and commercial automobile insurance.
<b>Physicians Realty Trust</b>	Physicians Realty Trust is a real estate investment trust, which engages in the acquisition, development, owning, and managing of healthcare properties. Its principal investments include medical office buildings; outpatient treatment facilities; acute and post-acute care hospitals; as well as other real estate integral to healthcare providers.
<b>Healthcare Trust of America, Inc.</b>	Healthcare Trust of America, Inc. operates as a real estate investment trust. It owns, operates and invests medical office buildings. The firm provides real estate infrastructure for the integrated delivery of healthcare services in desirable locations. The company was founded by Scott D. Peters on April 20, 2006 and is headquartered in Scottsdale, AZ.
<b>Stantec Inc.</b>	Stantec, Inc. engages the provision of in general design and architectural solutions. It operates through the following segments: Buildings; Energy and Resources; Environment Services; Infrastructure; and Water. The Buildings segment offers pre-design, design, and construction administration services in planning, architecture, buildings engineering, and interior design services for vertical infrastructure.
<b>SLM Corp</b>	SLM Corp. engages in the provision and administration of education loans. Its services include private education loans, banking, college savings, and insurance services. The company was founded in 1972 and is headquartered in Newark, DE.

Period Ending March 31, 2021. Source: FactSet, May 7, 2021.

**Past performance is not indicative of future results.** Data subject to change. See Holding Disclosure in Appendix.

This perspective was prepared for City of Fort Pierce, Florida Retirement and Benefit System, specific one-on-one presentation.



