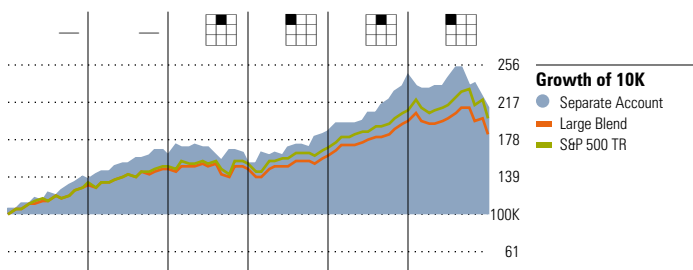


# Applied Finance Valuation 50

## Snapshot

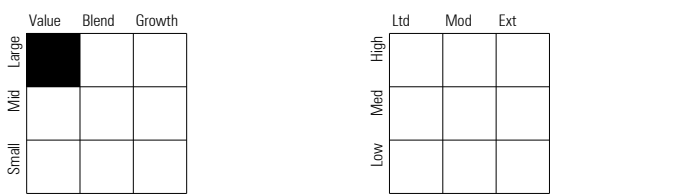
### Performance 12/31/2018



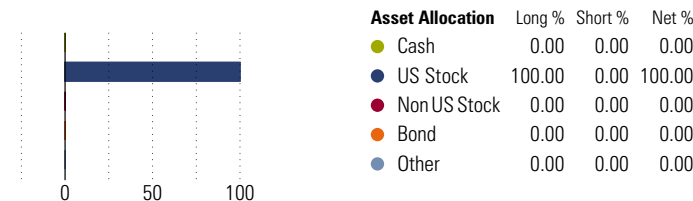
2013	2014	2015	2016	2017	12/2018	History
38.18	19.95	-1.24	12.98	25.70	-8.96	Gross-of-Fees Return %
6.51	8.10	-0.86	1.98	4.78	-2.72	+/- Large Blend
5.79	6.26	-2.63	1.02	3.87	-4.57	+/-S&P 500 TR
5.07	6.71	-2.16	0.93	4.02	-4.17	+/-Russell 1000 TR
<b>Dispersion</b>						
—	37.75	—	—	—	—	High
—	-34.22	—	—	—	—	Low
—	14.19	—	—	—	—	Median
1,157	1,383	1,362	1,558	1,931	1,753	Strat. Assets (\$Mil)

Trailing Gross-of-Fees Returns	Trailing Ret % +/-S&P 500 TR	+/- Cat	% Rnk Cat	
YTD	-8.96	-4.57	-2.72	78.00
12 Mo	-8.96	-4.57	-2.72	78.00
3 Yr Annualized	8.94	-0.31	1.12	33.00
5 Yr Annualized	8.90	0.41	1.97	15.00
10 Yr Annualized	13.91	0.79	1.52	13.00

### Strategic Holdings Analysis 12/31/2018



Equity Investment Style		Fixed-Income Investment Style	
Overall Style Score	109.26	Avg Effective Duration(Yrs)	—
Overall Size Score	277.40	Avg Effective Maturity(Yrs)	—
		Avg Credit Quality	—



Asset Allocation data is calculated using only the long position holdings of the portfolio.

Morningstar Category™	Strategy Assets(\$Mil)	Strategy Focus
Large Blend	1,753 (US Dollar)	All

### Ratings, Flexibility and Risk 12/31/2018

	Overall	3Yr	5Yr	10Yr
Morningstar Rating™	—	—	—	—
Number Rated	524	524	472	353
Morningstar Risk	—	—	—	—
Morningstar Return	—	—	—	—

Risk Measures ( 12/31/2018 )			
Standard Deviation	12.88	11.97	14.24
Sharpe	0.64	0.72	0.96
Strategy vs. S&P 500 TR			
R-Squared	92.47	92.05	94.21
Alpha	-1.15	0.10	0.59
Beta	1.13	1.05	1.02

