

ATHENA PURE VALUATION | PROFITABILITY

SMA COMMENTARY | QUARTER 2, 2023



KEY TAKEAWAYS

- ◆ The portfolio was up 9.0% in Q2 versus its Morningstar US Mid Value benchmark increase of 2.5%.
- ◆ Herc Holdings Inc and Scotts Miracle Grow were bought. Hanesbrands Inc and American International Group were sold.

Positive Impacts	Negative Impacts
Five stocks outperformed the benchmark by more than 20% during the quarter CWH, DELL, CAH, CC and HRI.	One stock, SLVM, underperformed the benchmark by 15% during the quarter.

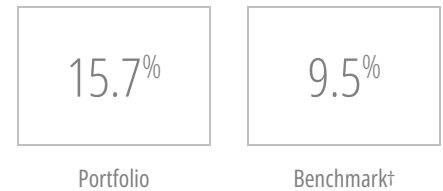
ECONOMIC AND MARKET PERSPECTIVE

- The S&P 500 gained 8.7% in Q2 led by mega-cap stocks. Value stocks lagged but also increased by 3.9% during the quarter.
- GDP grew by 2.0% in Q1, lower than the 2.6% growth in Q4 2022, but nearly matched the 2.1% growth rate for 2022. The labor market remains strong with the June unemployment rate at a near historic low of 3.6%.
- PMI Manufacturing and Services indices remain in the high 40's and low 50's, with the Manufacturing index softening and the Services index strengthening in June.
- Q2 estimated earnings are expected to decline by 7.2%, while Q1 reported earnings dropped less than expected. Forward earnings and prices reflect a 12-month S&P 500 forward median P/E ratio of 19, a bit higher than the five and 10-year averages.
- The one-year change in Core Personal Consumption Expenditures (PCE) was 4.6% in May and remains above the Fed's annual target of 2.0% for inflation. Based on historical rate hike cycles, it is reasonable to expect inflation to eventually settle in the 2% to 3% range.
- Behavioral indicators returned to normal for all three Market Barometers: US Large Caps, International Developed markets, and US Small Caps. Deep behavioral currents may have reached their lows and are trending higher.

The Pure portfolio's long-term performance profile remains attractive with 16 out of 21 years positive and periodic outsized returns of greater than 20% in 9 of those years.

PERFORMANCE^A

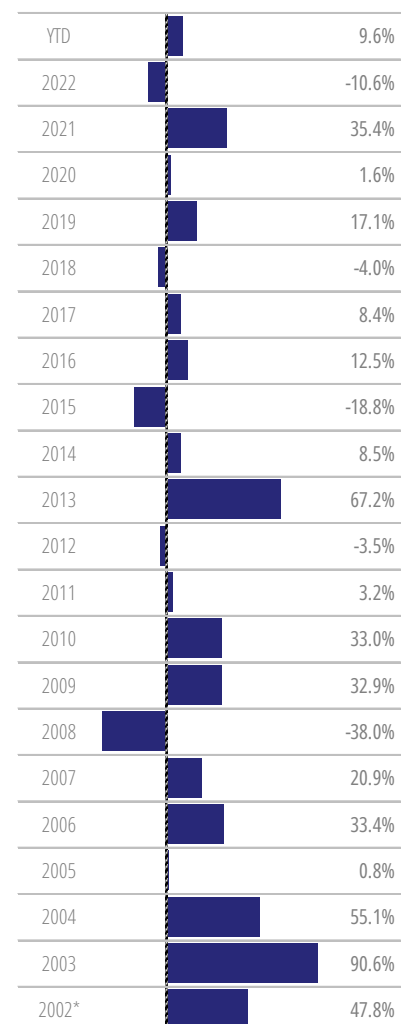
Annualized Since Inception (7/1/2002)



△ 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 6/30/2023

	Q2 2023	YTD	1 YEAR	3 YEARS	5 YEARS	10 YEARS	INCEPT
Pure Valuation Profitability (Net)	9.0	9.6	12.9	22.1	7.8	7.4	15.7
Morningstar US Mid Value TR Index	2.5	1.2	7.8	17.0	6.3	9.5	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.

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The opinions expressed in this commentary are as of June 30, 2023.

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PAST PERFORMANCE IS NO GUARANTEE OF FUTURE PERFORMANCE.