Mid Cap Quarterly Commentary
2021: Third Quarter

Argent

Performance Summary

In the third quarter of 2021, the Argent Mid Cap strategy outperformed its index, returning 2.3% net of fees versus the Russell Midcap® Index return of -.9%. As a reminder, Argent's Mid Cap strategy utilizes a proprietary blend of quantitative and fundamental analysis to uncover the right companies, in the right sectors at the right time with positive change.

Performance Summary as of September 30, 2021	%	3Q21	YTD	1 Year	3 Year*	5 Year*	Since Inception*
Argent Mid Cap	Net	2.33	19.10	39.90	17.05	18.13	13.75
Russell MidCap		-0.93	15.17	38.11	14.22	14.39	11.77
Excess Return		**3.26**	**3.93**	**1.79**	**2.83**	**3.74**	**1.98**

***Annualized**

For comparison purposes, the strategy is measured against the Russell MidCap® Index. Past performance is no guarantee of future results. Data is as of 09/30/21 and is supplied as supplemental information to the composite disclosures presented later in this document. 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. This presentation was prepared by Argent Capital Management and may contain confidential information. Unauthorized use, disclosure, copying, dissemination or redistribution of this presentation is strictly prohibited.

Relative outperformance in the third quarter of 2021 was driven by a combination of both positive allocation and selection effect. Stock selection contributed 85% to the excess return for the quarter, driven by strong stock selection in Industrials, Financials and Information Technology. Within the Industrials sector, the biggest selection effect came from Atkore, Inc. and Builders FirstSource, Inc. These companies have very strong pricing power due to surging demand for their construction products, enabling them to more than offset input cost inflation and grow their operating margins. In Financials, the largest contributors were LPL Financial Holdings Inc. and SVB Financial Group. Rising interest rates benefited both companies as investors bid up prices in concert with the rising Treasury bond yields. Lastly, our strongest stock selection effect within the Information Technology sector was attributable to Fortinet, Inc. Fortinet sells a suite of information technology security products that experienced accelerating demand. Communications Services underperformed the benchmark due to the performance of Zynga Inc. Zynga produces mobile video games. Investors are concerned that customers will spend less time and money on video games as the pandemic fades.

The strategy's significant underweight in the Communications Services sector was additive in terms of allocation effect. The sector was the worst performer in the Russell Midcap Index in the third quarter. Online business models that soared during the pandemic saw their growth tested as the economy reopened. Financials, however, did very well and were significant positive contributors to allocation. The Argent Mid Cap portfolio is significantly overweight in Financials and the sector was the best performing sector in the Russell Midcap Index for the period. Many companies in the Financials sector are benefiting from rising interest rates. Negative allocation effects were concentrated primarily in the Consumer Discretionary and Industrials sectors. However, selection in both of these sectors was very strong and led to net outperformance versus the benchmark during the quarter.

Quarterly Attribution Analysis, September 30, 2021
Argent Mid Cap Strategy vs. Russell MidCap Index*

	Argent Mid Cap			Russell MidCap			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
Comm. Services	1.48	-29.16	-0.49	4.50	-13.56	-0.66	-3.02	-15.60	0.17	0.41	-0.27	0.14
Cons. Discretionary	20.43	-0.68	-0.17	12.81	-2.41	-0.30	7.62	1.73	0.13	-0.13	0.35	0.22
Consumer Staples	--	--	--	3.34	-5.18	-0.18	-3.34	5.18	0.18	0.15	--	0.15
Energy	--	--	--	3.47	0.15	-0.02	-3.47	-0.15	0.02	-0.02	--	-0.02
Financials	16.61	7.51	1.17	12.05	3.60	0.40	4.56	3.91	0.77	0.26	0.63	0.89
Health Care	11.58	2.16	0.30	11.97	0.86	0.11	-0.39	1.30	0.19	-0.01	0.17	0.16
Industrials	22.14	3.71	0.84	15.30	-2.40	-0.36	6.84	6.11	1.20	-0.10	1.36	1.26
Technology	25.23	1.75	0.56	18.97	0.34	0.08	6.26	1.41	0.48	0.13	0.35	0.48
Materials	1.88	12.00	0.17	5.37	-2.94	-0.16	-3.49	14.94	0.33	0.08	0.24	0.32
Real Estate	--	--	--	7.65	2.45	0.18	-7.65	-2.45	-0.18	-0.26	--	-0.26
Utilities	--	--	--	4.58	-0.40	-0.01	-4.58	0.40	0.01	-0.03	--	-0.03
Cash	0.64	0.01	0.00	--	--	--	0.64	0.01	0.00	-0.00	--	-0.00
Total	100.00	2.39	2.39	100.00	-0.93	-0.93	--	3.31	3.31	0.48	2.83	3.31

* This is based on the holdings history of a representative portfolio of the Argent Mid Cap Strategy. 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. Past performance is no guarantee of future results.

