



With the second quarter officially in the books, we are pleased with the results of the Argent Dividend Select strategy. The portfolio rebounded sharply, gaining 20% (*net of fees*) during the second quarter, far outpacing the 14% rebound in the Russell 1000 Value® Index. Its relative outperformance over longer time horizons is likewise impressive, beating the index over the trailing one, three, five, ten, and fifteen-year periods (*net of fees*). Argent Dividend Select is a particularly popular investment strategy for clients seeking a more conservative, value oriented approach to investing and as an alternative to low interest fixed-income investments. At quarter end, the Argent Dividend Select dividend yield was 3.2%, which compares somewhat stunningly to the 10-year Treasury yield of 0.6%.

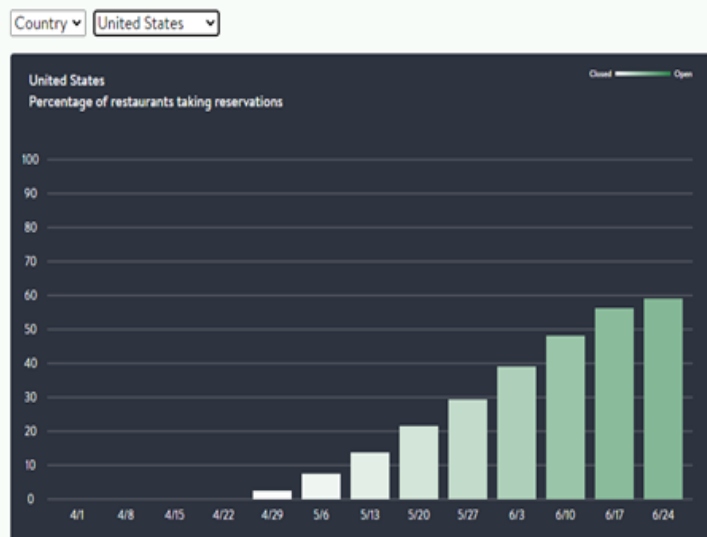
One area that has provided stability to our portfolio has been the Consumer Staples sector. This sector includes manufacturers and distributors of food and beverages, and examples include PepsiCo, General Mills and Proctor & Gamble. As might be expected in a pandemic environment, people are spending more than ever on staples such as groceries and household cleaners.

Nonetheless, one exception to the recent success in the Consumer Staples sector is food *distribution*. A near complete shutdown in dining-out activity resulted in steep declines in stock prices for companies supplying the restaurant industry. When investors abandon a historically good company, Argent gets interested—seeing opportunity within this particular industry we recently added Sysco Corporation, a leading restaurant distributor. Sysco markets and distributes food, kitchen equipment and tabletop items to restaurants, healthcare and educational facilities as well as hospitality businesses. Sysco operates approximately 330 distribution facilities worldwide and provides services in over 90 countries.

Although the company’s stock has been negatively impacted by near-term declines in restaurant sales because of the coronavirus, Sysco has a history of delivering consistent revenue and earnings growth.

Restaurants open for reservations

This chart reflects the percentage of restaurants in our dataset that are accepting reservations from diners.



The chart provided by OpenTable, an online restaurant reservation company, demonstrates that a recovery in the restaurant industry is slowly taking shape as more restaurants are open and taking reservations. While the impact of a potential second wave of the virus and the resulting pace and speed of re-openings remain a concern, longer-term we believe Sysco will benefit from the improving industry backdrop. In addition, Sysco has demonstrated good management during the crisis—expanding supply features for restaurants in the carryout and delivery business, and expanding the marketing of cleaning materials.

Importantly, Sysco has paid a dividend in every quarter since its founding as a public company in 1970, and from fiscal 2015-2019—the company increased its dividend by 6% compounded annually.

Past performance is no guarantee of future results. Views expressed herein represent the opinion of the portfolio manager as of the date above and are subject to change. The information provided in this report should not be considered a recommendation to purchase or sell any particular security. You should not assume that investments in any securities within these sectors were or will be profitable. A list of stocks recommended by Argent in the past year is available upon request.

Performance returns cited represent past performance, which does not guarantee future results. Returns assume reinvestment of dividend and interest but returns do not reflect the effect of taxes and/or fees that an investment would incur. Please see the Dividend Select Fact Sheet on our website for additional performance details and disclaimers.”

Currently, the company has an attractive dividend yield above 3% and remains committed to growing the dividend over the long-term. In addition, the company's new CEO has a focus on driving greater efficiencies across the organization to further bolster the company's industry-leading position.

