

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:

\$194 Million

Benchmark:

S&P 500® with Dividends

*Portfolio Characteristics:

Growth & Value Representation

WTD Avg. Market Cap (B): \$303

Number of Holdings: 45-55

Portfolio PE: 25.2

ROE 5-Year Average: 24.0

Dividend Yield (%): 2.18

S&P Global Ratings of Holdings:

| | A+ | A+/A/A- |
|--|----|---------|
|--|----|---------|

| | | |
|------------|-----|-----|
| Argus Core | 45% | 79% |
|------------|-----|-----|

| | | |
|---------|-----|-----|
| S&P 500 | 34% | 63% |
|---------|-----|-----|

**Source: Bank of New York Mellon.*

Data from a representative account in the Argus Core Equity composite as of 9/30/2020.

Performance notes on page 2.

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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

November will go into the books as one of the best stock months in decades, even with a selloff on the final trading day. The Argus Core Equity Portfolio rose 10.13% in November, bringing the year-to-date return to 14.04% (gross of fees).

At the nine-month mark, income-oriented, defensive, and/or cyclical sectors were deeply lagging – but over the past two months, formerly unloved sectors have meaningfully closed the gap. Much as every domestic index surged in November, every sector also moved higher. Seven of 11 S&P 500 sectors posted double-digit gains in November. Four mainly defensive sectors – Staples, Utilities, REITs, and Healthcare – posted mid- to high single-digit capital appreciation for the month.

The Financial sector rallied on rising rates and widening net interest margins. The top-performing stock in the Argus portfolio for the month was American Express, up 30%, followed by Morgan Stanley up 28.4%, and JP Morgan Chase, up 20.2%.

Looking Ahead

With a new wave of COVID-19 now battering many parts of the U.S., the outlook for a continued rapid recovery is at risk. Our forecasts call for a 1.5% increase in absolute GDP in 4Q from 3Q, which translates to an annualized gain of 6.0%. The Argus GDP model now calls for overall GDP growth of 1% in 2020 and 3.6% in 2021.

Argus looks for earnings improvement in 2021 off the higher base; however, the 2021 market outlook is uncertain. The pace of vaccine distribution, and the success of vaccines in controlling the pandemic not just in the U.S. but worldwide, will be major determinants of earnings power next year.

In the current environment, we recommend that investors focus on high-quality companies with strong balance sheets and experienced management. During this period of unprecedented upheaval, we at Argus Investors' Counsel continue to follow 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.



Rebalancing
Ongoing rebalancing maintains portfolio weighting distribution.

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

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

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 11/30/2020 | % of Portfolio |
|------------------------------------|-------------------|
| Apple Inc. | 2.6 |
| Alphabet Inc. | 2.5 |
| BlackRock Inc. | 2.5 |
| Amazon.com Inc. | 2.4 |
| Nvidia Corp. | 2.3 |
| Total | 12.3 |

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. Returns are presented gross and net of management fees and include the reinvestment of all income. Past results are not indicative of future returns.