Market Commentary

While economic growth continued in the third quarter, sentiment turned and the pace of the recovery somewhat slowed as the COVID-19 Delta variant led to a surge of coronavirus cases in July and August. Supply chain disruptions, increasing costs and the possibility of the Federal Reserve tapering its asset purchases sometime before year-end led to increased volatility as the quarter progressed. The transition from an economy ravaged by a pandemic to one that is less so has been swift, but what happens when the punch bowl is taken away? We will be keeping an eye on developments in Washington D.C. as the budget reconciliation discussions continue. We will also be watching overseas as one of China's largest property developers attempts to work itself out of its financial issues.

Top Contributors

Builders FirstSource, Inc. is a manufacturer and supplier of building products related primarily to new residential construction in the United States. Total sales growth (excluding acquisitions) increased 90.6% from the same quarter last year with about 52% from commodity inflation and 35% from organic growth. Additionally, cost savings resulting from the recent BMC Holdings acquisition are running ahead of schedule resulting in record margins at the company. This year, residential homebuilders are lengthening their build schedules due to labor, material, and land availability constraints, resulting in a longer housing upcycle that benefits Builders FirstSource.

Fortinet, Inc. is a leader in the network security market across cloud, network, IoT (Internet of Things), OT (Operational Technology) and infrastructure security. Several favorable market trends, such as rampant cyberattacks, are helping lay the foundation for Fortinet to continue generating strong growth for the foreseeable future. Additionally, Fortinet's broad product portfolio and Application-Specific Integrated Circuits (ASICs) provide many sustainable competitive advantages that will continue to drive strong product growth. Further, Fortinet is increasing its addressable market from the small businesses it has traditionally focused on to the mid/large enterprise space. The company has increased its total addressable market to approximately $107B from approximately $50B a year ago. The information security market is growing about 10% a year, providing Fortinet a nice tailwind for continued growth.

Tempur Sealy International, Inc. produces specialty sleep systems that use viscoelastic materials (e.g., memory foam) in mattresses and pillows for residential and commercial applications. Reported results for the second quarter came in above expectations despite supply shortages and substantially higher input costs. Sales in the North America segment increased 75.2%, including a 62.3% increase in the Direct Channel (online sales direct to consumers) against very tough lockdown-driven comps from last year, showing that its results are not just a "stay at home" bump. Sales in the International segment increased 79.3% as many European retail restrictions were eased. Management looks for overall growth to continue given multiple initiatives in 2022, including the new Tempur launch and the acquisition of a specialty bedding retailer in the United Kingdom which will expand distribution capability in that market.

Atkore Inc. manufactures and supplies metal products and electrical raceway solutions. It offers steel tubes and pipes, electrical conduit, metal framing systems, cable trays and building components. The company has benefited from the recent rollout of 5G and the positive trends in residential and non-residential construction. With nine manufacturing plants around the country, the company's unique structure allows it to deliver items to construction sites quickly. Strong construction demand combined with a tight supply of electrical conduits, especially PVC, is a tremendous benefit to Atkore. Sales grew 113% in its fiscal third quarter from a combination of volume/mix growth of 24% and 89% price growth. These favorable conditions are expected to persist at least into the near future.

HCA Healthcare, Inc. is one of the nation's leading providers of healthcare services, operating locally managed hospitals, freestanding surgery centers and physician practices. We believe HCA controls leading inpatient market share in most of its markets and enjoys by far the highest average market share among for-profit hospital operators. This strong market positioning has and will likely continue to insulate HCA from the degree of rate utilization pressures that other hospitals may face as the U.S. delivery system moves away from a fee-for-service payment model over the coming years. Year-to-date, hospital volumes are recovering to pre-pandemic levels. The company's purchase of Brookdale Health Care Services in July 2021 expands HCA's services into the fast-growing home healthcare, hospice and outpatient therapy markets.

Top Detractors

Ciena Corporation manufactures fiber optic equipment for telecommunications providers. Despite deteriorating component availability through Ciena's most recent fiscal quarter, the company exceeded the high end of its guidance by drawing inventory down 8%. The market is concerned that Ciena's remaining inventory will not allow another guidance beat in the upcoming quarter. Although supply constraints are not getting any worse, they are lingering longer than anticipated and may constrain sales in the near term. Longer term, however, demand is not a problem. We expect Ciena's sales to accelerate as supply constraints ease. We also anticipate continued market share gains versus rival Huawei Technologies. We continue to hold the shares based on solid fundamentals and a positive quantitative score.

