

*Investment*  
**PHILOSOPHY**

FCI's Select Growth investment process focuses on identifying high quality companies with superior earnings growth potential. Through qualitative and quantitative screenings, and valuation analysis, we strive to enhance long-term returns.

*Investment*  
**OBJECTIVE**

The strategy seeks long-term capital appreciation, primarily investing in equity securities of domestic companies. Our style is designed to meet a variety of investment objectives as we seek to provide consistent growth of principal and to outperform the Russell 3000 Growth Index net of fees, over rolling 3-5 year time horizons.

*Investment*  
**STRATEGY**

FCI's Select Growth is a strategy with a unique blend of top down macro economic trends and bottom up stock selection. Using a top down approach, the advisors evaluate the current economic environment, monetary and fiscal policies, secular macro trends to identify market segments, sectors or industries they believe have the potential to outperform the market as a whole. A universe of more than 14,000 equity securities is reduced to 2,500 by a proprietary, multi-factor research driven process. Market capitalizations are generally in excess of \$1 billion. Within this initial universe, securities are screened for certain quantitative factors, including: superior sales and earnings growth relative to company's economic sector, return on capital, free cash flow, and relative valuation. Following this quantitative screening, stocks undergo a thorough qualitative analysis focusing on key competitive advantages. They are then subject to proprietary valuation analysis, price confirmation, and exit strategies.

**WHAT SETS THIS STRATEGY APART?**

Limited number of investments leads to a focused strategy

Tactical approach utilizing macro themes

Forward looking and opportunistic investment style

Tenured, focused portfolio managers and analysts with ownership in the firm

Flexibility allowing responsiveness to changes in the economic and market environment

Close working relationship with FCI's institutional fixed income portfolio managers and analysts to ensure equity strategies benefit from fixed income research and expertise



## SECTOR WEIGHTINGS

Characteristic	Select Growth	S&P 500
Communication Services	12.8%	10.2%
Consumer Discretionary	13.6%	9.9%
Consumer Staples	3.7%	7.4%
Energy	1.3%	5.3%
Financials	3.7%	13.3%
Health Care	15.1%	15.5%
Industrials	10.6%	9.2%
Information Technology	35.9%	20.1%
Materials	1.3%	2.7%
Real Estate	2.0%	3.0%
Utilities	0.0%	3.4%

## STRATEGY CHARACTERISTICS

Characteristic	Select Growth	S&P 500
Forward Price/Earnings	21.5	17.9
Est. Long-Term Future Growth	18.5%	13.1%
Return on Equity	22.0%	14.8%
Cash Flow Yield	6.9%	9.1%
Price/Sales	3.4X	1.9X
Market Cap (wt. avg.)	\$266.5B	\$190.4B
Average No. of Holdings	50	500

## STRATEGY ASSETS UNDER MANAGEMENT

FCI manages **\$88.2 million** in the Select Growth Strategy.

## ABOUT FCI ADVISORS

FCI Advisors (FCI) strives to be recognized as a premier provider of investment management, risk management and advisory services. FCI was founded in 1966 and is a SEC Registered Investment Advisory (RIA) firm. The firm manages portfolios and provides investment solutions for a broad array of investors that include corporate, public and union pension plans, bank trust departments, insurance companies, mutual funds, endowments, foundations, charities and individuals nationwide. FCI is owned by MTC Holding Corporation. Our Midwestern fiduciary culture means that caring about clients' interests is at the heart of every decision we make. Our experienced professionals average over 20 years of experience.

## PORTFOLIO MANAGERS

*William Courtney, Co-CIO*

*Jeff Otto, CFA Co-CIO*

## TOP TEN HOLDINGS\*

*Apple, Inc.*

*Microsoft Corporation*

*Amazon.com, Inc.*

*Alphabet Inc. Class C*

*VISA, Inc.*

*UnitedHealth Group, Inc.*

*PayPal Holdings, Inc.*

*Zoetis, Inc.*

*Walt Disney Company*

*The Boeing Company*

\*Investments listed in descending order based on market value.

For further information, please contact us at:  
[SourceNotes@fciadvisors.com](mailto:SourceNotes@fciadvisors.com)