



Berkshire

DIVIDEND STRATEGY

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“Casual Friday” Commentary

Casual Friday: Div Increase + Focus Like Tiger? – April 8th, 2022

"TGICF"

Dividend Increase Alert:

[PNC Bank Increases Dividend by 20%](#)

Please stay tuned next week we will offer our entire suite of quarterly marketing material.

Q1 Performance QuickTake -- Berkshire +0.20% (Q1 2022 Net of Fees)

Pleased to report “break even” performance during a volatile quarter. Downside protection is a priority for many invested in the strategy. What drove Q1 returns? “Value” outperformed as a factor, now part of a multi month trend. The more you were allocated to “large-dividend-value”, the better you tended to do on average. Broader performance headwinds were faced in growth, lower quality and “no-PE” type stocks. A strong economic backdrop, higher rates and modest inflation may continue to provide material benefits to our portfolio against the broader market.

Sector	Berkshire Sector Performance	Sector Weight	Sector Quick Take
Financials	-5.20%	18.70%	Strong 2021, Russia creates "risk off" trade; catalysts: rising rates, loan demand
Technology	-8.48%	17.66%	"Growth trade" pressured, supply chain pressuring chip makers
Health Care	3.49%	17.38%	Drug stocks breaking out? Strong cash flows, growing dividends and high intellectual property
Industrials	2.70%	13.98%	Underlying economic strength supporting industrial stocks; defense contractors in favor
Staples	-3.06%	9.43%	Supply chain and input inflation = margin pressures
Energy	34.35%	6.41%	A once "unlovable" industry rebounding: geopolitical, supply constraints
Materials	30.99%	3.53%	Nucor has excellence in management and execution

The focus, intensity and prescience of Tiger Woods.

Unless you are living under a rock, you know Tiger is shaking up golf and the limits of what we think is possible – AGAIN You CAN implement many of the ideas presented in this video into your business and personal life. “In the moment, totally present, and focused on the process”.

<https://www.youtube.com/watch?v=E8or2dGZT-w>

"Payphone Line" at The Masters?...

Cell phones are banned, so the pay phone becomes a hot commodity!

Plus 33 other incredibly interesting facts about the Masters:

<http://www.businessinsider.com/things-you-never-knew-about-the-masters-2017-4>

Regards,
Gerry

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Berkshire Asset Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®). Berkshire Asset Management is a fee-based, SEC registered advisory firm serving the portfolio management needs of institutional and high-net worth clients. The Dividend Growth Composite contains portfolios invested in Berkshire's Dividend Growth Strategy with an equity allocation target of 90% - 100%. The Dividend Growth Strategy's primary objective is to generate a growing stream of equity income by investing in a diversified portfolio of equities with stable, high, and growing dividends. The benchmark is the S&P 500 Index. The index returns are provided to represent the investment environment existing during the time periods shown. For comparison purposes, the index is fully invested, does not include any trading costs, management fees, or other costs, and the reinvestment of dividends and other distributions is assumed. An investor cannot invest directly in an index. Gross returns are presented before management and other fees but after all trading expenses. Net returns are calculated by deducting actual management fees from gross returns. Returns reflect the reinvestment of dividends and other earnings. Valuations are computed and performance is reported in U.S. dollars. To receive a complete list of composite descriptions and/or a compliant presentation, contact Jason Reilly, CFP® Tel: 570-825-2600 or info@berkshiream.com. Past performance does not guarantee future results.

Definitions: The S & P 500 Index is a market capitalization weighted index of the largest 500 U.S. stocks. It is a market-value weighted index (stock price times # of shares outstanding), with each stock's weight in the index proportionate to its market value. The index is designed to measure changes in the economy and is representative of most major industries. Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The index was developed with a base value of 200 as of August 31, 1992. Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. The index was developed with a base value of 200 as of August 31, 1992. You cannot invest directly in an index. BEst (Bloomberg Estimates) Earnings Per Share (EPS Adjusted) estimate returns Earnings Per Share from Continuing Operations, which may exclude the effects of one-time and extraordinary gains/losses. Beta is a measure of volatility vs. an index. Upside/Downside capture ratios refer to a portfolios performance as a percentage of either positive returns (upside) or negative returns (downside) vs. an index. Standard Deviation is a measure of total risk. Alpha, Beta and capture ratios are represented as calculated by Morningstar.

Risks: Past performance does not guarantee future results. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for an individual's investment portfolio. Dividends are subject to change, are not guaranteed, and may be cut. Investing based on dividends alone may not be favorable as it does not include all material risks. There is no guarantee any stated (or implied) portfolio or performance objective mentioned by Berkshire can be met. Berkshire's equity style may focus its investments in certain sectors or industries, thereby increasing potential volatility relative to other strategies or indices. The dividend strategy may include bundled services also known as a "wrap fee program". Because there is typically a low turnover in the strategy, this may be more costly for some investors. No one should assume that any information presented serves as the receipt of, or a substitute for, personalized individual advice from a qualified advisor or any other investment professional.

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