



NAMCOA[®]

Registered Investment Advisor

Naples Asset Management Company[®], LLC

WWW.NAMCOA.COM

NAMCOA Monthly Needs[™] Portfolio

2019 Report as of 06/30/2020

Investment Objective & Strategy

NAMCOA[®] Monthly Needs Portfolio[™] is a actively managed equity long portfolio with an objective of providing long term capital appreciation and dividends. The Portfolio adheres to a simple strategy of investing in a weighted portfolio of 25 stocks consisting of sectors that the average consumer spends monies on each month. Even though the portfolio has some companies with retail distribution, the portfolio is not weighted to that sector and is not focused on the retail end, but is mainly made up of manufactures, processors, and service providers for each one of the sectors selected. The Portfolio focuses primarily on U.S large-cap value stocks, but can invest in mid to small cap equities and foreign companies as well. The portfolio does not use any leverage.

Investment Performance

Monthly Total Returns Gross of Fees Since 2009

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
January	-7.07%	-2.72%	1.16%	0.04%	5.61%	-3.20%	-2.20%	-0.62%	0.004%	1.74%	5.15%	-0.45%
February	-8.11%	2.89%	4.07%	4.67%	3.76%	2.51%	3.28%	0.83%	2.70%	-4.77%	0.97%	-8.39%
March	3.52%	4.41%	0.38%	1.92%	4.81%	3.12%	-1.26%	4.33%	-0.27%	-1.40%	3.38%	-3.42%
April	2.97%	-0.29%	4.87%	0.45%	2.43%	1.14%	0.23%	1.40%	0.23%	1.45%	3.96%	4.46%
May	5.98%	-7.59%	-0.47%	-3.02%	-0.87%	2.44%	1.73%	1.53%	-0.69%	-0.26%	-4.30%	1.24%
June	0.94%	-1.39%	-1.56%	5.12%	0.90%	1.40%	-1.42%	3.53%	1.80%	1.38%	5.03%	-1.65%
July	5.62%	5.13%	-1.66%	1.69%	3.85%	-2.58%	2.57%	1.33%	1.76%	2.65%	1.28%	
August	0.48%	-0.59%	-1.11%	1.06%	-3.85%	4.42%	-3.64%	-0.68%	0.25%	1.98%	-0.64%	
September	0.93%	4.94%	-3.79%	2.21%	1.01%	0.24%	-0.72%	-0.43%	1.39%	0.90%	1.07%	
October	0.36%	2.38%	6.46%	1.43%	5.08%	3.50%	7.34%	-1.14%	1.56%	-2.52%	0.40%	
November	3.68%	-2.37%	2.56%	-0.37%	2.74%	1.79%	-0.71%	0.77%	4.13%	3.13%	1.33%	
December	1.76%	3.09%	3.52%	-1.20%	1.37%	0.12%	0.09%	2.21%	1.35%	-7.56%	2.28%	
Annual Returns	10.44%	7.31%	14.83%	14.61%	29.88%	15.63%	4.94%	13.70%	15.06%	-3.81%	21.38%	
S&P 500	26.45%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	

Annualized Total Returns Since Inception (07/08/2005) Gross of Fees as of 06/30/2020

	MRQ	YTD	1 Year	3 Year	5 Year	10 Year	SI
NMNP	4.01%	-8.39%	-3.05%	5.85%	7.93%	12.61%	8.54%
S&P 500	20.54%	-3.08%	7.51%	10.73%	10.73%	13.99%	8.83%
Excess returns	-16.53	-5.31	-10.55	-4.88	-2.80	-1.38	-0.29

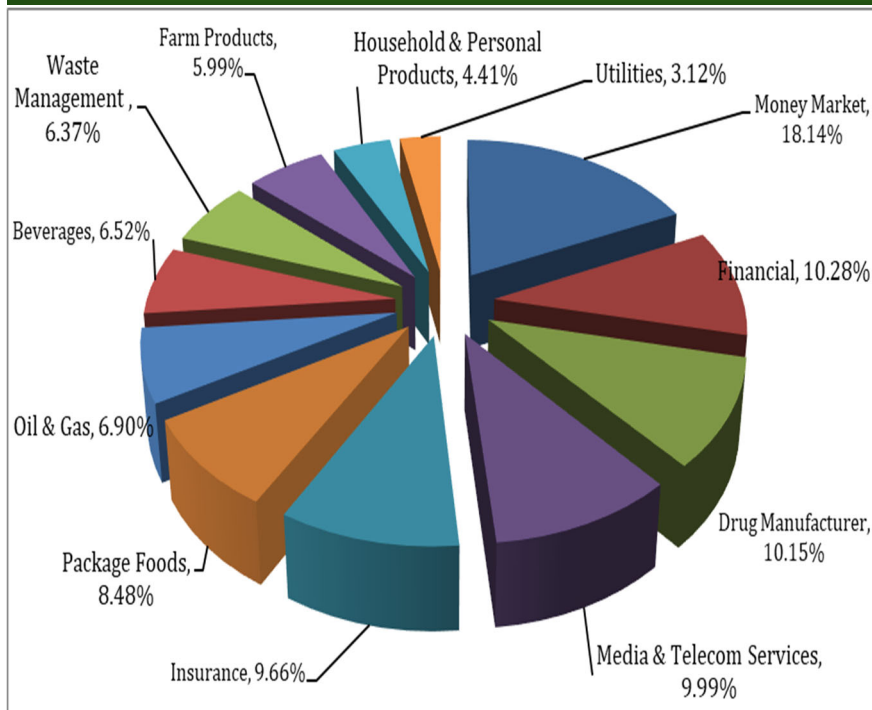
Additional Performance Statistics Since Inception (07/08/2005) Gross of Fees as of 06/30/2020

Average Return	0.73
Average Positive Return	2.33
Average Negative Return	-2.55
Total # of Months Above Index	87
Total # of Months Below Index	93

Past Performance is no guarantee of future results and the actual performance of the portfolio may be lower or higher than the performance of the strategy. Investment return and principle value of the portfolio will fluctuate causing shares of the portfolio, when redeemed, to be worth more or less than their original cost. Strategy returns do not reflect a maximum charge of 0.75% a year in management fees. There may be tax consequences unless purchased in an IRA or other qualified plan.