# Performance Review - Portfolio Holdings

	Units	Security	Unit Cost	Book Value	Price	Market Value	Alloc.	
<b>City of Fort Pierce, Florida Retirement and Benefit System</b>				\$	<b>5,335,914.57</b>	\$	<b>7,091,414.03</b>	<b>100.00%</b>
<b>Currency</b>				\$	<b>269,652.02</b>	\$	<b>269,652.02</b>	<b>3.80%</b>
	269,652	US DOLLAR	\$ 1.00	\$ 269,652.02	\$	\$ 269,652.02	3.80%	
<b>Common Stock</b>				\$	<b>5,066,262.55</b>	\$	<b>6,821,762.01</b>	<b>96.20%</b>
<b>COMMUNICATION SERVICES</b>				\$	<b>317,188.43</b>	\$	<b>461,452.00</b>	<b>6.51%</b>
	1,700	COGENT COMMUNICATIONS HOLDINGS	\$ 60.76	\$ 103,287.37	\$ 68.76	\$ 116,892.00	1.65%	
	11,800	INTERPUBLIC GROUP OF COS INC/THE	\$ 18.13	\$ 213,901.06	\$ 29.20	\$ 344,560.00	4.86%	
<b>CONSUMER DISCRETIONARY</b>				\$	<b>219,384.01</b>	\$	<b>254,749.00</b>	<b>3.59%</b>
	1,100	GENTEX CORP	\$ 25.69	\$ 28,262.29	\$ 35.67	\$ 39,237.00	0.55%	
	1,000	PENSKE AUTOMOTIVE GROUP INC	\$ 55.76	\$ 55,756.10	\$ 80.24	\$ 80,240.00	1.13%	
	3,700	TEMPUR SEALY INTERNATIONAL INC	\$ 36.59	\$ 135,365.62	\$ 36.56	\$ 135,272.00	1.91%	
<b>CONSUMER STAPLES</b>				\$	<b>267,923.22</b>	\$	<b>293,031.44</b>	<b>4.13%</b>
	1,346	CALAVO GROWERS INC	\$ 75.91	\$ 102,171.45	\$ 77.64	\$ 104,503.44	1.47%	
	600	CASEY'S GENERAL STORES INC	\$ 186.64	\$ 111,986.52	\$ 216.19	\$ 129,714.00	1.83%	
	800	ENERGIZER HOLDINGS INC	\$ 41.03	\$ 32,824.75	\$ 47.46	\$ 37,968.00	0.54%	
	700	REYNOLDS CONSUMER PRODUCTS INC	\$ 29.92	\$ 20,940.50	\$ 29.78	\$ 20,846.00	0.29%	
<b>FINANCIALS</b>				\$	<b>1,063,912.31</b>	\$	<b>1,735,175.96</b>	<b>24.47%</b>
	1,300	AMERIS BANCORP	\$ 29.60	\$ 38,478.24	\$ 52.51	\$ 68,458.00	0.97%	
	600	AMERISAFE INC	\$ 60.88	\$ 36,528.94	\$ 64.00	\$ 38,400.00	0.54%	
	1,134	BANK OF HAWAII CORP	\$ 53.93	\$ 61,157.74	\$ 89.49	\$ 101,481.66	1.43%	
	1,700	CATHAY GENERAL BANCORP	\$ 35.40	\$ 60,172.40	\$ 40.78	\$ 69,326.00	0.98%	
	2,000	EVERCORE INC	\$ 34.72	\$ 69,442.17	\$ 131.74	\$ 263,480.00	3.72%	
	200	FIRST CITIZENS BANCSHARES INC/NC	\$ 442.07	\$ 88,414.05	\$ 835.77	\$ 167,248.00	2.36%	
	5,300	FIRST HAWAIIAN INC	\$ 24.78	\$ 131,339.62	\$ 27.37	\$ 145,061.00	2.05%	
	1,500	FIRST INTERSTATE BANCSYSTEM INC	\$ 37.45	\$ 56,174.75	\$ 46.04	\$ 69,060.00	0.97%	
	105	HANOVER INSURANCE GROUP INC/THE	\$ 42.78	\$ 4,491.90	\$ 129.46	\$ 13,593.30	0.19%	
	1,700	HORACE MANN EDUCATORS CORP	\$ 26.66	\$ 45,316.87	\$ 43.21	\$ 73,457.00	1.04%	
	6,500	JEFFERIES FINANCIAL GROUP INC	\$ 20.31	\$ 132,003.87	\$ 30.10	\$ 195,650.00	2.76%	
	3,200	KEMPER CORP	\$ 60.86	\$ 194,748.86	\$ 79.72	\$ 255,104.00	3.60%	
	11,800	SLM CORP	\$ 8.99	\$ 106,127.45	\$ 17.97	\$ 212,046.00	2.99%	
	100	SOUTH STATE CORP	\$ 75.98	\$ 7,597.73	\$ 78.51	\$ 7,851.00	0.11%	
	1,000	ZIONS BANCORP NA	\$ 31.92	\$ 31,917.72	\$ 54.96	\$ 54,960.00	0.78%	
<b>HEALTH CARE</b>				\$	<b>380,996.56</b>	\$	<b>563,962.00</b>	<b>7.95%</b>
	1,800	BRUKER CORP	\$ 38.15	\$ 68,671.40	\$ 64.28	\$ 115,704.00	1.63%	
	1,400	CONMED CORP	\$ 71.24	\$ 99,739.51	\$ 130.59	\$ 183,106.00	2.58%	
	2,400	HILL-ROM HOLDINGS INC	\$ 88.58	\$ 212,585.65	\$ 110.48	\$ 265,152.00	3.74%	
<b>INDUSTRIALS</b>				\$	<b>871,122.83</b>	\$	<b>1,062,446.61</b>	<b>14.98%</b>
	1,700	DONALDSON CO INC	\$ 51.36	\$ 87,307.42	\$ 58.16	\$ 98,872.00	1.39%	

Period Ending March 31, 2021. Source: Eagle Investment Systems, May 7, 2021.

Past performance is not indicative of future results. Data subject to change. See Holding Disclosure in Appendix.

This perspective was prepared for City of Fort Pierce, Florida Retirement and Benefit System, specific one-on-one presentation.