Annual Turnover%	16
Use Derivatives	—

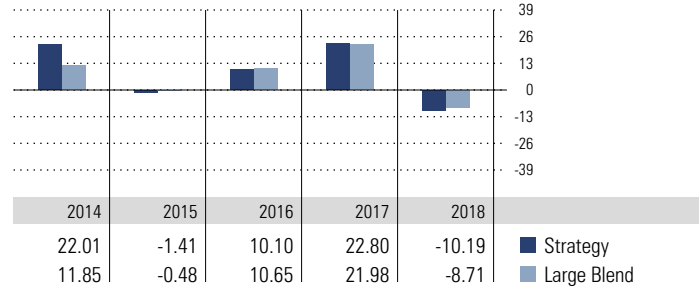
### Performance Disclosure

The overall Morningstar Rating is based on risk-adjusted gross returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's separate account may be worth more or less than its original value.

If this strategy is GIPS compliant, a full GIPS compliant presentation can be obtained by contacting the money management firm directly at 312-362-9904 or [www.economicmargin.com](http://www.economicmargin.com).

### Treynor Ratio



### Money Manager Fee Information

Account Value	Total Fees%
More than \$0 K-	0.30

### Management

Managers by Tenure	Additional Managers
Team Managed	6/10/2004

# Applied Finance Valuation 50

## Firm Summary

Morningstar Category™	Strategy Assets(\$Mil)	Strategy Focus
Large Blend	1,753 (US Dollar)	All

### Contact Information

103 De Diego Ave  
San Juan Puerto Rico 00911

312-362-9904  
www.economicmargin.com

### Strategy Contact

Chris Austin	559-892-0401	caustin@afgltd.com
John Holt	312-362-9904	jholt@afgintl.com
Saul Marquez	312-362-9905	smarquez@afgltd.com

### Firm Background

Year founded	10/12/2017
Total employees	—
Percent owned by employees	100.00%
Firm type	Independent Investment Advisor
Firm legal structure	Limited Liability Company (LLC)
Parent company	

### Firm Legal and Compliance Summary

#### Legal Information

Registered Investment Advisor	Yes
Exempt with SEC	No
Errors and Omissions Insurance	Yes
Fiduciary Liability Insurance	No
Bonded	No
Disciplinary action in the last 10 years	—
Previous Judgments Against Firm	—
Pending Litigation	No
Litigation in last 5 years	—
Pending SEC Investigations	No
SEC investigations in last 5 years	No

### Firm Narratives provided by

#### Objective and Investment Approach

The Applied Finance Group International, LLC (AFGI) is an independent entity designed to disseminate the strategies of The Applied Finance Group, Ltd (AFG). AFGI operates model portfolios built using AFGs research that leverages its quantitative and qualitative measures to invest in companies that are trading at a discount to their intrinsic value, while also having favorable momentum and quality characteristics.

#### Performance Disclosure

Performance reflects Total Returns after Fees, before Trading Costs. Fees based on deduction on final business day of calendar year. The firm operates strategies as Model Portfolios with real-time distribution. Number of accounts and total assets are based on firm's estimates. actual number of accounts and assets may vary. Performance verification is available upon request.

