

OVERVIEW

During the third quarter, the MSCI EAFE international stock index increased roughly 7%. The real estate, utilities, and communication services sectors drove the increase for the quarter, increasing around 17%, 15%, and 12%, respectively. The information technology and energy sectors were the two underperforming sectors as they were in negative territory.

The third quarter ended with healthy returns across most asset classes despite stocks being hit hard in early August from the combination of an interest rate hike in Japan and weaker US economic data. The less hawkish tone from Japanese policymakers and new stimulus in China helped support equities late in the quarter. Developed market equities returned nearly 7% over the period while parts of the market that previously suffered the most outperformed. Small caps delivered over 9% while growth stocks gave up their recent outperformance. We began to see a rotation out of growth into emerging markets and international markets, which we did not see in previous quarters.

The real estate sector outperformed as the European real estate markets are showing signs of recovery as the European Central Bank cuts rates and gradually cooling inflation supporting valuations. With bond yields falling, we saw the most negatively impacted sectors, utilities and real estate perform the best in the market in the third quarter.

In the quarter, we added new positions in Deutsche Post, BNP Paribas, Tokyo Electron, Canadian Pacific, and SMC Corp.

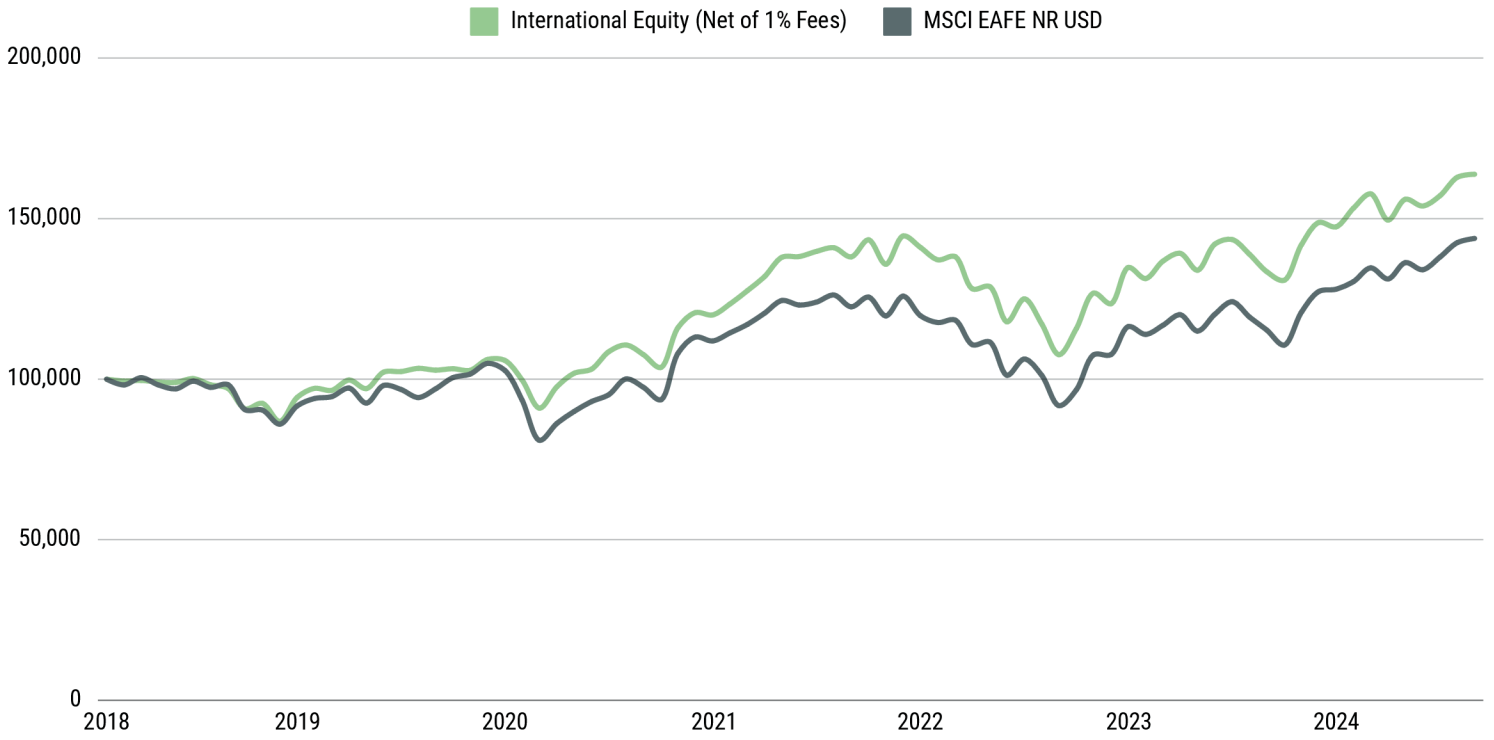
We exited positions in IFF, TelusCorp, Bank of Nova Scotia, BMW, and Accenture in the qtr.

