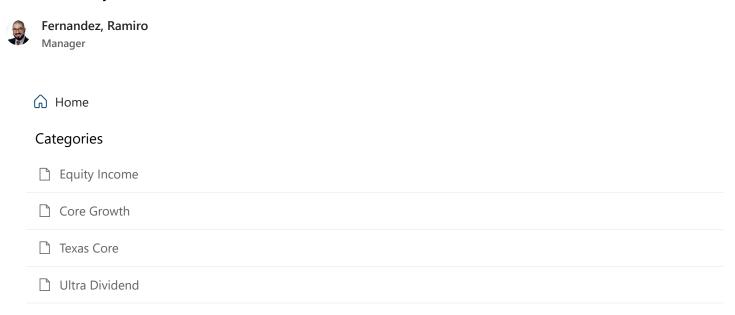
Several Equity Income Trades: KR, PFE, VLO, CNXC, GOOGL, UNH



On April 24th, we made the following trades in the Equity Income strategy.

Buys:

<u>Kroger (KR)</u>: We like Kroger's defensive positioning, free cash flow generation and compelling valuation. The acquisition of Albertsons is compelling but not core to our investment thesis. This will also reduce our underweight in consumer staples.

Pfizer (PFE): Due to both its strong Empirical ranking and recent stock weakness, we elected to add the stock. Looking beyond the COVID-19 slump at a good valuation, we like the stock's above-market dividend yield and potential downside protection in a sloppy market.

Sales:

Valero (VLO): Selling based on analyst recommendation and to lower overweight to equities. This leaves a modest overweight to the energy sector.

Concentrix (CNXC): Selling due to Empirical rank fading and stock performing poorly. In addition, competitors have begun to provide warning signs that could spill over to the company.

Trims:

UnitedHealth Group (UNH): A continuation of recent trims of a long-time outperformer. Stock is now held at market weight.

Alphabet (GOOGL): After a recent really to start the year, this trim brings the holding to market weight. In addition, this sale also reduces the overweight in the communication services sector.