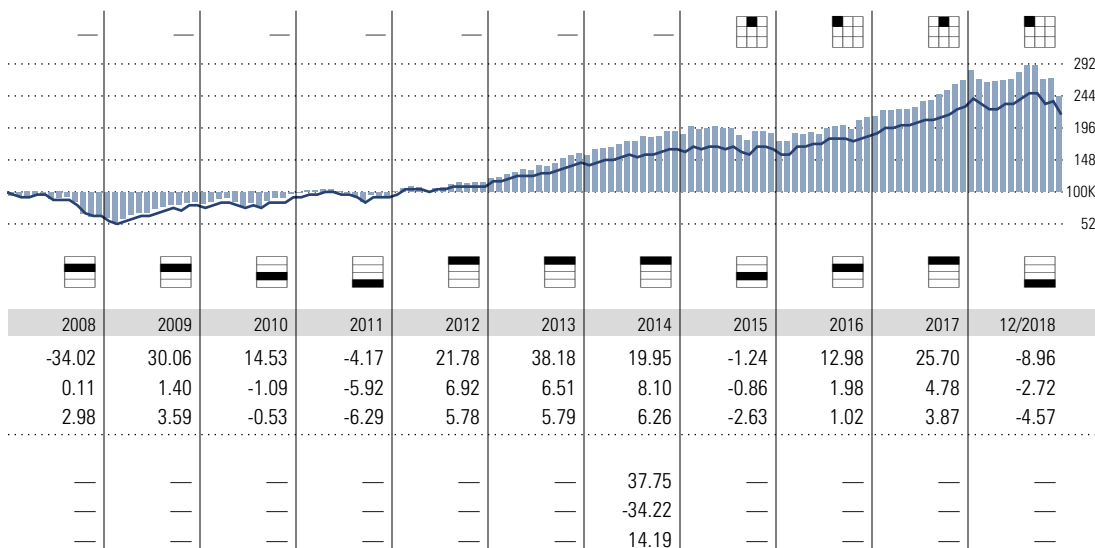
#### History

The Applied Finance Group International LLC was founded in November of 2014 as a Registered Investment Advisor in the Commonwealth of Puerto Rico. The firm operates out of its San Juan office and coordinates research with partners across the United States.

# Applied Finance Valuation 50

## Performance Return Analysis

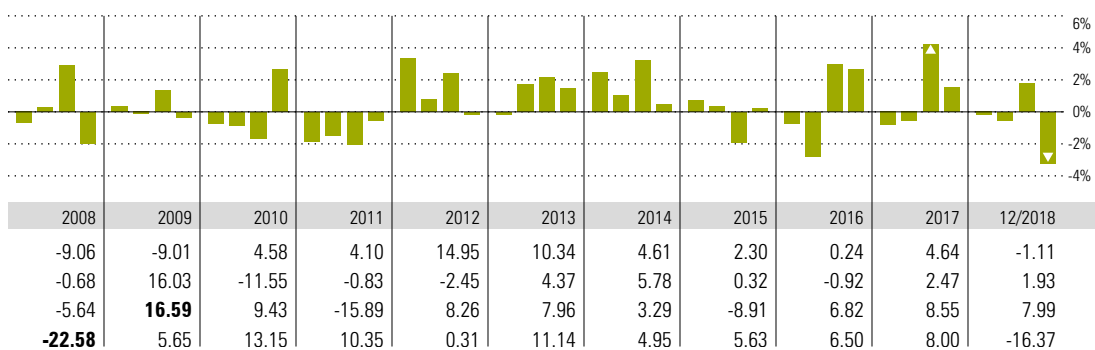
**Morningstar Category™** Large Blend  
**Strategy Assets(\$Mil)** 1,753 (US Dollar)  
**Strategy Focus** All



**Growth of 100K**  
 ● Monthly Separate Acct Value  
 — S&P 500 TR

**Performance Quartile**  
 (within category)

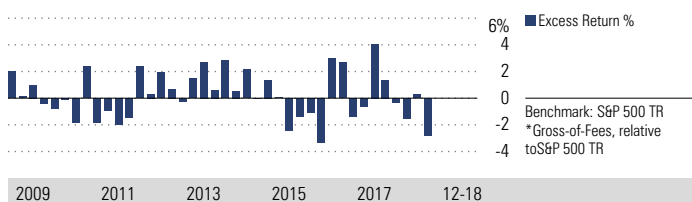
**History**  
 Gross-of-Fees Return %  
 +/- Large Blend  
 +/- S&P 500 TR  
**Dispersion**  
 High  
 Low  
 Median



**Relative SA Quarterly vs. SA Category**  
 ● Quarterly SA Relative Return  
 — Large Blend  
 ▲ Best Qtr Performance  
 ▼ Worst Qtr Performance

**Qtrly Gross-of-Fees Return**  
 1st Quarter  
 2nd Quarter  
 3rd Quarter  
 4th Quarter

### Strategy Quarterly Excess Returns Gross-of-Fees 12/31/2018



Time Period	Period's Total Excess Return%*
Highest Historical Excess Return*	Jul2017 - Sep2017 4.07
Lowest Historical Excess Return*	Apr2016 - Jun2016 -3.37

### Strategy Compound Excess Rate of Return Gross-of-Fees 12/31/2018



Strategy	Compound Excess Return%*	Annualized Excess Return%*
Applied Finance Valuation 50	15.27	1.02

### Performance Disclosure

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's separate account may be worth more or less than its original value.

