



Investors experienced a solid rebound in early 2019 from the disappointing sell off in the fourth quarter of 2018. The tide briefly changed in May 2019 when trade tensions with China escalated, but as the calendar turned to June, dovish comments by the Federal Reserve sent the markets back into bullish territory.

Year-to-date, the Argent Capital Small Cap strategy returned 18.5%. This performance is compared to 17.0% for its benchmark, the Russell 2000® Index for the same period. With the first half of the year behind us, we are very proud of these results but it is important in portfolio management not to rest on your laurels.

We continue to position the portfolio with a forward looking, long-term approach. As a reminder, the Argent Small Cap strategy maintains a portfolio where the average growth of earnings and revenue is ahead of the Russell 2000, while the average portfolio company valuation is more attractive, or cheaper, than the Russell 2000. Over the longer term this helps us participate when the overall economy is strong and growing, but protects to the downside in periods when the economy is weaker. In the first quarter of 2019, *cyclical companies*, companies that are more closely tied to the ups and downs of economic cycles, with attractive valuations performed well and we outperformed. During the second quarter, higher growth momentum names with less attractive valuations and weaker fundamental profiles came back into favor. As expected, the strategy underperformed in that environment.

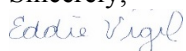
Year-to-date, the largest contributor to the strategy was the Energy sector, led by World Fuel Services and ProPetro Holding Corporation. World Fuel Services focuses on the distribution of aviation and marine fuel. Although the price of fuel is subject to fluctuations, as a distributor World Fuel is more immune to these fluctuations. Additionally, more stringent regulations on marine emissions require the use of higher priced fuels, benefiting World Fuel's margins. ProPetro, another contributor, is an oilfield services company providing hydraulic fracturing and other services to oil and gas companies. Although hydraulic fracturing is seen as a somewhat controversial way to recover gas and oil from rock, the company has been able to continue growing both earnings and revenue while maintaining an attractive valuation.

Healthcare was the largest detractor year-to-date for the strategy. Specifically, American Renal was a detractor in the Healthcare sector. American Renal is a dialysis service provider that had prolonged delays in contract renegotiations with UnitedHealthcare. These delays resulted in lower volumes that impacted its operating leverage throughout 2018. Argent exited the position as the company continues to be challenged in the face of changing regulations regarding at-home dialysis options.

The last half of 2019 will most likely continue to bring uncertainty to markets given the outcome of trade negotiations is still in flux. The economy is still growing, albeit at a slower pace, but it may be impacted by lower margins as higher prices are factored in as a result of tariffs and the trade war. More positively, while no new tax cuts are expected, the previous cuts are still in effect and driving improved cash flow to many small cap companies. We continue to position the strategy toward companies that can potentially capitalize on this environment. We believe our continued focus on businesses that are growing earnings and revenues faster than the Russell 2000 Index should look more attractive in a market where growth is harder to find.

We have four successful equity strategies – Large Cap, Small Cap, Dividend Select and Mid Cap. If you have questions about any of these options, or know others who might have an interest in our strategies, please call us.

Sincerely,

A handwritten signature in blue ink that reads "Eddie Vigil".

Eddie Vigil
Portfolio Manager

Argent Capital Management, LLC
ARGENT SMALL CAP CORE EQUITY COMPOSITE
January 1, 2008 through June 30, 2019

