

Key Professionals**Sharon D. Wagoner**

Chairman – Portfolio Manager

Donna M. Palais

VP – Portfolio Manager

Jim Kelleher, CFA

Director of Research

Key Statistics**Assets in the Core Strategy:**

\$187 Million

Benchmark:

S&P 500® with Dividends

***Portfolio Characteristics:**

Growth & Value Representation		
WTD Avg. Market Cap (B):	\$225	
Number of Holdings:	45-55	
Portfolio PE:	17.9	
ROE 5-Year Average:	23.7	
Dividend Yield (%):	2.68	
S&P Global Ratings of Holdings:		
	A+	A+/A/A-
Argus Core	48%	80%
S&P 500	39%	64%

**Source: Bank of New York Mellon.
Data from a representative
account in the Argus Core Equity
composite as of 3/31/2020.*

Performance notes on page 2.**CONTACT US:****Cathleen Lesko**Client Services Manager
CLesko@argusinvest.com
(203) 548-9883

or

Richard CiubaDirector of Business Development
RCiuba@argusresearch.com
(646) 747-5439**Firm Overview**

Argus Investors' Counsel, Inc. (AIC) is a women-owned and managed SEC-registered investment advisor. AIC was incorporated and registered with the SEC in 1960. We specialize in equity investment management for institutional and private investors. Our clients include corporations, public and private pension funds, Taft-Hartley organizations, foundations, endowments, and high-net-worth individuals.

Our flagship product, the Argus Core Equity Strategy, is based on a rigorous fundamental approach. The Core Strategy seeks to outperform the S&P 500® with dividends over a full market cycle, while limiting down side risk.

Our team can build a portfolio to meet your specific needs, including portfolios for socially responsible investing.

Argus Market Commentary

The market advanced at a steady pace in May following massive gains in April. Large-cap and Technology names led consistently in April, and in May the Core Equity portfolio benefited from continued strength in IT names such as Adobe, Cisco, and Nvidia. In addition, the portfolio saw rotation into former Financial and Industrial sector laggards such as Morgan Stanley and General Dynamics.

The Commerce Department reported in May that 1Q20 GDP declined at a 5% rate -- slightly more than its prior estimate, which called for a 4.8% decline. Because 1Q20 included less than one month of shelter-at-home restrictions, GDP is expected to be even worse in 2Q20.

The U.S. economy added 2.5 million jobs in May, as companies began bringing employees back to work, and the unemployment rate dropped to 13.3% from 14.5% in April. Still, the Labor Department reported on June 4 that another 1.9 million people filed first-time unemployment claims, bringing the total to 40 million since mid-March. At the same time, continuing claims, currently at 19.3 million, are showing signs of stabilization.

Fed Chair Jerome Powell has said that the central bank will use "whatever tools it can" and "for as long as it takes" to bring the economy back, though he has also called for more fiscal stimulus from Congress and the Trump administration.

Looking Ahead

The stock market is already looking ahead to recovery, though we expect volatile trading conditions for an extended period. That said, we believe that long-term investors should be willing to ride out near-term volatility in pursuit of long-term gains. We also believe that near-zero interest rates make a strong case for equities in 2020.

We continue to adhere to our disciplined investment process, driven by our focus on financial strength and thoughtful diversification. We believe this remains the best way to take advantage of persistent stock and industry rotation while also capturing long-term gains.

ARGUS CORE EQUITY STRATEGY

Philosophy

Argus constructs its portfolios to capture changes in market conditions. Our view is that rotation is a persistent phenomenon in equity markets. Our stock selection, weightings, and rebalancing aid in insulating the portfolio from short-term uncertainties and market fluctuations, while enabling Argus to capture the long term positive market appreciation.



Ongoing rebalancing maintains portfolio weighting distribution.

In depth assessment of current and potential selections.
Real time monitoring of price movements and position weights.
Utilizes objective independent research.

Equal weighting of holdings.
Broad diversification with uncorrelated revenue streams.
Financial strength – primary criteria.
Bottom-up stock selection.

What Sets Argus Apart...

Trusted Fiduciary

In response to client demand for our portfolio management, Argus Investors' Counsel, Inc. was incorporated and registered with the SEC in 1960.

Extensive Research

Argus Research, a division of Argus Investors' Counsel, was one of the earliest firms to produce fundamental, independent research on a systematic basis.

Long Term Client Relationships

Many of our clients have been with us for decades; a testament to our people and our disciplined investment process.

Top 5 Holdings as of 5/31/2020	% of Portfolio
Nvidia Corp.	2.7
Home Depot Inc.	2.5
Adobe Inc.	2.5
Microsoft Corp.	2.5
Alphabet Inc.	2.4
Total	12.6

COVID-19 Update:

Argus Investors' Counsel, Inc., Argus Research Company, Vickers Stock Research, and Argus-Vickers continue to operate on a virtual basis until further notice. Argus' business continuity plans have ensured that there is no interruption in the services we provide to you and no interruption in your ability to contact us as you normally do, be that by telephone, electronic communication or mail.

To obtain a complete list and description of AIC's composites and/or a GIPS-compliant presentation, please contact **Cathleen Lesko at (203) 548-9883** or **Richard Ciuba at (646) 747-5439**.

Performance Notes

Argus Investors' Counsel, Inc. (AIC) is an SEC-registered investment advisor that provides investment advisory services to institutional and individual investors. The Argus Core Equity Composite contains fee-paying fully discretionary core equity accounts that do not contain investment restrictions. AIC's SEC registration does not imply a certain level of skill or training. The information in this document has not been approved or verified by the SEC or by any state securities authority. Annual and annualized periods are calculated based on geometrically linked monthly returns. The Argus Core Equity Composite was created on December 31, 1994. AIC claims compliance with the Global Investment Performance Standards (GIPS®). AIC has been verified firm-wide by Ashland Partners & Company, LLP from January 1, 1995 through March 31, 2017 and by ACA Performance Services from April 1, 2017 through December 31, 2019. The US dollar is the currency used to express performance. Past results are not indicative of future returns.