Our goal is to have a portfolio of high-quality businesses with competitive advantages that can withstand changes in economic conditions and thrive through a business cycle. Companies with established moats often expand market share and strengthen their business during a downturn. These are the types of companies that we continue to look for in the International Equity strategy. While we cannot predict near-term risk factors, we can control the companies we invest in. Our disciplined approach of owning high quality, financially viable and intrinsically cheap companies form the International Equity portfolio.

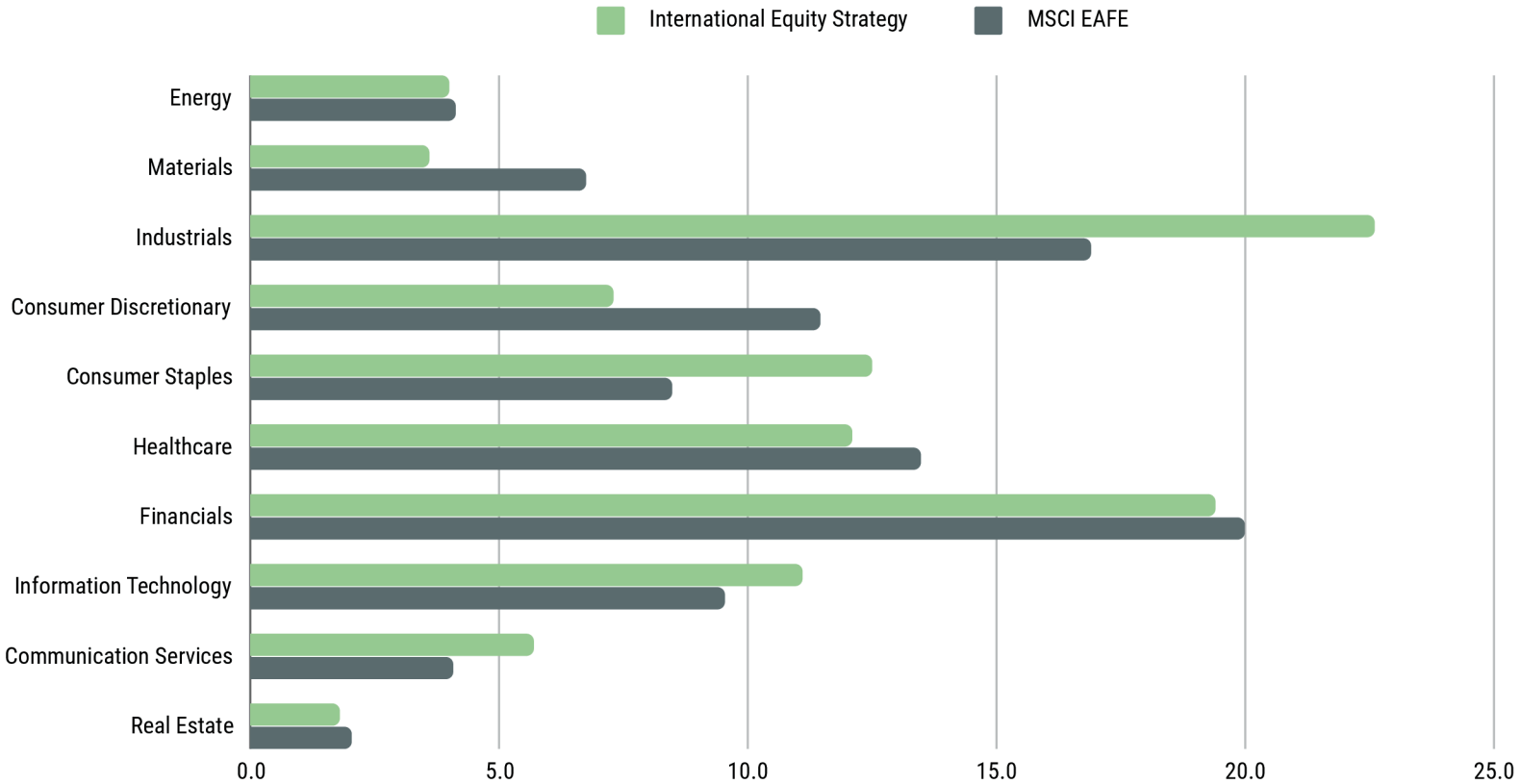


Unilever PLC ADR	3.3	Sanofi SA ADR	2.8
Lvmh Moet Hennessy Louis Vuitton SE ADR	3.2	Nintendo Co Ltd ADR	2.7
JPMorgan BetaBuilders Japan ETF	3.0	Deutsche Telekom AG ADR	2.5
SAP SE ADR	3.0	iShares® 0-3 Month Treasury Bond ETF	2.4
Deutsche Boerse AG ADR	2.9	Other	71.5
Aon PLC Class A	2.8		

GROWTH OF \$100,000



INTERNATIONAL EQUITY STRATEGY GICS SECTOR WEIGHTS



MEET THE TEAM



PETE TRONTIS, CFA Sr. Portfolio Manager

Pete joined Exencial Wealth Advisors as a portfolio manager for the Enhanced Yield strategy. Prior to joining Willingdon, he was a research analyst for Horizon Investments where he focused on global equity research and supported the firm's trading and performance reporting operations. Prior to Horizon Investments, Pete was a Market Risk analyst for Wells Fargo Securities. He began his career as an analyst for Liquid Credit Products at Bank of America.