Victoria's Secret & Co. is a specialty retailer focused on women's intimates, beauty products and other apparel. Victoria's Secret is trading at a compelling price equaling roughly 3x the FY23 EBITDA estimate vs. 6x the specialty retail average. We believe that the company is a good value, especially considering its status as the leading market share player in US lingerie (approximately 20% share) and women's mass fragrance (approximately 30% share). Management recently cautioned that supply chain constraints could limit Victoria Secret's ability to deliver upside to the high end of the company's guidance. Additionally, freight price increases and rising input costs are likely to weigh on margins in the near term. In the long term, the outlook for Victoria's Secret is positive. Management continues to innovate with new product launches and cost-savings initiatives. We continue to hold the shares.

Ollie's Bargain Outlet Holdings, Inc. buys closeouts and excess inventory from large, struggling retailers. Management describes the company as a fast-growing, extreme value retailer that offers a broad selection of "good cheap stuff." The market is concerned the growth at Ollie's is potentially slowing post-pandemic absent new stimulus and that relative customer acquisition and same-store sales growth are trailing its discount and off-price peers, resulting in lost market share. However, Ollie's has a strong balance sheet and a large addressable market that can potentially support 3x the number of stores it currently operates. We continue to hold the shares for now.

Zynga Inc. is an American game developer running social video game services. It was founded in 2007 and is headquartered in San Francisco. Zynga's games are available in more than 150 countries and are playable across social platforms and mobile devices worldwide. Zynga's fiscal second quarter 2021 results fell short of expectations. Management cited three broad drivers of the shortfall: lower spend from recently acquired players, higher CPIs which led it to pull back on user acquisition and declining performance of older games. Overall, Zynga remains well positioned for the long term, with several key drivers including cross-platform gaming, continued strong growth in hyper casual, international expansion and new games. We continue to hold the stock.

Amedisys, Inc. provides healthcare services in three main lines of business: Home Health, Hospice and Personal Care. The company's growth was lower for the second consecutive quarter. Bad weather was to blame for the slower growth in the first quarter of 2021. In the second quarter of 2021 the company was having difficulty recruiting, hiring and retaining experienced business development representatives for its home hospice segment. The disruption appears to be temporary and the company is taking steps to solve the problem. From a long-term growth perspective, Amedisys is a beneficiary of favorable demographic and industry trends. The company is a consolidator in the home healthcare market and has a long history of successfully executing earnings-accretive acquisitions. We expect the market to continue to consolidate and Amedisys should continue to benefit as a result.

Buys

Houlihan Lokey, Inc. provides financial restructuring and advisory services as well as corporate finance advice to small and medium-sized businesses. The company is well diversified as it relates to transaction fees and personnel as each account for no more than 3% and 2% of revenues, respectively. We view Houlihan Lokey as an attractive investment over the course of an economic cycle, due to its debt-free balance sheet and countercyclical sources of revenue.

Victory Capital Holdings, Inc. is an asset manager that acquires firms with various financial products. It leverages its centralized distribution and administrative platform to drive cost efficiencies and accelerate sales. Victory's management has a successful track record of increasing cash flows and using that cash for mergers and acquisitions, share buybacks, dividend increases and paying down debt. Recently, Victory has focused on paying down higher-yielding debt, allowing the company to free up capital for additional acquisitions. After several years of negative organic growth, Victory's initiatives to acquire new investment strategies and improve distribution have seen success. The company has posted two consecutive quarters of positive organic growth.

Sells

FMC Corporation is a chemical manufacturing company and global leader in crop protection. The company is headquartered in Philadelphia, Pennsylvania. It originated as an insecticide producer and later diversified into other industries. Lately, sales and earnings growth have disappointed due to reduced acreage planted in crops such as cotton. Furthermore, FMC has seen a decrease in chemical orders this year. In 2020, FMC shipped an oversupply of chemicals to customers, and they are still working to deplete their excess inventory before placing new orders. For these reasons, we decided to sell our position in the stock.

Alaska Air Group, Inc. owns two airlines, Alaska Airlines, a mainline carrier, and Horizon Air, a regional carrier. Alaska Air investors set high expectations for sales growth this year. However, travelers are delaying trips due to the Delta variant of COVID-19. If Alaska Air cannot meet the high sales expectations, the stock will likely falter. As a result, we sold the stock and used the proceeds to purchase a name with higher upside potential for our clients.

