

**INVESTMENT OBJECTIVE AND STRATEGY**

The investment objective is to produce long-term capital appreciation by investing in broad, sustainable economic trends. The companies that meet our technical and fundamental criteria are likely to benefit from dynamic changes taking place around them. Our objective is to spot trends early and find companies that fit within our overall thematic framework and continue to meet our investment criteria. The portfolio may be fully invested or defensive by preserving principal in difficult markets.

**KEY STATISTICS †**

<b>Inception</b>	10/1/1994
<b>Morningstar ID</b>	F00000XISY
<b>Net Assets</b>	\$86,460,334
<b>Number of Holdings</b>	31
<b>12-Month Yield</b>	0.46%

**PORTFOLIO CHARACTERISTICS ‡**

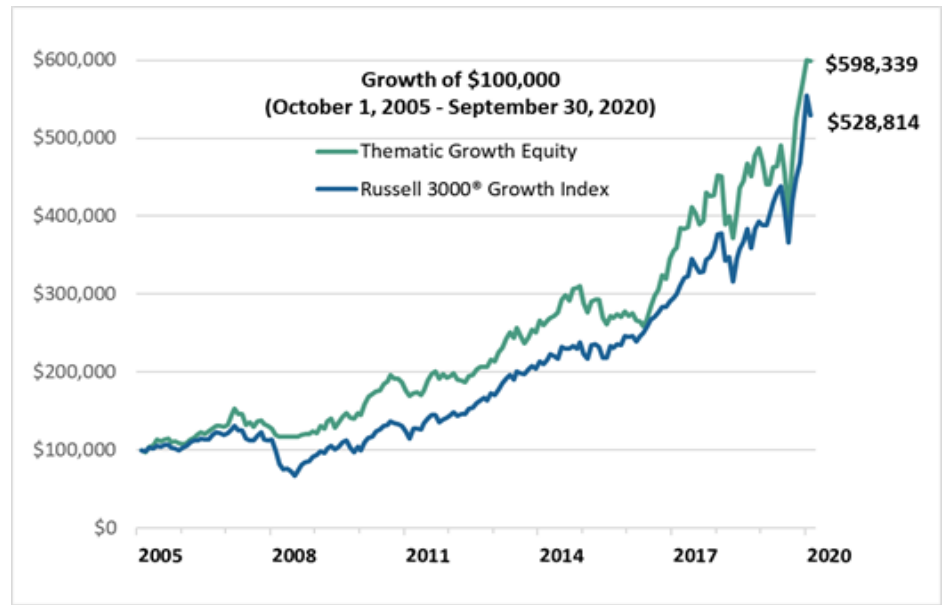
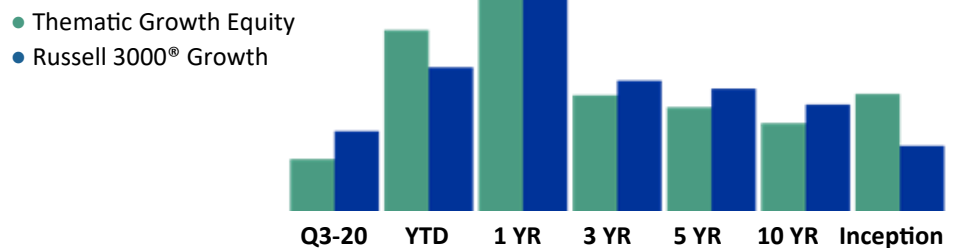
<b>Price/Earnings</b>	46.65
<b>PEG</b>	2.30
<b>Price/Book</b>	10.88
<b>ROE</b>	17.89
<b>ROA</b>	8.54
<b>Median Mkt Cap (\$M)</b>	24,251

**PERFORMANCE CONTRIBUTION ‡**

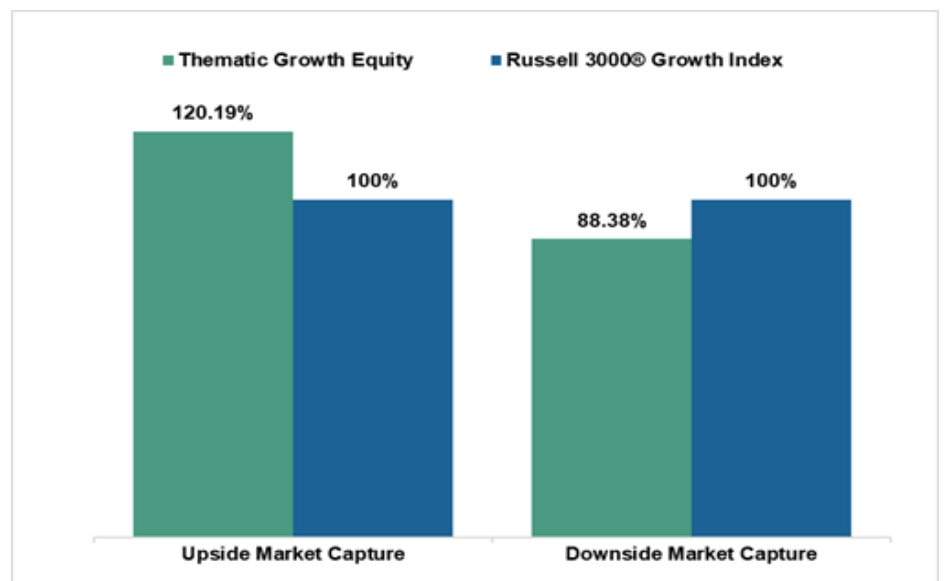
<b>RH</b>	2.42%
<b>The Trade Desk</b>	1.66%
<b>Veeva Systems</b>	1.14%
<b>Epam Systems</b>	1.07%
<b>DR Horton</b>	1.06%