If this strategy is GIPS compliant, a full GIPS compliant presentation can be obtained by contacting the money management firm directly at 312-362-9904 or [www.economicmargin.com](http://www.economicmargin.com).

High and Low quarterly historical excess return encompasses the time period of the inception date to the current quarter-end.

### Trailing Gross-of-Fees Return 12/31/2018

	Trailing Ret%	+/- S&P 500 TR	+/- Cat	% Rank Cat
YTD	-8.96	-4.57	-2.72	78.00
1 Mo	-10.16	-1.13	-1.64	94.00
3 Mo	-16.37	-2.85	-3.22	91.00
3 Yr Annualized	8.94	-0.31	1.12	33.00
5 Yr Annualized	8.90	0.41	1.97	15.00
10 Yr Annualized	13.91	0.79	1.52	13.00
Inception	8.88	—	—	—

# Applied Finance Valuation 50

## PerformanceRiskAnalysis

**Morningstar Category™** Large Blend  
**Strategy Assets(\$Mil)** 1,753 (US Dollar)  
**Strategy Focus** All

### Risk Measures 12/31/2018

#### Modern Portfolio Theory Statistics

	Strategy vs. S&P 500 TR		
	3 Yr	5 Yr	10 Yr
R-Squared	92.47	92.05	94.21
Alpha	-1.15	0.10	0.59
Beta	1.13	1.05	1.02

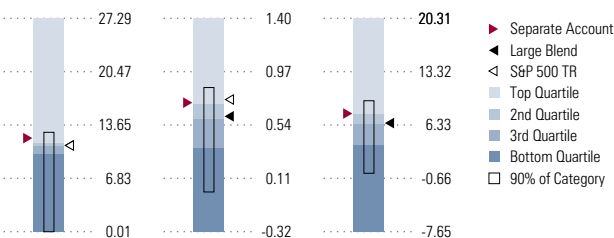
#### Volatility Measurements

	1 Yr	3 Yr	5 Yr	10 Yr
Standard Deviation	16.38	12.88	11.97	14.24
Tracking Error	2.66	3.82	3.43	3.44

#### Risk-Adjusted Returns

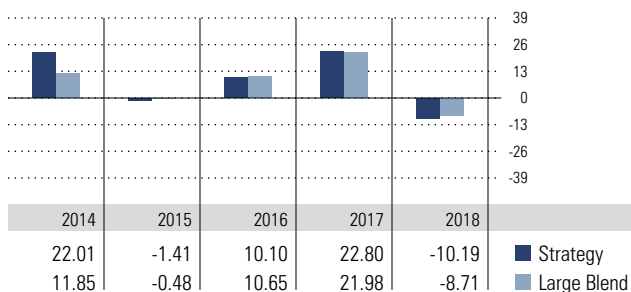
	1 Yr	3 Yr	5 Yr	10 Yr
Sharpe Ratio	-0.61	0.64	0.72	0.96
Treynor Ratio	-10.40	6.94	7.83	13.31
Information Ratio	-1.72	-0.08	0.12	0.23
Sortino Ratio	-0.72	0.92	1.09	1.58
Batting Average	33.33	52.78	58.33	54.17

### Strategy Risk vs. Category Quartile/Percentile(5Yr) 12/31/2018

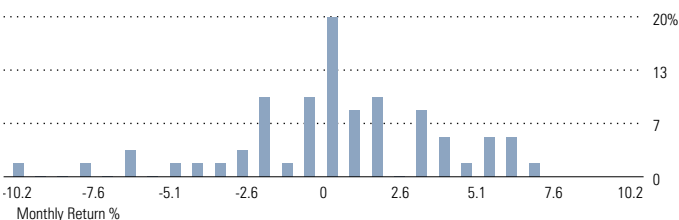


	Std Dev	Sharpe Ratio	Treynor Ratio	Category Range
	12.72	0.00	0.00	5th Percentile
	11.35	0.36	3.70	25th
	10.90	0.59	6.36	Median
	9.88	0.71	7.75	75th
	0.00	0.84	9.51	95th