As always, we appreciate your interest in Argent Capital Management and think it is a particularly great time for long-term investors to consider strategies investing in high dividend-paying companies. Overall, we have four successful equity strategies– Large Cap U.S., Small Cap U.S., Dividend Select and Mid Cap U.S. If you have questions on any of these, or know others who might have an interest in our strategies and mailings, please call us.

Sincerely,



Scott Harrison, CFA- Portfolio Manager

Past performance is no guarantee of future results. Views expressed herein represent the opinion of the portfolio manager as of the date above and are subject to change. The information provided in this report should not be considered a recommendation to purchase or sell any particular security. You should not assume that investments in any securities within these sectors were or will be profitable. A list of stocks recommended by Argent in the past year is available upon request.

Performance returns cited represent past performance, which does not guarantee future results. Returns assume reinvestment of dividend and interest but returns do not reflect the effect of taxes and/or fees that an investment would incur. Please see the Dividend Select Fact Sheet on our website for additional performance details and disclaimers.”

Argent Capital Management, LLC

ARGENT LARGE CAP DIVIDEND SELECT COMPOSITE

January 31, 2005 through June 30, 2020

For the period ending December 31,	Composite Return % Gross-of-Fees	Composite Return % Net-of-Fees	Russell 1000 Value Return (%)	Composite 3-Yr St. Dev (%)	Russell 1000 Value 3-Yr St Dev (%)	Number of Composite Accounts	Composite Assets (\$ millions)	Principal Business Assets (\$ millions)	Internal Dispersion (%)
2019	26.98	26.62	26.54	11.80	11.85	213	642	3,019	0.58
2018	-10.47	-10.73	-8.27	10.30	10.82	209	528	2,542	0.65
2017	16.84	16.49	13.66	8.97	10.20	203	611	2,898	0.38
2016	13.54	13.18	17.34	9.59	10.77	192	540	2,604	0.66
2015	3.88	3.55	-3.83	10.57	10.68	178	452	2,357	0.38
2014	10.24	9.88	13.45	9.28	9.20	155	404	2,817	0.38
2013	36.93	36.50	32.53	11.24	12.70	115	282	2,478	2.30
2012	14.82	14.36	17.51	14.34	15.51	75	113	1,782	0.57
2011	3.71	3.08	0.39	17.87	20.69	25	42	1,247	1.43
2010	12.97	12.31	15.51	20.57	23.18	11	8	1,145	1.33
Three -Year Annualized	9.93	9.60	9.68						
Five -Year Annualized	9.40	9.06	8.29						
Ten-Year Annualized	12.27	11.85	11.80						
Information for period(s) ending June 30, 2020									
2 nd Quarter 2020	19.79	19.71	14.29	17.56	17.84	233	531	2,461	
Rolling 1 - Year	-1.01	-1.29	-8.84						
Rolling 3 - Year	4.63	4.33	1.82						
Rolling 5 - Year	6.31	5.99	4.64						
Rolling 10 - Year	11.92	11.52	10.41						
Rolling 15 - Year	8.07	7.59	6.24						
Since Inception Annualized	8.17	7.68	6.31						

Disclosures:

- 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, 2019. The verification report is available upon request. 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. Verification does not ensure the accuracy of any specific composite presentation.
- This composite represents investment performance for portfolios with an Equity Income investment objective for which Argent has sole investment discretion. Portfolios typically include the following as a percentage of total portfolio value: equity holdings (excluding mutual funds) greater than 80%; cash less than 10%; and fixed income, mutual funds and preferred investments less than 20%. This composite was created in September 2011. A complete list and description of composites is available upon request. The name was changed from Argent Large Cap Equity Income Composite to Argent Large Cap Dividend Select Composite in September 2012.
- The benchmark is the Russell 1000 Value Index which measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. Performance results prior to December 31, 2012 were measured against the S&P 500 Index. Effective September 30, 2018 we will no longer present the S&P 500 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-fee returns are presented before management and certain custodial fees, but after all trading expenses except where commissions have been waived. Net-of-fees performance is calculated by reducing gross performance by actual management fees incurred. During 2019, the composite included portfolios where commissions were waived representing less than 20% of composite assets.
- Standard annual advisory fees are calculated as a percentage of assets under management according to the following schedule; 1% on the first \$1M, .80% on the next \$2M, .65% on the balance thereafter, although fees may be negotiated or waived in certain circumstances. Non-fee paying accounts represent less than 1% of the composite assets during the periods of 2012 - 2019.
- Internal dispersion is calculated using the asset-weighted standard deviation of all portfolios that were included in the composite for an entire year, net of fees.
- The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period.