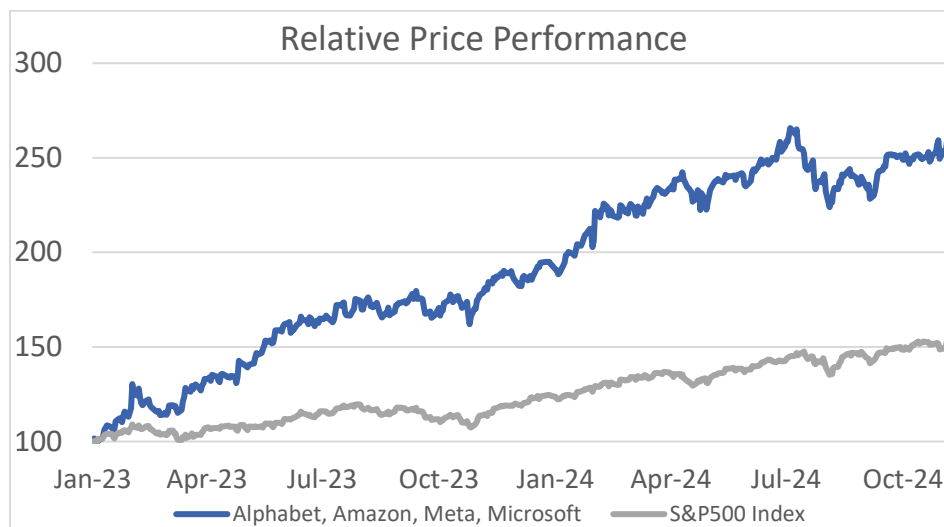




At Argent Capital, we prioritize companies with durable competitive advantages. If a company holds a competitive advantage today, our expectation is that the company is generating good cash flow from its operations, opening the door to further investment opportunities. With savvy management at the helm, making value added investment choices – another key aspect we look for – the company should be able to replicate its good return profile. By identifying those companies that are benefiting from this flywheel effect, we aim to hold their stock over a long-time horizon, and fully realize the power of compounding for our clients, our ultimate investment goal.

In the large cap world, scale has become more of a focus for investors as the price of admission for some investment opportunities has risen. One area that is of intense interest is Artificial Intelligence (AI). How much is the price of admission for AI? In the most recent quarter alone, four AI frontrunners – Alphabet (aka Google), Amazon, Meta and Microsoft – spent a collective \$60 billion. In addition, AI spending for those four companies is expected to increase next year.

Given that level of spend, there are only a small handful of companies that can participate in the AI race. While these investments and dollars spent are staggering, the market has largely embraced them and, more importantly, embraced their stocks. Below is a chart of Alphabet, Amazon, Meta and Microsoft relative to the S&P500. As you can see, investors are enthused with the investments these companies are making and are rewarding the stocks accordingly.



The capital-intensive nature of AI investments shrinks the pool of participating companies to a very select few, even in the world of large cap stocks. By identifying those select companies that have cash-generating competitive advantages and are using that cash to make shareholder friendly investments, we intend to build portfolios of sustainable, winning companies. Our expectation is that these companies will continue to replicate their successes, enabling us to harness the power of compounding over the long term for our clients.

Argent Capital is 100% employee-owned and we thank you for your business and your interest. In addition, if you like these market letters in addition to the videos by Ward Brown, we hope you will share them with friends. For information on our five successful equity strategies—Large Cap U.S., Dividend Select, Mid Cap U.S, Small Cap U.S. and SMID Cap U.S., please contact clientservices@argentcapital.com.

Sincerely,

Ken Crawford, Portfolio Manager (kcrawford@argentcapital.com)

Investment advisory services are offered through Argent Capital Management LLC a SEC registered investment adviser. Access to Argent is only available to clients pursuant to an Investment Advisory Agreement and acceptance of Argent's Brochure. 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 Large Cap Fact Sheet on our website for additional performance details and disclaimers.

Please visit argentetfs.com for prospectus information and disclaimers for the Argent Mid Cap ETF.