Argent Mid Cap Strategy Top Contributors and Detractors for Quarter Ending September 30, 2021*

Top Contributors	Avg. Weight	Total Effect	Top Detractors	Avg. Weight	Total Effect
Builders FirstSource, Inc.	3.24	0.61	Ciena Corporation	2.50	-0.22
Fortinet, Inc.	2.73	0.48	Victoria's Secret & Company	1.09	-0.22
Tempur Sealy International Inc	2.72	0.47	Ollie's Bargain Outlet	1.32	-0.34
Atkore Inc	2.05	0.41	Zynga Inc. Class A	1.48	-0.46
HCA Healthcare Inc	2.38	0.40	Amedisys, Inc.	1.60	-0.67

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Portfolio Positioning

Our investment process seeks to invest in the right companies, in the right sectors at the right time with positive change. We uncover potential investments through an integrated blend of quantitative and fundamental analysis that seeks alignment between the positive quantitative score and positive company fundamentals. Our approach is highly selective. As a result, the Argent Mid Cap strategy exhibits low portfolio turnover. Annualized turnover for the third quarter was 18.5%, below the trailing five-year annualized turnover of 28.3%.

Our Market Cycle Model is pointing to a slowing economy and we are transitioning our portfolio as a result. The strong consumer is losing steam and the economy is taking note. For us, a slowdown means continued positive but slowing economic growth. The Leading Economic Index is showing evidence of slowing economic growth: the year-on-year growth rate of the index has slowed from a high of 16.7% in April to 9.95% in August (the most recently published number). Our two buys and two sells during the quarter served to somewhat reduce the economic sensitivity of the portfolio while increasing our overall exposure to value-oriented names. Our research and history show that value stocks tend to outperform in periods of rising interest rates. That being said, our stock selection process is always bottom-up with a focus on purchasing shares in good businesses which for us means companies with above-average profitability, generating more free cash flow than peers and a management team that is a good steward of capital. Potential changes to the portfolio in the third quarter are likely to continue to focus on companies with lower economic sensitivity trading at a relatively low valuation.

Overall, our portfolio is well-balanced, with a mix of value-oriented and economically sensitive companies combined with a group of secular winners that we believe will perform well through all phases of the market cycle.

Going forward, we will continue to execute on our investment process day in and day out and take advantage of the opportunities the stock market offers us.

Sincerely,
Argent Mid Cap Team

For the period ending December 31,	Gross-of-Fees (%)	Net-of-Fees (%)	Russell MidCap Return (%)	Composite 3-Yr St. Dev (%)	Russell MidCap 3-Yr St Dev (%)	Number of Composite Accounts	Composite Assets ($ millions)	Principal Business Assets ($ millions)	Internal Dispersion (%)
2020	21.24	20.97	17.1	23.36	21.82	45	102	2,874	0.84
2019	34.33	34.02	30.54	14.4	12.89	31	57	3,019	0.61
2018	-11.37	-11.58	-9.06	13.4	11.98	25	41	2,542	0.4
2017	25.55	25.22	18.52	11.24	10.36	19	27	2,898	0.27
2016	13.12	12.85	13.8	NA	NA	17	20	2,604	0.7
2015	-0.79	-0.94	-2.44	NA	NA	11	14	2,357	0
2014 (3-31-14 to 12-31-14)	9.98	9.98	9.36	NA	NA	1	1	2,817	NA
Three Year*	13.02	12.75	11.61						
Five Year*	15.44	15.16	13.4						
Information for period(s) ending September 30, 2021									
3rd Quarter 2021	2.4	2.33	-0.93	23.16	21.98	64	140	3,235	
1 Year*	40.23	39.9	38.11						
3 Year*	17.32	17.05	14.22						
5 Year*	18.41	18.13	14.39						
Since Inception*	13.98	13.75	11.77						

*Annualized

Disclosures:

1. 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 periods January 1, 2003 through December 31, 2019. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

2. This composite represents investment performance for portfolios in U.S. equities with strong earnings and mid-capitalization, for which Argent has sole investment discretion. Portfolios typically include 40-50 equity holdings and cash targeted to be less than 10% of total portfolio value. This composite inception date is March 2014 and was created in April 2016. A complete list and description of composites is available upon request.

3. The benchmark is the Russell Mid Cap® Index which measures the performance of the mid-cap segment of the U.S. equity universe. It includes approximately 800 of the smallest securities in the Russell 1000 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.

4. 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 investments, calculating performance, and preparing GIPS Reports are available upon request. Past performance is no guarantee of future results.

5. Gross-of-fee 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 represented approx. 5% (2016, 2017), 2% (2018, 2019) of composite assets. The composite included portfolios where commissions were waived representing approx. 17% (2019) and 18% (2020) of composite assets.

6. 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 100% of the composite during 2014, 11.0% (2015), 8.9% (2016), 10.1% (2017), 5.8% (2018, 2019) and 6% (2020).

7. 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. The external deviation is based on the 36 month gross-of-fees returns of the composite and the benchmark.