Logan International Dividend ADR

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INVESTMENTS WITH AN INTERNATIONAL FOCUS

Q1 | 2021

LOGAN INTERNATIONAL DIVIDEND ADR PORTFOLIO Q1 | 2021 REVIEW[1]

MARKET ENVIRONMENT

Global equities performed well in the first quarter, as stock prices rose nicely in all major developed markets. In addition, value-oriented international equities outperformed their growth peers, and decisively so. For example, the MSCI EAFE Value index generated a 7.5% return versus a return of -0.5% for the EAFE Growth index. This presented a positive backdrop for Logan International, which enjoyed another good quarter, advancing 6.5% versus the 4.1% return for the strategy's primary benchmark, the FTSE Developed ex USA index. On the heels of last quarter's 13.8% return, the strategy's compound return for the last two quarter's is 21%, among the best back-to-back quarters in the history of Logan International.

So why the sudden turnaround in the growth/value dynamic, and will it continue? The answer to the second question is straightforward: nobody knows for sure. Regarding the first question, there are a number of factors, many of which we talked about in our last quarterly letter. The introduction of effective Covid vaccines fundamentally changed the entire world's potential economic trajectory. With that change came a fundamental shift in investors' perceptions about key issues such as consumer spending habits, interest rates, demand for natural resources (e.g. oil), and inflation. This marked shift stands in sharp contrast to the last several years. Even before Covid-19 struck, developed economies were performing below potential in terms of GDP growth. That placed a premium on growth, and that premium was exasperated by the pandemic, as investors flocked to companies benefitting from the work-from-home trade. U.S. technology stocks were the prime beneficiary of that trade.

Left behind were high-dividend yielding international equities. However, the marketplace began to shift its attention in early November following favorable vaccine developments from Moderna and Pfizer, and that shifted focus intensified in the first quarter. As the global economy continues to recover, earnings expectations have ramped up considerably. According to Factset, stocks in the Logan International portfolio are expected to grow their EPS by 14% in 2022, on average, as is the broader MSCI EAFE index.

One fairly sizable tailwind for international investors that reversed course in the quarter was currency strength. The U.S. Dollar appreciated fairly sharply versus most major currencies. The strength was likely due to continued progress on the vaccine front, as well as increased expectations for economic growth due to the recently approved $1.9 trillion stimulus package. In terms of developed market currencies, the U.S. Dollar strengthened versus the Japanese Yen (+6.6%), Swiss Franc (+6.1%), and Euro (+3.9%), while modestly decreasing versus the British Pound (-0.9%) and Canadian Dollar (-1.4%).

[1]LOGAN INTERNATIONAL DIVIDEND ADR results discussed herein should be read in conjunction with the attached performance and disclosures

However, the Federal Reserve continues to reiterate its intention to tolerate inflation above its previous target of 2%, and will therefore maintain short term rates around zero. Also, as the global economy recovers from the effects of lockdowns, second half GDP growth in Europe and Asia could surpass growth rates in the U.S. All else being equal, such actions would serve as a weight on the Dollar. As always, predicting currency movements is not something we attempt to do, as most times it is unpredictable.

PORTFOLIO REVIEW

In a strong quarter for value-oriented international equities, the portfolio performed very much as expected. Last quarter we stated "A strengthening economy should spur higher interest rates and firmer energy prices". Indeed, the changing economic landscape, along with accommodative fiscal and monetary policy, had a profound impact on various sectors and on the Logan International portfolio. Specifically, bond yields increased across the developed market, indicative of economic strength and an increased appetite for riskier assets. In Germany, according to Factset, the 10-year Government Bond, while still negative, increased from -0.60% at December 31, 2020 to –0.30% at March 31st. Similarly, oil prices increased more than 21%, rising from near $52 per barrel (Brent price) to $63 over the same time period. Consistent with such performance, first quarter leadership came from three economically sensitive sectors, each of which compose a sizable chunk of the Logan International ADR strategy. Specifically, Energy, Financials, and Industrials contributed the most to both relative and absolute performance. Similar to the fourth quarter, the stable sectors in the portfolio detracted the most from relative performance, as Health Care, Communication Services, and Consumer Staples lagged. At a country level, strength was widespread, as attribution was positive for eight of the nine countries in which Logan International investments reside.

In terms of portfolio trading activity in the quarter, we sold the positions of both a tobacco company and a pharmaceutical company on deteriorating fundamentals. Dislocations in the marketplace over the last twelve months presented us with a nice opportunity to upgrade the quality of the portfolio without paying a premium to do so. We also trimmed the positions of a few portfolio holdings and added to current holdings with a better risk/return tradeoff. In addition, we purchased shares of a Japanese pharmaceutical company with a healthy pipeline of late-stage drugs. We were attracted to the Company's cash-rich balance sheet and favorable capital allocation, as they have a nice history of rising dividend payments and have reduced their shares outstanding by 10% over the last five years.