# Performance Review - Portfolio Holdings

Units	Security	Unit Cost	Book Value	Price	Market Value	Alloc.
1,600	EMCOR GROUP INC	\$ 87.52	\$ 140,027.77	\$ 112.16	\$ 179,456.00	2.53%
1,800	ENERSYS	\$ 66.13	\$ 119,041.88	\$ 90.80	\$ 163,440.00	2.30%
700	ENPRO INDUSTRIES INC	\$ 69.02	\$ 48,313.11	\$ 85.27	\$ 59,689.00	0.84%
600	MANPOWERGROUP INC	\$ 97.99	\$ 58,795.86	\$ 98.90	\$ 59,340.00	0.84%
5,100	NVENT ELECTRIC PLC	\$ 27.27	\$ 139,083.37	\$ 27.91	\$ 142,341.00	2.01%
1,500	RITCHIE BROS AUCTIONEERS INC	\$ 53.47	\$ 80,204.71	\$ 58.55	\$ 87,825.00	1.24%
5,100	STANTEC INC	\$ 32.78	\$ 167,158.68	\$ 42.78	\$ 218,847.61	3.09%
400	TENNANT CO	\$ 32.97	\$ 13,189.02	\$ 79.89	\$ 31,956.00	0.45%
1,100	WABASH NATIONAL CORP	\$ 16.36	\$ 18,001.01	\$ 18.80	\$ 20,680.00	0.29%
<b>INFORMATION TECHNOLOGY</b>			<b>\$ 402,500.59</b>		<b>\$ 719,126.00</b>	<b>10.14%</b>
700	DOLBY LABORATORIES INC	\$ 67.41	\$ 47,186.93	\$ 98.72	\$ 69,104.00	0.97%
200	ENTEGRIS INC	\$ 43.20	\$ 8,640.70	\$ 111.80	\$ 22,360.00	0.32%
500	LITTELFUSE INC	\$ 179.94	\$ 89,967.61	\$ 264.44	\$ 132,220.00	1.86%
800	MKS INSTRUMENTS INC	\$ 83.56	\$ 66,850.43	\$ 185.42	\$ 148,336.00	2.09%
2,000	NATIONAL INSTRUMENTS CORP	\$ 41.73	\$ 83,456.12	\$ 43.19	\$ 86,370.00	1.22%
3,200	POWER INTEGRATIONS INC	\$ 33.25	\$ 106,398.80	\$ 81.48	\$ 260,736.00	3.68%
<b>MATERIALS</b>			<b>\$ 482,618.70</b>		<b>\$ 588,985.00</b>	<b>8.31%</b>
2,100	APTARGROUP INC	\$ 105.73	\$ 222,030.32	\$ 141.67	\$ 297,507.00	4.20%
1,800	ASHLAND GLOBAL HOLDINGS INC	\$ 71.99	\$ 129,581.68	\$ 88.77	\$ 159,786.00	2.25%
2,200	W R GRACE & CO	\$ 59.55	\$ 131,006.70	\$ 59.86	\$ 131,692.00	1.86%
<b>REAL ESTATE</b>			<b>\$ 774,465.30</b>		<b>\$ 850,152.00</b>	<b>11.99%</b>
1,200	CORESITE REALTY CORP	\$ 119.20	\$ 143,041.17	\$ 119.85	\$ 145,296.00	2.05%
4,000	HEALTHCARE REALTY TRUST INC	\$ 29.32	\$ 117,268.68	\$ 30.32	\$ 121,280.00	1.71%
8,200	HEALTHCARE TRUST OF AMERICA INC	\$ 23.71	\$ 194,396.48	\$ 27.58	\$ 228,780.00	3.23%
1,300	LAMAR ADVERTISING CO	\$ 84.85	\$ 110,304.85	\$ 93.92	\$ 122,096.00	1.72%
13,000	PHYSICIANS REALTY TRUST	\$ 16.11	\$ 209,454.12	\$ 17.67	\$ 232,700.00	3.28%
<b>UTILITIES</b>			<b>\$ 286,150.60</b>		<b>\$ 292,682.00</b>	<b>4.13%</b>
3,200	ESSENTIAL UTILITIES INC	\$ 43.65	\$ 139,681.59	\$ 44.75	\$ 143,200.00	2.02%
6,200	NISOURCE INC	\$ 23.62	\$ 146,469.01	\$ 24.11	\$ 149,482.00	2.11%

Period Ending March 31, 2021. Source: Eagle Investment Systems, May 7, 2021.

