

ARGUS U.S. DIVIDEND GROWERS QUARTERLY UPDATE – 3Q 2023

U.S Dividend Growers — Investment Objective

The Argus U.S. Dividend Growers Portfolio seeks to achieve an above-average total return (stock price appreciation plus dividend income) by holding a diversified basket of stocks that have shown consistent above-average rates of dividend growth, while also demonstrating a high measure of dividend safety. Dividends of these stocks, often with yields in the 1.0%-2.5% range, are unlikely to claim a significant portion of cash flow. They thus allow companies to pay a growing dividend while also freeing up cash for other purposes, including share buybacks, debt repayment, business development, and M&A.

Strategy Overview

The U.S. Dividend Growers portfolio is selected from approximately 1,500 equity securities in the Argus Research Universe of Coverage.

Argus uses growth, financial strength, risk, valuation, and management-quality screens to narrow the list to stocks rated at least HOLD.

From this list, Argus Portfolio Managers then select securities that have 3- or 5-year compound annual dividend growth rates that are at least 25% greater than the corresponding dividend growth rates for the S&P 500. After further Argus Analyst input, the portfolio managers create a diversified portfolio of 25-35 companies that combine financial strength with strong dividend growth.

PORTFOLIO CHARACTERISTICS U.S. DIVIDEND GROWERS

(3 month period ending 9/30/2023)	Div Growers Portfolio	S&P 500
No. of Holdings	30	500
Avg. Market-Cap \$B	393.92	642.44
Dividend Yield %	1.49	1.60
Price/Earnings	23.02	20.31
Price/Book	6.27	2.86
Beta	0.82	---
Active Share	80.47	---
Turnover %	16.92	---

Source: Telemet Orion

Key Professionals

John Eade

President – Portfolio Manager

Jim Kelleher, CFA

Director of Research

Holdings (as of 9/30/2023)

Largest Holdings by Weight

Eli Lilly & Co.	7.4%
Old Dominion Frt. Line	6.4%
Costco Wholesale Corp.	5.2%
Microsoft	5.0%
UnitedHealth Group Inc.	5.0%

Largest Sector Weightings

Healthcare	22.1%
Financials	20.1%
Information Technology	19.2%
Industrials	18.3%
Consumer Discretionary	9.1%

Contact Us

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ANNUALIZED TOTAL RETURNS

(as of 9/30/2023)

	Quarter To Date	Year To Date	Latest 1 Year	Latest 3 Year	Latest 5 Year
U.S. Dividend Growers- Net of Fees	-3.09%	5.92%	16.43%	8.01%	8.80%
U.S. Dividend Growers- Gross of Fees	-3.01%	6.17%	16.79%	8.33%	9.12%
S&P 500 w/Div	-3.27%	13.07%	21.62%	10.15%	9.92%

Source: Advent. U.S. Dividend Growers Composite Inception date is 2/28/2018.

Leave the Investing to Us

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.

At Argus Investors' Counsel, we continue to adhere to our disciplined investment process, driven by our focus on financial strength and thoughtful diversification.

What Sets Argus Apart...

- ✓ A trusted fiduciary since 1960
- ✓ Women-owned and managed
- ✓ Acknowledged authority on independent research for 85+ years
- ✓ Experienced portfolio managers who have worked together for 25+ years
- ✓ Award-winning research analysts

Contact Cathleen Lesko or Richard Ciuba for more information and to obtain a GIPS Report. Portfolios are offered to clients as Separately Managed Accounts and are also available to RIAs on various platforms, including Envestnet, Fidelity Wealthscape, and Schwab. In addition to U.S. Dividend Growers, Innovators, Core and ESG portfolios, customized portfolios to meet your client-specific needs are available.

Performance Notes:

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