Sector Allocation

2018 Sector Performance



Best Performing Sector

Packaged Foods	2.21%
Waste Management	-2.24%

Worst Performing Sector

Oil & Gas	-47.69%
Farm Products	-31.71%

Portfolio's Top 5 Holdings

Waste Management	6.37%
J.M. Smucker	6.36%
Allstate Corp	5.83%
American Express	5.72%
Merck & Co Inc	4.65%

Top five holdings as a percent of Portfolio's gross assets based on closing prices As of 06/30/2020

Risk & Regression Analysis

	1 Year	3 Year	5 Year
Standard Deviation	11.26	10.93	9.70
Jensen Alpha	-7.23	-0.94	1.31
Beta	0.43	0.55	0.56
R ² Squared	0.71	0.74	0.72

Fundamental Characteristics

Dividend Yield (Forward)	2.64%
Current PE (12 mo. Trailing)	18.29
Current PE (12 mo Forward)	15.86
Weighted Avg. Mkt. Cap (Mil)	109,636.79

Efficiency Measures

	1 Year	3 Year	5 Year
Sharpe ratio	-0.41	0.38	0.70
Sortino Ratio	-0.49	0.50	1.02
Treynor Ratio	-10.60	7.43	12.16
Tracking Error	13.78	9.38	8.30
Information Ratio	-0.77	-0.52	-0.34
Batting Average	0.17	0.36	0.40
Upside Market Capture	29	57	60
Downside Market Capture	65	73	63

Drawdown Analysis

1 Year					3 Year				
Depth	Length	Recovery	Peak	Valley	Depth	Length	Recovery	Peak	Valley
-23.57%	42 Days		01/22/2022	03/20/2020	-23.57%	42 Days		01/22/2020	03/20/2020

2nd Quarter 2020 in Review

Portfolio Managers Commentary

The NAMCOA Monthly Needs™ Portfolio ended the 2nd Quarter, up 4.01%, 1653 basis points behind the S&P 500 which was up 20.54%. Year to date the portfolio is down -8.39%, 531 points behind the S&P 500 which is down -3.08%. All on a total return basis. The best performing sector was the oil & gas sector which was up 20.81%. The weakest performing sector was the utilities sector which was down -5.31%. In the second quarter we sold Visa and purchased American Express. The portfolio ended the quarter with 24 positions. In June the portfolio rebalanced which increased the total average shares by 34.67%. This reduced the money market fund from 42.69% at the end of the 1st quarter to 18.14%. This helped to increase the forward dividend yield to 2.73%. The annual turnover ratio ended the quarter at 50.46%. During the quarter Royal Dutch Shell cut its dividend by 65.96% from \$3.76 to \$1.28. This action was taken after oil plunged in the second quarter.

Management Fee:

The model advisory management fee is 1.00%. The investment management fee may be lower depending upon the size of the clients assets.

Naples Asset Management Co.® LLC (“NAMCOA”) is an independent, privately owned investment management firm registered with the Securities and Exchange Commission (SEC). NAMCOA offers the management of asset allocated portfolios of equities and fixed income.

Risk Considerations:

As with all investments, you may lose some or all of your investments in a portfolio. No assurance can be given that the portfolio’s investment objective will be achieved. The portfolio also may not perform as well as you expect. This can happen for reasons such as these: Securities prices can be volatile. Share prices or dividend rates on the securities in the portfolio may decline during the life of the portfolio. General risks of companies in the portfolio include extensive competition, pricing, product liability litigation, changing consumer trends and increased government regulation. If the perception of a company’s growth potential is not realized, the securities purchased may not perform as expected, reducing the portfolio’s return. Because of different types of stocks tend to shift in and out of favor depending on market and economic conditions, “growth” stocks may perform differently from the market as a whole and other types of securities. Inflation may lead to a decrease in the value of assets or income from investments.

You should consider the Portfolio’s objective, risk, charges and expenses and tax consequences carefully before investing. Past Performance is no guarantee of future results and the actual performance of the portfolio may be lower or higher than the performance of the strategy. Investment return and principle value of the portfolio will fluctuate causing shares of the portfolio, when redeemed, to be worth more or less than their original cost. Strategy returns do not reflect a maximum charge of 1.00% a year in portfolio management fees. There may be tax consequences unless purchased in an IRA or other qualified plan.

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A focused portfolio methodology involves rebalancing and maintenance of a focused portfolio does provide the advantages of a more concentrated portfolio for a higher total return or income but also increases risk along with that potential reward. Investment portfolios that obtain the highest returns for investors are not typically widely diversified portfolios but those with investments concentrated in a few industries, market sectors or asset classes that are substantially outperforming the overall market. A more concentrated portfolio

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