Past performance is not indicative of future results. Data subject to change. See Holding Disclosure in Appendix.

This perspective was prepared for City of Fort Pierce, Florida Retirement and Benefit System, specific one-on-one presentation.

## Appendix



**Active Position**

Absolute portfolio weight minus the benchmark portfolio weight.

**Free Cash Flow Yield**

Cash flow from operations for a particular year less capital expenditures divided by the diluted weighted average shares outstanding for that fiscal year.  
Free cash flow per share for the current fiscal year divided by current stock price.

**Market Capitalization**

The total dollar value of all outstanding shares. It is calculated by multiplying the number of shares outstanding by the current price of one share.

**Operating Margin**

Operating income divided by revenues, expressed as a percentage.

**Price to Sales Ratio (P/S)**

A stock's capitalization divided by its sales over a trailing 12 months. The value is the same whether the calculation is done for the whole company or a per-share basis.

**Return on Equity (ROE)**

Equal to a fiscal year's after-tax income (after preferred stock dividends but before common stock dividends) divided by book value, expressed as a percentage.

**Tracking Error**

Tracking error is the standard deviation of the difference between the periodic total returns of a portfolio of stocks and those of a benchmark. An estimated tracking error estimates the likelihood that a portfolio will outperform or underperform its benchmark by a certain amount or more at the end of a specified period.

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**Russell Midcap<sup>®</sup> Value:** Is an unmanaged index which measures the performance of those securities found in the Russell Midcap universe, as defined by Russell Investment Group, with lower price-to-book ratios and lower forecasted growth values. The stocks are also members of the Russell 1000<sup>®</sup> Value Index.

**Russell 2000<sup>®</sup> Value:** Is an unmanaged index which is comprised of the securities in the Russell 2000<sup>®</sup> Index, as defined by Russell Investment Group, with a less-than-average growth orientation. Companies in this index generally have low price-to-book and price-to-earnings ratios.

Investors cannot invest directly in an index.

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**eA Mid Cap Value:** US Equity Products that invest primarily in mid capitalization stocks with fundamental characteristics showing high earnings growth expectations or in fast growing economic sectors. The expected benchmarks for this universe would include Russell Midcap<sup>®</sup> Value, Russell Midcap<sup>®</sup>, or the S&P 400<sup>®</sup>.

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## SECTOR WEIGHTINGS AND PORTFOLIO CHARACTERISTICS

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## MPT STATISTICS/OTHER MEASUREMENTS

**Alpha** - is defined as the difference between the average realized return of a portfolio manager with private information and the expected return of the passive strategy based upon public information with equal systematic risk.

**Beta** – is a measure of an investment's volatility, relative to an appropriate asset class.

**R-Squared** – a statistical measure of how well a regression line approximates real data points; an r-squared of 1.0 (100%) indicates a perfect fit. r-squared measures how well the Capital Asset Pricing Model predicts the actual performance of an investment or portfolio.

**Sharpe Ratio** - also known as Reward-to-Volatility-Ratio, indicates the excess return per unit of risk associated with the excess return. The higher the Sharpe Ratio, the better the performance.

**Standard Deviation** – a statistical measurement of dispersion about an average, which, for a mutual fund, depicts how widely the returns varied over a certain period of time.

## PORTFOLIO CHARACTERISTICS DEFINITIONS

**30 Day SEC Yield** – is calculated by dividing the net investment income per share for the 30 days ended on the date of calculation by the offering price per share on that date. The figure is compounded and annualized.

**3-5 Year EPS Growth** – Analyst's estimated 3-5 year growth in earnings.

**Price-to-Book (P/B)** – A stock's capitalization divided by its book value. The value is the same whether the calculation is done for the whole company or a per-share basis.

**Price-to-Earning P/E** – The price of the stock divided by its historical earnings per share.

**Price-to-Earning P/E (FY1)** – The P/E ratio is equal to a stock's market capitalization divided by its projected after-tax earnings the next 12-months.

**Return on Equity** – Equal to a fiscal year's after tax income (after preferred stock dividends but before common stock dividends) divided by book value, expressed as a percentage.

Thank You

