

ATHENA PURE VALUATION | PROFITABILITY

SMA COMMENTARY | QUARTER 2, 2022



KEY TAKEAWAYS

- ◆ The portfolio was down -9.4% in Q2 versus its Morningstar US Mid Value benchmark decline of 12.7%.
- ◆ Market conditions remain attractive for stock selection, especially value stocks.
- ◆ No stocks were traded during the quarter.
- ◆ The strategy served its purpose by holding value stocks which declined less than the overall market during this market decline.

Positive Impacts	Negative Impacts
One stock outperformed the benchmark by greater than 20% during the quarter. Huntington Ingalls (HI).	One stock underperformed the benchmark by greater than 20% during the quarter. Ford (F).

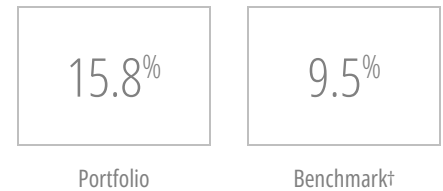
ECONOMIC AND MARKET PERSPECTIVE

- Markets experienced the worst yearly start since 1970, with large growth down a whopping 38% YTD, led by the tech sector. Small value stocks were among the best relative performers, down 10%. Compounding the situation for investors were major declines in both stocks and bonds, another extremely rare event.
- During Q1, the US economy shrank by 1.6%, driven by inventory reductions and larger than expected trade deficit. Second quarter activity was also weak. Counterbalancing the possibility of a recession PMI Manufacturing and Services indices are in the mid 50's, well above typical recession readings along with an unusually strong job market. The unemployment rate recently dropped to 3.6%, with unemployment claims much lower than the average years preceding the pandemic.
- The major challenge is high inflation. It is hard to know when it will begin to abate. Money supply growth (M2 and Monetary Base) is moderating and recent sharp commodity price declines along with the yield curve are suggesting lower future inflation are encouraging.
- Our market indicators are mixed, with market declines reigning in prices, valuation measures are in normal levels. Economic measures remain normal. Technical measures are weak, and our behavioral measures are poor for the US Large Cap Barometer and mixed overall.

The Pure portfolio's long-term performance profile remains attractive with 16 out of 20 years positive and periodic outsized returns of greater than 20% in 9 of those years.

PERFORMANCE^A

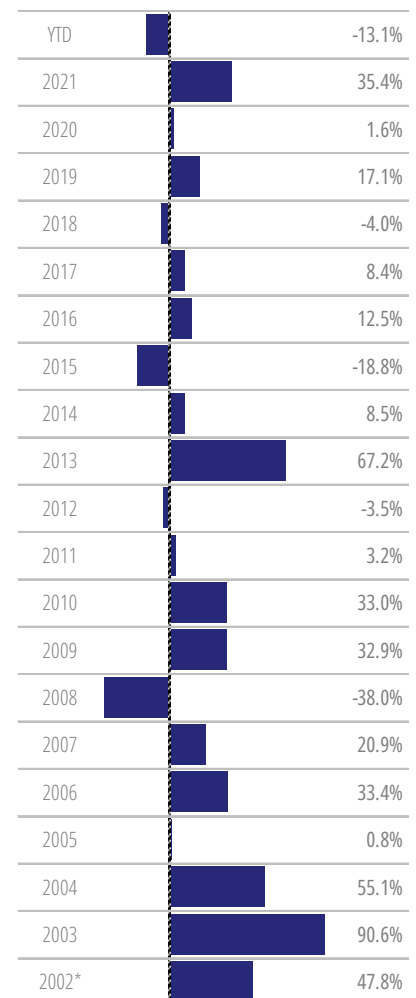
Annualized Since Inception (7/1/2002)



△ All performance figures are based on composite portfolio performance on a pre-tax basis with reinvestment of dividends and is net of all trading, custodial, and management fees.

† Portfolio benchmark is the M* Mid Value Index.

Calendar Year Performance



* 2002 return is Jul 1 – Dec 31 and is not annualized.

% ANNUALIZED TRAILING PERFORMANCE AS OF 6/30/2022

	Q2 2022	YTD	1 YEAR	3 YEARS	5 YEARS	10 YEARS	INCEPT
Pure Valuation Profitability (Net)	-9.4	-13.1	-7.2	9.3	7.8	9.4	15.8
Morningstar US Mid Value TR Index	-12.7	-8.4	-3.2	7.3	6.8	11.9	9.5

Investment returns presented assume reinvestment of dividends and capital gains and are net of actual management fees. Current performance may be higher or lower than what is shown. Benchmark performance is shown for comparison purposes only and it is not possible to invest directly in an index. Holdings shown and discussed in this analysis should not be deemed as a recommendation to buy or sell securities and the current portfolio holdings may be different than what is presented. There are risks involved in investing in any Athena Portfolio, including loss of principal.

For complete portfolio performance, risks, and disclosures please refer to athenainvest.com.

IMPORTANT DISCLOSURES

The information provided here is for general informational purposes only and should not be considered an offer or solicitation for the sale or purchase of any specific securities, investments, or investment strategies. It should not be assumed that recommendations of AthenaInvest made herein or in the future will be profitable or will equal the past performance records of any AthenaInvest investment strategy or product. There can be no assurance that future recommendations will achieve comparable results. The author's opinions may change, without notice, in reaction to shifting economic, market, business, and other conditions. These views may not be relied upon as investment advice or as an indication of trading intent on behalf of AthenaInvest.

It should not be assumed that recommendations of AthenaInvest made herein or in the future will be profitable or will equal the past performance records of any AthenaInvest investment strategy or product. There can be no assurance that future recommendations will achieve comparable results.

You are solely responsible for determining whether any investment, investment strategy, security or related transaction is appropriate for you based on your personal investment objectives financial circumstances. You should consult with a qualified financial adviser, legal or tax professional regarding your specific situation.

Investments involve risk and are not guaranteed.

The opinions expressed in this commentary are as of June 30, 2022.

PURE-QC-202206

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE PERFORMANCE.