Returns	Composite Return % Gross-of-Fees	Composite Return % Net-of-Fees	Russell 2000® Return %	Composite 3-Yr St Dev%	Russell 2000® 3-Yr St Dev%	Number of Portfolios	Internal Dispersion%	Total Composite Assets (\$ million)	Principal Business Assets (\$ million)
CALENDAR YEAR 2018	-19.43	-20.19	-11.01	16.45	15.79	7	0.38	184	2,542
CALENDAR YEAR 2017	18.39	17.24	14.65	14.51	13.91	7	0.47	227	2,898
CALENDAR YEAR 2016	25.73	24.48	21.31	16.19	15.76	7	0.09	207	2,604
CALENDAR YEAR 2015	-5.48	-6.42	-4.41	13.50	13.96	6	0.04	169	2,357
CALENDAR YEAR 2014	7.44	6.37	4.89	12.17	13.12	7	0.11	186	2,817
CALENDAR YEAR 2013	28.74	27.48	38.82	17.04	16.45	6	0.18	178	2,478
CALENDAR YEAR 2012	19.68	18.49	16.35	19.84	20.20	7	0.22	139	1,782
CALENDAR YEAR 2011	-1.95	-2.93	-4.18	23.38	24.99	7	0.33	109	1,247
CALENDAR YEAR 2010	25.39	24.15	26.85	26.99	27.69	6	NA	95	1,145
CALENDAR YEAR 2009	43.51	42.15	27.17	NA	NA	5	0.38	38	829
JANUARY, 2019	11.11	11.05	11.25	16.73	15.89	7	0.94	202	2,741
FEBRUARY, 2019	5.50	5.45	5.20	16.90	16.03	7	0.84	194	2,823
MARCH, 2019	-0.14	-0.20	-2.09	16.68	15.67	7	0.16	193	2,822
1 ST QUARTER, 2019	17.07	16.86	14.58	16.68	15.67	7	1.59	193	2,822
APRIL 2019	3.87	3.81	3.40	16.76	15.73	7	0.09	201	2,917
MAY, 2019	-9.24	-9.29	-7.78	17.75	16.51	7	0.06	180	2,693
JUNE, 2019	7.75	7.69	7.07	18.17	16.87	7	0.07	194	2,809
2 ND QUARTER, 2019	1.58	1.40	2.10	18.17	16.87	7	0.08	194	2,809
JULY, 2019									
AUGUST, 2019									
SEPTEMBER, 2019									
3 RD QUARTER, 2019									
OCTOBER, 2019									
NOVEMBER, 2019									
DECEMBER, 2019									
4 TH QUARTER, 2019									
YEAR-TO-DATE (06/30/2019)	18.92	18.51	16.98						
1-YEAR ANNUALIZED (6/30/2019)	-6.60	-7.35	-3.31						
3-YEAR ANNUALIZED (6/30/2019)	11.58	10.56	12.30						
5-YEAR ANNUALIZED (6/30/2019)	6.67	5.66	7.06						
10-YEAR ANNUALIZED (6/30/2019)	12.82	11.73	13.45						
SINCE INCEPTION – ANNUALIZED	8.45	7.40	7.91						

Notes:

- Argent Capital Management, LLC (“Argent”) is an independent investment management firm comprised of two distinct business entities: the Non-Wrap Fee/SMA Business of Argent Capital Management, LLC (“Principal Business”), which does not include wrap fee/SMA clients; and the Wrap Fee/SMA Business of Argent Capital Management, LLC (“Wrap Business”), which includes only wrap fee/SMA clients. The Principal Business claims compliance with the Global Investment Performance Standards (GIPS) and has prepared and presented this report in compliance with the GIPS standards. The Principal Business has been independently verified for the period January 1, 2003 through December 31, 2018. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm’s policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Argent Small Cap Core Equity Composite has been examined for the periods January 1, 2008 through December 31, 2018. The verification and performance examination reports are available upon request.
- This composite represents investment performance for portfolios invested in equities with small capitalization containing both growth and value characteristics for which Argent has sole investment discretion. Portfolios will include small cap equity holdings, with zero fixed investments and cash targeted to be less than 10% of total portfolio value. The creation date of the Argent Small Cap Core Equity Composite is January 1, 2008. A complete list and description of composites is available upon request.
- The benchmark is the Russell 2000® Index which measures the performance of the small-cap segment of the U.S. equity universe. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index. Russell Investment Group is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. The presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a presentation of Argent. Russell Investment Group is not responsible for the formatting or configuration of this material or for any inaccuracy in Argent’s presentation thereof.
- Valuations are computed and performance reported in U.S. currency. Performance results are total return, (i.e. include the reinvestment of all income). Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Past performance is no guarantee of future results.
- Gross-of-fees performance returns are presented before management and certain custodial fees, but after all trading expenses except where commissions have been waived or for accounts with asset-based-pricing fees. Net of fee performance is calculated by reducing gross performance by actual management fees incurred and any asset-based-pricing fees for applicable portfolios as asset-based-pricing fees are considered a trading expense. The composite includes portfolios that pay a fee based on a percentage of assets under management. The composite includes accounts with asset-based-pricing fees which represent less than 1% of composite assets during the years 2016 and 2017. During 2018, the composite included portfolios where commissions were waived representing less than 1% of composite assets.
- Standard annual advisory fees for the Small Cap Core Equity product are calculated as a percentage of assets under management according to the following schedule; 0.80% on the first \$25M, 0.75% on the next \$25M, 0.70% on the next \$50M, 0.65% on the balance thereafter, although fees may be negotiated or waived in certain circumstances.
- Internal dispersion is calculated using the asset-weighted standard deviation of all portfolios that were included in the composite for the entire calendar month, quarter, or year - net of fees. For calendar year 2008 & 2010 internal dispersion is not available (NA) since no portfolio was in the composite for the entire calendar year.
- The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The standard deviation is not presented for 2008 and 2009 since the composite inception date of 1/1/2008 does not provide historical data to calculate a 3-year formula.