**ECONOMIC THEMES ‡**

<b>Survival of the Fittest</b>	25.81%
<b>King Consumer</b>	19.35%
<b>Information Superhighway</b>	19.35%
<b>Productivity Enhancers</b>	19.35%
<b>Quality Healthcare</b>	16.13%

**15-YR CUMULATIVE RETURN †**

**PERIODIC RETURNS †**


	Q3-20	YTD	1 YR	3 YR	5 YR	10 YR	Inception
<b>Thematic Growth Equity</b>	8.34%	28.93%	35.73%	18.50%	16.63%	14.11%	18.62%
<b>Russell 3000® Growth</b>	12.86%	23.00%	36.12%	20.73%	19.51%	16.91%	10.44%

**UPSIDE / DOWNSIDE CAPTURE †\***


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## ABOUT THE FIRM

VCM, as a SEC registered investment advisor since October of 2000, has a fiduciary responsibility to put client needs first. We are independent from banks, brokers and insurance companies and do not confront the many potential conflicts of interest that face entities who may not be held to such standards. The two managing principals have 80 years of combined investment experience and have worked together since 1991. In addition to individual account management, the firm offers investment services through registered investment advisors in the United States. Overall investment strategy is focused on managing individual growth equity portfolios and a less aggressive total return approach that weighs a combination of income and growth. For clients who desire broad diversification, the firm offers Target Return portfolios using low cost, indexed, exchange-traded funds in actively managed models.

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## THEMATIC STRATEGY

Our thematic approach is the overriding component that drives the active portfolio management and stock selection process. Each theme is unique and created by our internal research to identify those areas in the economy that are likely to experience above average growth in earnings. Identifying these stocks is undertaken on a formal basis each quarter where we weed out disappointing stocks from our Approved List and replace them with new ideas based on our proprietary stock screening process. We rate each stock on our Approved List as to fundamental and technical attractiveness and then use these ratings to prioritize purchases. Portfolio weighting can be influenced by the sheer number of stocks that qualify for a theme on the Approved List. When our outlook for equity markets loses momentum, we may hold the proceeds of sales in cash until the market outlook improves.

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## PORTFOLIO MANAGERS

**Diane V. Nugent**, President/CEO, Managed Since 1994



Diane began her investment management career in a Swiss bank in 1986 and has worked with both retail and institutional investment firms in Europe, the United Kingdom and the United States. Diane can draw upon her business-management experience with responsibilities that have spanned equity-research analysis, portfolio management, closed-end fund management, client-relationship management as well as running a business.

Diane earned her M.B.A. in international finance from the Henley Business School in England and a B.B.A. from European University in Switzerland.

**Thomas E. Nugent**, EVP, CIO, Managed Since 1994



Tom began his career in December of 1968 as a Wall Street research analyst. He went on to manage individual and pooled portfolios for a regional bank, served as a representative for Arthur Laffer, the well-known economist, managed both mutual funds and individual institutional accounts for a Wall Street based mutual fund company and spent over twenty years in the design and implementation of lifestyle mutual fund portfolios for a West Coast retirement planning company.

He has also taught economics and business management at both the undergraduate and graduate level and is a Vietnam veteran.

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## DISCLOSURES

Sources: Captools Pro , Victoria Capital Management, Inc. and other data providers.

VCM, as the firm, is an SEC Registered Investment Advisor responsible for investing assets of individual and institutional investors. VCM invests in equities, exchange-traded funds, fixed income and money market instruments.

VCM composite descriptions are available upon request. Policies for valuing portfolios, calculating performance and preparing presentations are available upon request.

For further information please contact: **Victoria Capital Management, Inc. | Tel: 843-342-3044 | Fax: 843-342-3244 | Email: help@vcm.us.com**

† Performance is based on a Growth Equity composite that contains all discretionary accounts invested in a diversified portfolio of growth companies of all market capitalization ranges. Inception is October 1, 1994. The composite minimum initial value is \$100,000. The composite does not use leverage or derivatives. The composite was created in January 1995 to track performance since October 1, 1994. Portfolios in the composite have been managed by the same portfolio managers since inception in 1994.

† As of September 30, 2020, 5.49% of strategy assets and 15.12% of composite assets were non-fee-paying portfolios. The composite represents 36.30% of assets under management in this strategy.

† Performance is expressed in U.S. dollars. Returns are presented pre-tax, gross of management fees and custodial fees and net of all direct trading expenses. Performance data represents past performance and does not indicate future results.

‡ Portfolio holdings and characteristics shown are from a representative account managed within the composite. The representative account is selected based on account characteristics that VCM believes accurately represent the investment strategy as a whole. Holdings may change daily and may vary among accounts, which may contribute to different investment results. Performance contribution represents the weighted contribution to performance over the quarter ending September 30, 2020.

\*Upside capture measures the amount of return captured when the benchmark return is positive. Downside capture measures the amount of return captured when the benchmark return is negative. Returns presented are gross of management and custodial fees and net of direct trading expenses since inception.