PORTFOLIO OUTLOOK

Looking forward, if the vaccines do what we hope and expect they will do, the baton will be passed from fiscal relief and monetary stimulus to genuine economic growth. In March, the Economist projected 2021 GDP growth of 4.3% in the Euro area, 5.1% in the UK, 4.8% in Canada, and 2.7% in Japan. If achieved, that may well translate into firming, if not rising interest rates, and higher energy prices. A stronger economy is indeed supportive of higher profits, which in turn should facilitate higher dividend payments. Nevertheless, some of the more defensive names in the portfolio may lag should investors look to more economically sensitive stocks to invest in. In the grand scheme of things, we still view the portfolio as being conservatively valued, with an attractive gross dividend yield of 3.9% and a P/E on estimated 2021 earnings of 14.1x, compared to 2.2% and 27.5x for the FTSE Developed ex USA index.

What could change dynamics currently in place? As has been the case for the last year, adverse developments on the Covid-19 front could lead to renewed shutdowns. Europe has struggled to effectively distribute the vaccines, and new cases have edged higher in some countries. If such strains were to continue, all bets are off. In addition, whereas the U.S. has implemented a $1.9 trillion fiscal relief package, the EU is scrambling to get its €750 billion recovery fund through the courts. However, as we have learned over the last year, and as we have always espoused, investing based on short term trends is a difficult endeavor, and usually unprofitable. So as the saying goes, "trust the process."

Thank you for your continued confidence and investment in Logan International . As always, please call or email us if you have any questions.

COUNTRY	QUARTER RETURN IN US DOLLARS	1 YEAR RETURN IN US DOLLARS
AUSTRALIA	3.4%	68.4%
CANADA	9.6%	59.3%
FRANCE	4.4%	50.0%
GERMANY	4.2%	59.3%
ITALY	6.3%	53.0%
JAPAN	1.6%	39.7%
NETHERLANDS	11.2%	74.0%
SWITZERLAND	-1.9%	23.7%
SINGAPORE	8.9%	40.3%
UNITED KINGDOM	6.2%	33.5%

Source: MSCI

Investing internationally carries additional risks such as differences in financial reporting, currency exchange risk, as well as economic and political risk unique to the specific country. This may result in greater share price volatility. Shares, when sold, may be worth more or less than their original cost.

Indices are unmanaged and investors cannot invest directly in an index. Unless otherwise noted, performance of indices do not account for any fees, commissions or other expenses that would be incurred. Returns do not include reinvested dividends.

The MSCI EAFE Value Index measures the performance of stocks in European, Australasian, and Far Eastern markets that represent value characteristics.

The FTSE Developed All Cap ex US Index is a market-capitalization weighted index representing the performance of large, mid and small cap companies in Developed markets excluding the USA. The index is derived from the FTSE Global Equity Index Series (GEIS), which captures 98% of the world's investable market capitalization. Exchange Traded Funds (ETF's) are sold by prospectus. Please consider the investment objectives, risks, charges, and expenses carefully before investing. The prospectus, which contains this and other information about the investment company, can be obtained from the Fund Company or your financial professional. Be sure to read the prospectus carefully before deciding whether to invest.

The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada.

The MSCI EAFE Growth Index measures the performance of stocks in European, Australasian, and Far Eastern markets that represent growth characteristics.

This material represents an assessment of the market and economic environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results. Forward-looking statements are subject to certain risks and uncertainties. Actual results, performance, or achievements may differ materially from those expressed or implied. Information is based on data gathered from what we believe are reliable sources. It is not guaranteed as to accuracy, does not purport to be complete and is not intended to be used as a primary basis for investment decisions. It should also not be construed as advice meeting the particular investment needs of any investor. Past performance does not guarantee future results.

TEN LARGEST PORTFOLIO HOLDINGS	% OF PORTFOLIO
Siemens AG	3.5%
Total SE	3.1%
ABB Ltd.	3.1%
Royal Dutch Shell Plc Class B	3.0%
Canadian Imperial Bank of Commerce	3.0%
Sanofi	2.9%
AXA SA	2.9%
Novartis AG	2.9%
Allianz SE	2.8%
Toyota Motor Corp.	2.7%

LONG-TERM TRACK RECORD	TOTAL RETURN NET OF FEES	TOTAL RETURN GROSS OF FEES	FTSE DEVELOPED X US
QTD	6.3%	6.5%	4.1%
1 Year	32.7%	33.2%	49.2%
3 Year	3.7%	4.0%	7.2%
5 Year	6.1%	6.5%	10.0%
10 Year	5.6%	5.5%	6.0%
Since Inception†	3.4%	3.8%	4.1%

Annualized Returns (as of 3/31/2021). Time period greater than YTD is annualized.
†Inception of (12/31/2006)
Reference performance disclosure

LOGAN AUM+AUA

Strategy AUM	$64M
Strategy AUA	$71M
Firm AUA	$1,391M
Firm AUM	$2,298M
Total Firm AUM+AUA	$3,689M

Numbers are subject to rounding differences
AUA has a one month data lag

Past performance does not guarantee future results. The holding identified do not represent all of the securities purchased, sold or recommended for advisory clients. The views expressed are those of Logan Capital. Any securities, sectors or industries discussed should not be perceived as investment recommendations; any security discussed may no longer be held in an account's portfolio. It should not assumed that investment in any of the securities, sectors or industries listed were or will prove to be profitable. Sector or industry weights of any specific account can vary based on investment restrictions applicable to that account. The securities discussed do not represent an account's entire portfolio and in aggregate may only represent a small percentage of an account's portfolio holdings.

