



INVESTMENT STRATEGY

Third Quarter 2019

ECONOMY

- Globally, the economy is slowing and central banks continue to lower their growth forecasts.
- In the U.S., the economy appears to still have some strength left. July marks the 10th year of the economic expansion, making it the longest expansion in U.S. history.
- However, uncertainties about the outlook for the U.S. economy continue to increase.
- Major headwinds include: Trump's trade war with China and others; monetary policy changes at home and abroad; and weakening consumer spending, manufacturing, and corporate earnings.

MARKETS

- Despite slowing global economic growth, major U.S. indices continue to hit all-time highs.
- Markets are expecting at least one Fed rate cut in Q3, with potentially more before year end.
- Bond yields have plunged back to multi-year lows, due to easing monetary policy and global investor's seeking safety.
- "Risk-on" sectors, such as Technology and Consumer Discretionary, have led the rally for the first half of the year. However, almost every sector has experienced double-digit returns.

STRATEGY

We continue to focus on risk reduction, through:

- Appropriate asset allocation
- Intermediate term bond maturities
- Over-weighting of recession resistant sectors (consumer staples, health care, utilities)
- Use of stronger balance sheet, higher yielding stocks
- Cash reserves

	Eastover Core Model Portfolio	S&P 500 Index
Dividend Yield	2.93%	1.90%
Forward P/E	18.3	17.7
Equity Beta	0.80	1.00
Portfolio Beta (w/ cash)	0.65	1.00

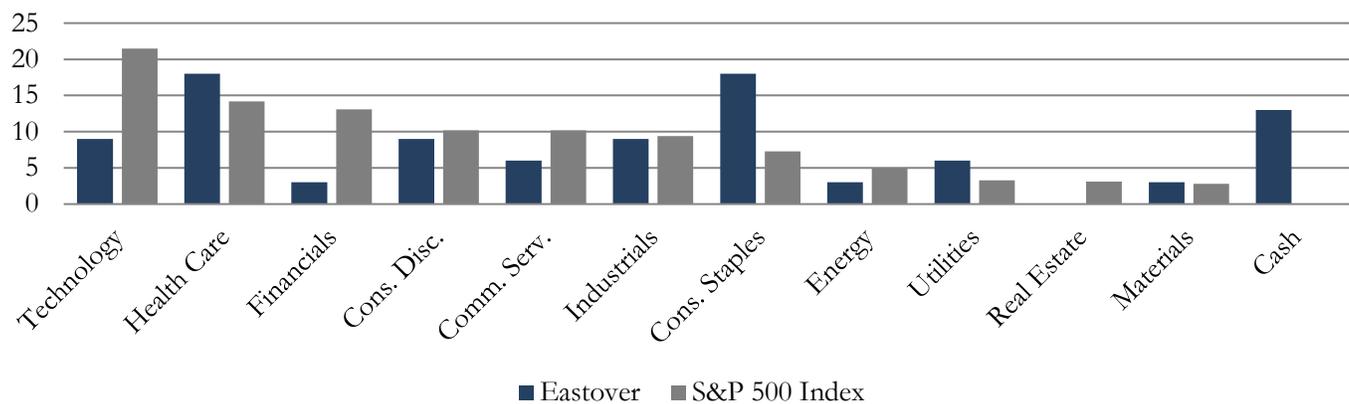
Top 5 Holdings*

Microsoft Corporation (MSFT)
Starbucks Corporation (SBUX)
Walt Disney Company (DIS)
American Water Works (AWK)
Honeywell Intl Inc (HON)

**As of June 30, 2019*

ASSET ALLOCATION

As Of June 30, 2019



Holdings and Asset Allocation are as of June 30, 2019 and subject to change. The specific securities identified and described within this presentation do not represent all of the securities purchased, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified was or will be profitable.

**Will Mackey – CEO
& Client Advisor**



Will serves as Chief Executive Officer and Client Advisor for Eastover. Prior to joining Eastover, Will has served multiple national and regional firms in his twenty-five years in the investment industry. He started out as a Financial Advisor, and since then has held multiple leadership roles, including National Sales Manager, Director of Business Development, and founder and CEO of a FINRA member firm. He received a bachelor's degree from the University of South Carolina.

Outside of Eastover, Will spends his time with his wife and three daughters and is an active member of Forest Hill Church. He enjoys a friendly/competitive round of golf with his friends & cooking on his Big Green Egg.

**Donn Toney –
Co-Founder &
Economic Advisor**



Donn cofounded Eastover in 1988. Prior to Eastover, he founded Interstate Asset Management, a subsidiary of Interstate Securities, now a part of Wells Fargo. Donn serves as our Economic Advisor and is a member of our Investment Policy Committee. He brings over forty-five years of industry experience to the table. He received a bachelor's degree from Indiana University and an MBA from the University of Hartford.

When he isn't working, he spends time with his wife of 50 years, Dottie; his two daughters; and five granddaughters — taking trips and watching or playing sports. Donn is also involved at his church and at the Charlotte City Club.

**Justin M. Brooks –
Portfolio Manager**



Justin joined Eastover in March 2015. He handles all the trading, research, and portfolio management duties of the firm. Prior to Eastover, Justin supported the New York Institutional trading desk for Merrill Lynch. He received a bachelor's degree in Economics from Clemson University. Justin is a member of our Investment Policy Committee. He holds his Series 65 license and has passed level 2 of the CFA program.

When he isn't in the office, Justin spends time outdoors with his family and friends. He is always tackling new renovation projects on his 1940s home with his dog, Luna, who follows him everywhere.

**David Morgan –
Client Advisor**



David joined Eastover in 2009 and brings over twenty-five years of experience in the investment, trust and private banking industries. As a Private Client Advisor, he worked with high net worth clients in all facets of family wealth management and planning. David also is a member of our Investment Policy Committee. A Charlotte native, he graduated with a Bachelor's of Science from Appalachian State University.

He has been involved with the Mint Museum of Craft and Design, has fundraised for the United Way & The Arts and Science Council, & is currently assisting with Loaves and Fishes. He is President of the Park Crossing Recreation Club in South Charlotte & President of the Delta Zeta Chapter of Pi Kappa Phi Alumni Association.

**Jon Nee –
Client Advisor**



Jon joined Eastover in 2019 with thirty years of experience in the financial planning, investment, private banking and trust arenas. In Jon's various roles, he assisted affluent families to simplify all their financial priorities. Jon graduated with a Bachelor of Science degree from West Virginia Wesleyan College.

Jon has been a member of the Children's Theater of Charlotte Board as well as a member of the Charlotte Arts and Science Grant Board. During his free time, Jon devotes his time to his wife and the various activities that involve his son or daughter. He also enjoys playing a tennis match or a round of golf with his friends.

**Anna Maria Jackson –
CFP® & Office Manager**



Anna serves as the Office Manager for Eastover. Since joining Eastover in 2013, she has completed the Financial Planner graduate course of study at Queens University, obtained the CERTIFIED FINANCIAL PLANNER™ marks from the CFP Board of Standards and holds a Series 65 license. Prior to joining Eastover, Anna was an Administrative Assistant at Cranfill, Sumner and Hartzog LLP. She received a bachelor's degree in Psychology and Public Health from the University of North Carolina Charlotte.

Outside of Eastover, Anna and her husband enjoy traveling and being involved in the Charlotte community. Anna is an active member of her church, St. Nektarios Greek Orthodox Church.