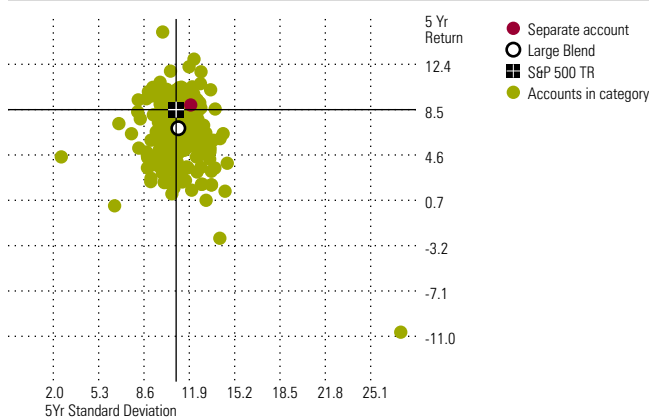
### Treynor Ratio



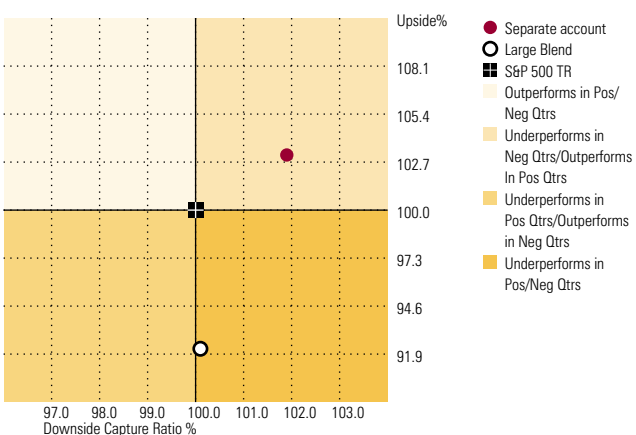
### Standard Deviation of 60 Monthly Returns 12/31/2018



### Category Risk/Return Analysis 12/31/2018

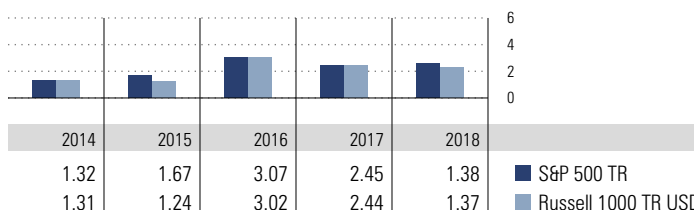


### Capture Analysis(5Yr) 12/31/2018



	Upside Capture Rate of Ret	Upside Capture Ratio	Downside Capture Rate of Ret	Downside Capture Ratio
Separate Account	2.28	103.10	-3.15	101.87
Large Blend	2.03	92.18	-3.06	100.10

### Tracking Error



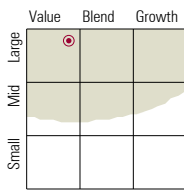
# Applied Finance Valuation 50

## PortfolioEquity

Based on model or representative portfolio

### Equity Style 12/31/2018

#### Ownership Zone™

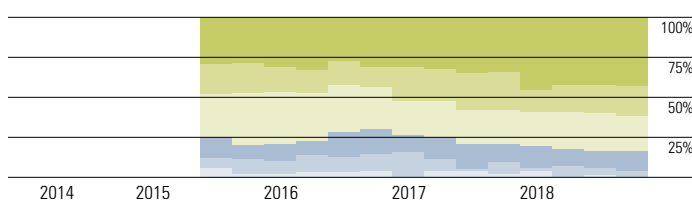


#### Style Breakdown

	Value	Blend	Growth	Weight %
Large	43	19	22	● >50
Mid	12	4	0	● 25-50
Small	0	0	0	● 10-25
				○ 0-10

Style is calculated only using the long position holdings of the portfolio.

