
FOURTH QUARTER 2020

Hopeful but Cautious

The continuation of the market rally during Q4 surprised us. The signs of hope we currently see for the market are the possibility of another stimulus package, an accelerated rollout of the COVID vaccine and continued earnings growth in many sectors of the market.

The market became overvalued last summer. The rally in Q4 stretched valuations ever further. This is in spite of the long term damage to retail restaurants, airlines and commercial real estate. Many people have depleted their personal savings which will put a damper on any future recovery for the economy.

Portfolio Analysis

The Triboro Socially Responsible Portfolio had a disappointing quarter. The strategy was +4.2% (gross of fees) vs +8.1% for the MSCI KLD 400 Social Index.

Positive & Negative Contributors to Performance

Our best performing sectors in Q4 were Technology and Financials. In both sectors our outperformance was due to selecting stocks that can succeed in the current environment.

F5 Networks, Inc. (FFIV) provides products and services to improve the performance and security of applications that run on the internet. The stock rose 43% during Q4 as the company saw continued strong demand for its products.

Morgan Stanley (MS) is a world leader in investment banking and asset management. The stock rose 42% during Q4 as the earnings exceeded estimates. The company also benefitted from their purchase of E*Trade Financial.

The worst performing stock in Q4 was Intel Corp (INTC). The stock declined 10% during the quarter. A weak outlook for future sales and earnings growth led us to sell the stock in late November.

We continue to search for companies that are in businesses that can thrive in this climate. We also like companies that have strong balance sheets that will be able to survive this period.

Sustainable Investing Trends

Investors now consider environmental, social and governance (ESG) factors across \$12 trillion of professionally managed assets. Sustainable, responsible and impact (SRI) investing in the United States continues to expand at a healthy pace as investors increasingly recognize the benefits of this approach.

Executive Summary

- We will continue to hold defensive names in the portfolio in 2021 as we still see a downside risk to the market due to overvaluation.
- We have adapted our process to fit the present situation. We search for companies that are still able to grow their business.
- We appreciate your business and our team is always available to assist with questions or to explore a deeper conversation.

Philip Mendelsohn, CFA
Portfolio Manager

Past performance is no guarantee of future results. Investing involves risk including the loss of principal. For Professional Financial/Institutional Use Only — Not For Public Distribution.



Socially Responsible Portfolio Commentary

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.

Nothing contained herein is to be considered a solicitation, research material, an investment recommendation or advice of any kind. The information contained herein may contain information that is subject to change without notice. Any investments or strategies referenced herein do not take into account the investment objectives, financial situation or particular needs of any specific person.

Past performance is no guarantee of future results. Investing involves risk including the loss of principal. For Professional Financial/Institutional Use Only — Not For Public Distribution.