MITCHELL
CAPITAL MANAGEMENT

Asset Allocation Strategy

Philosophy

The philosophy of Mitchell Capital's Asset Allocation team is to build a fully diversified, global portfolio of stocks and bonds, recognizing that asset allocation has the greatest impact on overall investment returns.

Objective

The goal of this strategy is to provide consistent relative total returns for clients through price appreciation and dividend income using allocations that are appropriate to their specific situations.

Strategy

The Asset Allocation Strategy offers an approach to effective diversification through the use of exchange-traded funds. Through the combined expertise of our collective investment teams, we employ top down macroeconomic and asset class research to pursue the optimal balance of risk and return. The investment process starts with a core equity and fixed income allocation. We then direct the review and analysis of more specific asset classes to determine their prospective return characteristics. These are measured against the core allocation based on our determination of over, or undervaluation, and our belief that these classes will eventually revert to fair value. We then consider numerous factors including P/E ratios, expected growth rates, economic trends and expected correlations among the asset classes utilized and set allocations based on the combined return expectations.

Team

Jonn Wullschleger, CFA - PM-Equity, Principal
with Mitchell since 2000

Phil Kernen, CFA - PM-Fixed Income, Principal
with Mitchell since 2005

Brandon Reed, CFA - Equity Analyst
with Mitchell since 2016

Barbara Roszel - Chief Compliance Officer
with Mitchell since 1991

What sets this strategy apart?

An efficient method to achieve broad diversification

Easy for clients to understand what they own.

The strategy is designed to hold both stocks and bonds, but it can be easily adjusted to accommodate specific risk tolerances.

Recognizes that markets are inefficient and mean reversion can take a long time.

Asset Allocation Strategy

June 30, 2019

Strategy Characteristics

Characteristic	Portfolio
Dividend Yield	1.96%
Forward PE	16.8x
Price / Book	2.32x
Return on Equity	20.5%
Proj EPS growth	10.4%

Top Ten Indirect Holdings

Position	Allocation %
Microsoft Corp	2.1
Apple Inc.	1.9
Amazon.com Inc.	1.7
Alphabet Inc	1.6
Facebook Inc A	1.0
Berkshire Hathaway Inc. B	0.9
Johnson & Johnson	0.8
JPMorgan Chase & Co	0.8
Exxon Mobil Corp	0.7
Visa Inc	0.6

Sector Weightings

Sector	Portfolio %
Consumer Discretionary	12.7
Consumer Staples	6.9
Energy	4.8
Financials	16.5
Health Care	12.0
Industrials	11.6
Information Technology	20.1
Materials	4.0
Real Estate	5.1
Communication Services	3.0
Utilities	3.3
Cash	

Capitalization Profile

	Portfolio %
Large Cap Value	32.3
Large Cap Growth	33.1
Mid/Small Value	16.9
Mid/Small Growth	17.6

About Mitchell Capital Management

Mitchell Capital Management was founded in 1987 and is an SEC Registered Investment Advisor. The firm manages portfolios and provides investment solutions for an array of investors nationwide, including individuals, foundations, union pension plans, retirement plans, endowments and associations. Mitchell Capital has always been employee owned and intends to stay that way. Our fiduciary culture means our clients are the first priority in each decision we make.