Pete holds a BS in Finance and a BS in Economics from DePaul University where he graduated cum laude. He also holds an MBA from Duke University where he graduated in the top 10 percent of his class and was designated a Fuqua scholar. He is a CFA charterholder and a member of the CFA society of North Carolina.



RANDY FARINA, CFA Sr. Portfolio Manager

Randy joined Exencial as a Senior Portfolio Manager for the Core and International Strategies. Randy has an extensive background in global equities with over 20 years' experience as an analyst and portfolio manager. Randy also has experience in client service partnering with both institutional and retail relationship managers. Before Exencial, Randy was a Portfolio Manager and Analyst for 16 years on the Global Small Cap Team for Putnam Investments. Randy helped implement a structured investment process focusing on intrinsic value. During his tenure at Putnam Randy also developed and managed an apprentice program to train and develop junior analysts. Randy most recently comes from Westwood Global in Boston where he was a Senior Research Analyst focusing on an International Large Cap Strategy.

Randy has a Master of Science in Finance from Boston College and a Bachelor of Science in Business Administration from the University of Massachusetts at Lowell. Randy is a CFA charterholder.

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Past Performance is no guarantee of future results. The information contained herein should not be construed as personalized investment advice. Performance results prior to July 2020 occurred under the management of another investment advisor, Willingdon Wealth Management ("WWM"). That portfolio manager was solely responsible for selecting the securities to be bought and sold and was affiliated with an investment advisor other than Exencial. WWM and its strategies were acquired in July 2020 and at that time became part of Exencial and its investment strategies. The investment results prior to July 2020 are based on the performance of the International Equity Strategy in WWM accounts. Exencial now has access to and maintains the records supporting the performance of these accounts from inception to July 2020 and thereafter. From 02/2018 through the current month performance is based on the composite return net of fees of accounts invested in the International Equity Strategy.

All performance returns reflect the reinvestment of dividends and other earnings and the deduction of Exencial's investment advisory fee. Exencial's investment advisory fees are described in Part 2A of its Form ADV, which is available upon request. Clients may also incur other transactions costs such as brokerage commissions, custodial costs, and other expenses which are not reflected in the performance returns. Actual client accounts utilizing the International Equity Strategy may experience different weightings and allocation and as such the performance of a specific individual client account may vary substantially from the International Equity Strategy results. Exencial may depart from its strategic asset class allocations for particular strategies and allocate more or less to any asset class, or to other asset classes, in an attempt to add to the portfolios' overall returns. Exencial makes no representations that the results presented herein reflect the typical experience of an Exencial client nor that current or prospective clients will experience similar results in comparable situations. The International Equity Strategy holdings listed herein do not represent all of the securities purchased, sold, or recommended for clients during the reflected time period. Information on the methodology used to calculate the performance and a list reflecting the contribution of each holding in the International Equity Strategy Composite's overall performance during the time period is available upon request. Different types of investments involve varying degrees of risk, including total loss of principal, and there can be no assurance that any specific investment or investment strategy will be profitable or equal the results portrayed herein. Information presented herein is subject to change without notice and should not be considered as a solicitation to buy or sell any security. Comparison of the International Equity Strategy to the various indexes set forth above is for illustrative purposes only and the benchmarks have not been selected to represent the most appropriate or comparable benchmark with which to compare the International Equity Strategy performance, but rather to allow for comparison of the International Equity Strategy's performance with well-known and widely recognized benchmark indexes. It is not possible to directly invest in an index, as indices are unmanaged, hypothetical vehicles that serve as market indicators and do not account for the deduction of investment management fees or transaction costs generally associated with investable products, which otherwise have the effect of reducing the performance of an actual investment portfolio. The securities held in clients' accounts following a particular strategy and the International Equity Strategy may differ significantly from the securities included in a benchmark index, and the volatility of the securities may differ significantly from that of the benchmark index. A description of each index is available from us upon request. References to specific securities are presented principally to illustrate the firm's investment methodology or approach and are not being referenced to demonstrate Exencial's performance or investment results. Exencial is under no obligation to hold any equity position for any time period and Exencial's current recommendations are subject to change at any time without notice. A complete list of portfolio holdings and specific securities transactions for the preceding 12 months is available upon request. The information contained herein, while not guaranteed as to the accuracy or completeness, has been obtained from sources we believe to be reliable.

A moat, in the context of investing, refers to a sustainable competitive advantage that a company possesses, which allows it to maintain its market position and protect its profits from competitors over an extended period. The term is derived from the idea of a castle surrounded by a moat, which makes it difficult for invaders to breach the defenses.

The MSCI EAFE Index is designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada. The index is available for a number of regions and market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 21 countries. The countries are selected based on their provision of the lowest return variance for a given matrix of stock returns. This is calculated using the Barra Optimizer, which centers around mean variance portfolio optimization.