### Equity Style Allocation History 12/31/2018



	Most Recent			Average		
	Strategy	Category	B1	Strategy	Category	B1
Large Value	42.80	26.99	28.38	34.68	25.97	29.19
Large Core	19.10	28.46	29.32	17.94	28.66	29.36
Large Growth	21.69	28.62	32.37	25.35	26.78	29.17
Mid Value	12.27	5.67	4.15	12.20	5.83	4.64
Mid Core	4.14	5.22	3.66	7.40	5.81	4.32
Mid Growth	0.00	3.41	2.11	2.43	4.36	3.19
Small Value	0.00	0.70	0.01	0.00	0.99	0.09
Small Core	0.00	0.52	0.00	0.00	0.91	0.03
Small Growth	0.00	0.41	0.00	0.00	0.70	0.01

#### Equity Style Consistency

	Strategy	Rel Category	B1
Overall Value-Growth Score (Raw)	109.26	0.72	0.69
Overall Size Score (Raw)	277.40	0.83	0.89

### Morningstar Category™

Large Blend

### Strategy Assets(\$Mil)

1,753 (US Dollar)

### Strategy Focus

All

### Top 20 Equity Holdings 12/31/2018

Share Change Since 09-30-18	Sector	% Net Assets
⊕ Host Hotels & Resorts Inc	Real Estate	2.83
⊕ Facebook Inc A	Technology	2.62
⊖ Verizon Communications Inc	Communication Services	2.62
⊖ Walt Disney Co	Consumer Cyclical	2.62
⊖ Alphabet Inc A	Technology	2.62
⊕ Apple Inc	Technology	2.48
⊖ Intel Corp	Technology	2.48
⊖ Cisco Systems Inc	Technology	2.48
⊖ Mastercard Inc A	Financial Services	2.48
⊕ International Business Machines Corp	Technology	2.48
⊕ NVIDIA Corp	Technology	2.48
⊕ HP Inc	Technology	2.48
⊖ Fiserv Inc	Industrials	2.48
⊖ Pfizer Inc	Healthcare	2.12
⊖ Danaher Corp	Healthcare	2.12
⊕ CVS Health Corp	Healthcare	2.12
⊕ Allergan PLC	Healthcare	2.12
⊕ Celgene Corp	Healthcare	2.12
⊕ McKesson Corp	Healthcare	2.12
⊖ Thermo Fisher Scientific Inc	Healthcare	2.12

% Assets in Top 20 Equity Holdings	48.01
Total Number of Equity Holdings	50
Annual Turnover %	16

#### Equity Statistics

	Equity Holdings	Rel Category	Equity Holdings	Rel Category
Price/Earnings TTM	14.06	0.79	Return on Equity %	25.02 1.07
Price/Book TTM	2.24	0.72	Return on Assets %	8.88 1.34
Price/Sales TTM	1.02	0.62	Return on Capital %	39.71 0.88
Price/Cash Flow TTM	10.04	0.85	Net Margin %	15.65 1.23
Geometric Market Cap	56,874	0		

### Equity Sectors 12/31/2018

	% Equity	Rel Cat		% Equity	Rel Cat
🔄 Cyclical	32.33	0.96	📡 Sensitive	39.41	0.97
🏠 Basic Mats	2.46	0.89	📠 Comm Svcs	2.62	0.81
🏠 Cons Cyclical	10.90	0.94	🔥 Energy	5.03	0.91
🏠 Financial Svcs	16.14	0.96	⚙️ Industrials	11.63	1.06
🏠 Real Estate	2.83	1.20	💻 Technology	20.13	0.96

### Market Cap Breakdown 12/31/2018

	% Equity
🏠 Giant	40.48
🏠 Large	43.11
🏠 Medium	16.41
🏠 Small	0.00
🏠 Micro	0.00

Equity Sector and Market Cap Breakdown data are calculated only using the long position holdings of the portfolio.

### World Regions% Equity 12/31/2018



Greater Asia	0.0	Greater Europe	0.0	America	100.0	Market Maturity
Japan	0.0	United Kingdom	0.0	North America	100.0	% Developed Markets 100.0
Australasia	0.0	Europe-Developing	0.0	Central/Latin	0.0	% Emerging Markets 0.0
Asia-Developing	0.0	Europe-Emerging	0.0			% Not Classified 0.0
Asia-Emerging	0.0	Africa/Middle East	0.0			

N/C 0-10 10-20 20-50 50-90 >90%

Region breakdown data is calculated only using the long position holdings of the portfolio.