Performance Disclosure

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Logan Capital Management, Inc.
Performance Results: International Dividend ADR Composite
December 31, 2006 through March 31, 2021

Year	Total Return Net of Fees	Total Return Gross of Fees	FTSE Developed x US	Number of Accounts	Composite Dispersion Gross of Fees	Composite 3-Yr Gross Std Dev	FTSE Developed x US 3-Yr Gross Std Dev	Composite 3-Yr Gross Sharpe Ratio	Assets in Composite ($millions)	% of Firm Assets	Firm Assets ($millions)
YTD 2021	6.3%	6.5%	4.1%	16	N.M.	17.1%	17.9%	0.2	$29	1.3%	$2,301
2020	-3.3%	-3.1%	10.3%	11	N.M.	17.6%	18.2%	0.0	$3	0.2%	$2,240
2019	21.0%	21.4%	22.0%	14	0.1%	10.8%	10.8%	0.6	$27	1.3%	$2,050
2018	-13.6%	-13.2%	-13.8%	11	0.4%	10.5%	11.3%	0.2	$22	1.6%	$1,431
2017	20.2%	20.6%	25.0%	16	0.4%	9.7%	11.9%	0.8	$7	0.4%	$1,590
2016	5.1%	5.5%	1.0%	16	0.3%	10.8%	12.5%	0.0	$23	1.7%	$1,401
2015	-1.4%	-1.0%	-0.8%	17	0.2%	11.3%	12.5%	0.5	$19	1.4%	$1,398
2014	-2.7%	-2.5%	-4.9%	14	0.2%	11.7%	13.0%	1.0	$18	1.0%	$1,816
2013	20.1%	20.4%	22.8%	11	0.4%	14.0%	16.3%	0.9	$14	0.7%	$2,061
2012	19.3%	19.6%	17.3%	9	0.6%	17.8%	19.4%	0.3	$10	0.5%	$1,932

Annualized Returns (03/31/2021)

Year	Total Return Net of Fees	Total Return Gross of Fees	FTSE Developed x US
1 Year	32.7%	33.2%	49.2%
3 Year	3.7%	4.0%	7.2%
5 Year	6.1%	6.5%	10.0%
10 Year	5.6%	5.5%	6.0%
Since Inception†	3.4%	3.8%	4.1%

†Inception 12/31/2006
N.M. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

Performance Disclosure

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Logan International Dividend ADR Composite contains fully discretionary large cap international equity accounts, measured against the FTSE Developed x US benchmark. You cannot invest directly in an index. The FTSE Developed ex US Index is part of a range of indexes designed to help US investors benchmark their international investments. The index comprises Large (85%) and Mid (15%) cap stocks providing coverage of Developed markets (24 countries) excluding the US. The index is derived from the FTSE Global Equity Index Series (GEIS), which covers 98% of the world's investable market capitalization.This benchmark is used for comparative purposes only and generally reflects the risk and investment style of the composite. The sharpe ratio is included to help investors understand the return of an investment compared to its risk. The ratio is the average return earned in excess of the risk-free rate (90 Day U.S. TBill) per unit of volatility or total risk.

The strategy invests in 35-45 large and established international, dividend-paying companies that are primarily located in developed countries and have American Depository Receipts ("ADR's"). Portfolios are diversified across seven to eleven sectors and at least ten countries. Up to 15% of the portfolio may be invested in non-EAFE countries. Turnover is typically under 35% annually. Only accounts paying commission fees are included. There is no minimum account size.

Logan Capital Management, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Logan Capital Management, Inc. has been independently verified for the periods April 1, 1994 through December 31, 2020. A copy of the verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedure for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

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Logan Capital Management, Inc. is a privately owned Pennsylvania-based investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Registration as an investment adviser does not imply a certain level of skill or training. The verbal and written communications of an investment adviser provide you with information you need to determine whether to hire or retain the adviser. The firm maintains a complete list and description of composites, which is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees, net of all withholding tax and includes the reinvestment of all income. Gross of fee returns, have, however, been reduced by all actual trading expenses. Net of fee returns are calculated net of actual investment management fees & actual trading expenses. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year.

Additional information regarding the policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

The investment management fee schedule for non-wrap accounts is as follows: 75 basis points on the first $10 million, 65 basis points on the next $15 million, 60 basis points on the next $25 million and 50 basis points on the next $50 million. Fees for accounts with over $100 million in assets are negotiable. Minimum fee is $37,500. Actual investment advisory fees incurred by clients may vary.

The Logan International Dividend ADR Composite was created November 30, 2013. On 03/31/20, the benchmark for the Logan International Dividend ADR Composite was reviewed and replaced to provide greater transparency and accuracy into the holdings. As a result, the composite benchmark was changed from the MSCI EAFE Index (which excludes all of North America) to the FTSE Developed x US benchmark.