

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): | \$286 | |
| Number of Holdings: | 45-55 | |
| Portfolio PE: | 21.9 | |
| ROE 5-Year Average: | 23.9 | |
| Dividend Yield (%): | 2.30 | |
| S&P Global Ratings of Holdings: | | |
| | A+ | A+/A/A- |
| Argus Core | 46% | 80% |
| S&P 500 | 39% | 63% |

**Source: Bank of New York Mellon. Data from a representative account in the Argus Core Equity composite as of 6/30/2020.*

Performance notes on page 2.**CONTACTUS:****Cathleen Lesko**Client Services Manager
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or

Richard CiubaDirector of Business Development
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(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

In June, the Argus Core Equity portfolio benefited from continued strength in Information Technology and Consumer Discretionary stocks — the latter mostly attributable to Amazon. Seven of the top ten stocks in the Core Equity portfolio were in these two sectors. In June, the Argus portfolio returned 1.09% (gross of fees). The S&P's outperformed the portfolio returning 1.99%, driven predominantly by a greater than 20% S&P allocation to five top performers.

For the first time since the Great Depression, global GDP is expected to turn negative in 2020 due to the coronavirus. After a 5% decline in 1Q, Argus expects 2Q to be the worst quarter for U.S. GDP, with a decline of 35%. That said, some June data has been better than expected. Nonfarm payrolls rose by 4.8 million last month, above the consensus forecast, and the unemployment rate fell to 11.1% from 13.3% in May.

Looking Ahead

For 2020, the IMF projects a 4.9% decline in global economic growth, with industrialized economies contracting by 8% and emerging economies slipping 3%. Argus looks for a slightly negative U.S. GDP reading in 3Q before a return toward flat GDP in 4Q20-1Q21, and a strong recovery in 2021 with growth of more than 4%. Our 2021 forecast assumes widespread testing and contact tracing as well as the approval and distribution of a vaccine.

We believe that near-zero interest rates make a strong case for equities in 2020, and 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 6/30/2020 | % of Portfolio |
|--------------------------------|----------------|
| Nvidia Corp. | 2.8 |
| Microsoft Corp. | 2.7 |
| Amazon.com | 2.6 |
| Apple Inc. | 2.6 |
| Adobe Inc. | 2.6 |
| Total | 13.3 |

| Trailing Period | Composite (Gross) | Composite (Net) | S&P 500 (w/Dividends) |
|-----------------|-------------------|-----------------|-----------------------|
| YTD | -3.63 | -3.81 | -3.08 |
| 1 Year | 4.80 | 4.42 | 7.51 |
| 3 Years | 9.16 | 8.77 | 10.73 |
| 5 Years | 10.33 | 9.96 | 10.73 |
| 10 Years | 13.65 | 13.28 | 13.99 |

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.