WORLDWIDE DIVIDEND PLUS STRATEGY

STRATEGY ASSET MANAGERS

STRATEGY

The market was fairly flattish in the third quarter as global trade tensions and concerns about a possible recession next year were countered by ongoing talk from the Federal Reserve that they stand ready to help the economy through further monetary easing if necessary. Global growth continued to slow during the quarter and inflation expectations remained muted. Although there has been progress in the US-China trade talks, there remains much to be worked out and this represents a significant hangover for the market. We remain optimistic that more progress will be made as it seems to us that easing tensions is in the best interest of both sides.

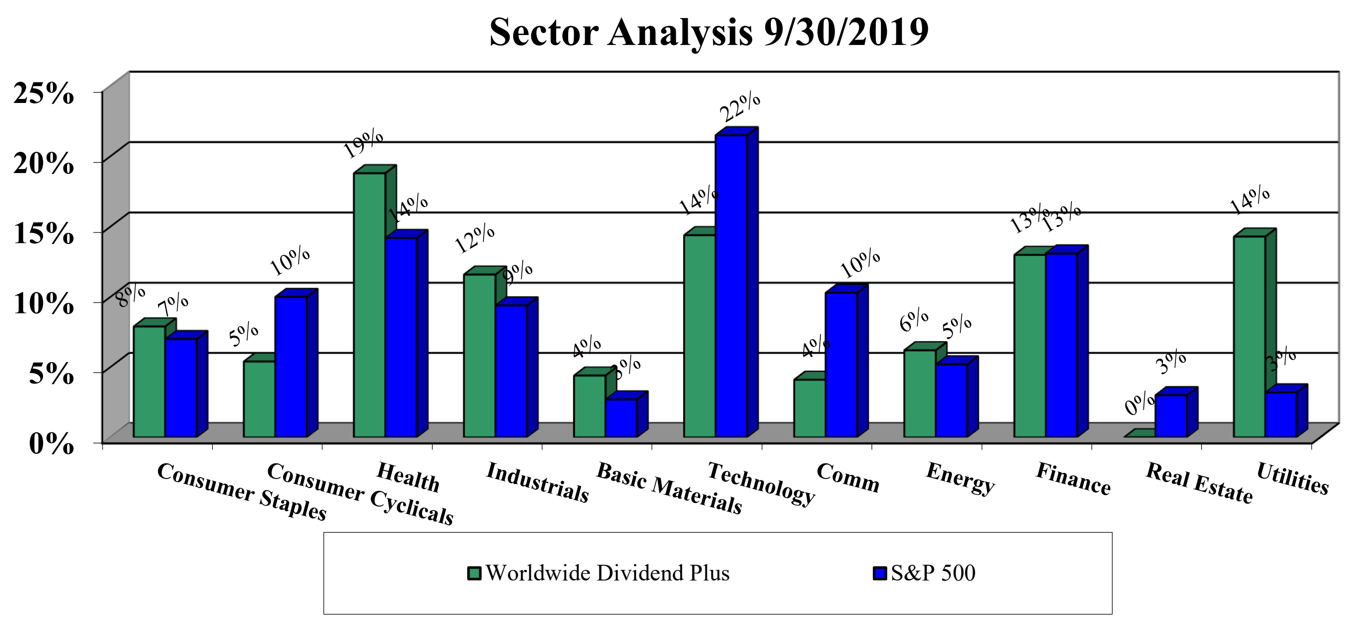
The Worldwide Dividend Plus strategy had a preliminary return of 2.1% in the third quarter and was slightly ahead of the Global Equity Benchmark return of 1.1%. A few of our names in the portfolio performed particularly well. One of our recent purchases, Target (TGT), appreciated significantly on the heels of a stellar earnings performance. Target is a "bricks and mortar" retailer that appears to be successfully gaining some market share in the e-commerce area and competing more effectively with other competitors such as Wal-Mart and Amazon. We purchased the position at an extremely attractive valuation, in our opinion. The portfolio's positions in electric utilities also benefited the portfolio as bond yields declined during the quarter.

Overall, we are very pleased with the performance of the portfolio this year thus far. While the market has had significant gains in 2019, we would not be surprised to see some consolidation over the coming months. However, our philosophy of buying high quality dividend growth compounders remains central to our strategy for building capital over time.

Past performance is no guarantee of future returns. This Worldwide Dividend Plus Strategy reflects the views of the Investment Advisor only through the date of this report. The Investment Advisor's views are subject to change at any time without notice based on market and other conditions. Portfolio characteristics and holdings are subject to change, and shown for illustrative purposes only. Please refer to the disclosure at the end of this report. September 30, 2019.

During the quarter, we purchased a position in Target (TGT), the multi-line retailer, and sold positions in Carnival, Altria and CenturyLink.

The sector chart below shows the sector weightings as of September 30, 2019



Below we have listed the top and bottom five performing stocks in the strategy for the third quarter of 2019.

Top 5 Performers in the Quarter		Bottom 5 Performers in the Quarter	
Target	28.6%	Pfizer	-16.3%
Texas Instruments	13.3%	Altria	-11.9%
Southern Co.	12.9%	Cisco Systems	-9.2%
Sysco Corp	12.9%	CenturyLink	-8.3%
Medtronic	12.7%	Royal Dutch Shell	-8.0%

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OUTLOOK

The third quarter was led by defensive sectors in the market as slower global economic growth resulted in concerns that a recession might be in the offing for next year. Our market outlook is still mostly positive. With the unemployment rate at record low levels, the consumer continues to show signs of strength. However, we are cognizant of the significant gains that have been realized by the market averages thus far in 2019 and thus our expectations for the balance of 2019 are somewhat muted. Our outlook on the equity markets has been guided by 3 main pillars: accommodative central bank monetary policy, low inflation and interest rates, and strong corporate earnings. The ongoing trade dispute with China is creating some earnings headwinds that may become an impediment to further gains in equities over the near term. A somewhat scarcer earnings environment going forward may result in an added premium being awarded to those companies that can show earnings improvement in a more difficult economic climate. We also believe that it is critical for clients to hold a diversified portfolio as political and economic conditions can change quite rapidly.

Both the ISM manufacturing survey numbers as well as the ISM services survey published recently were substantially weaker than the Street expected. At the same time, the secular forces that have been driving growth in the economy over the course of this expansion should not be underestimated. These seemingly conflicting data points are resulting in a more uncertain environment. We expect that the political noise coming out of Washington D.C and the approaching of the election next year will result in some increased market volatility. We suspect that the businesses will not be as volatile and thus this could create very compelling buying opportunities for our companies in the coming months ahead.