



Berkshire

DIVIDEND STRATEGY

Berkshire Asset Management
46 Public Square, Suite 700
Wilkes-Barre, PA 18701
570.825.2600

"Casual Friday" Commentary

Casual Friday: Q2 Materials Available + "Which Index?" – July 14th, 2023

#TGICF

Earnings are kicking off and we're wrapping up quarter-end...

Please [Schedule a Zoom, Teams or Phone Meeting Here](#) to discuss Berkshire midyear updates, outlooks and/or initiatives in your practice.

Updated Q2 2023 Strategy Marketing Material

- Equal and Opposite Forces at Play?: [Dividend Strategy Commentary 6.30.2023](#)
- Keep track of dividend increases: [Dividend Strategy Scorecard 6.30.2023](#)
- Formal slide deck: [Dividend Strategy Guide 6.30.2023](#)
- Quick One Pager: [Dividend Strategy Factsheet 6.30.2023](#)

Call or email if you're having trouble with any of the links, we'll send you PDFs directly.

Which Index?

Below are the top 5 YTD performance contributors to which Index?

Name	Total Return 12.31.22 - 7.12.2023	Contribution to Index Total Return
META PLATFORMS-A	139.93%	1.65%
BERKSHIRE HATH-B	11.80%	0.37%
SALESFORCE INC	71.42%	0.35%
ALPHABET INC-A & C	38.66%	0.28%
GENERAL ELECTRIC	70.35%	0.26%

(Source: Bloomberg)

Ok,ok. Maybe two of the names are a dead giveaway. But the other 3 names are reminiscent of the pure high-growth names of old. A few weeks back we discussed the attribution of the **Russell Large Value** and commented on Meta, Salesforce and Alphabet's influence. Some reached out to confirm we addressed the correct index – So your Friday fun fact, all three are indeed in the Value index and have heavily influenced YTD return. Also, non of them pay a dividend, for better or worse. (Source: Bloomberg)

Horse and Buggies, 19th Century Fudge, and no Chain Hotels?

“Known as the "Jewel of the Great Lakes," Mackinac Island (pronounced Mack-in-aw) has maintained its singular atmosphere by banning two things: cars and chain hotels.”

– Travel and Leisure

. Plan ahead (places seem to book up fast) and budget a few extra bucks (vacationing on an island stuck in the past doesn't come cheap). <https://www.mackinacisland.org/>

Have a great weekend!

Gerard Mihalick, CFA

Dividend Strategy Portfolio Manager/Partner
Berkshire Asset Management, LLC

Office (570) 825 – 2600

Berkshire Dividend Growth SMA is available through various custodians, broker-dealers and UMA providers. This commentary is Intended for Institutional and advisor use only. This commentary may make information of third parties available via website links. The Third-Party Content is not created or endorsed by Berkshire nor any business offering products or services through it. The delivery of Third-Party Content is for general informational purposes only and does not constitute a recommendation or solicitation to purchase or sell any security or make any other type of investment or investment decision. In addition, the Third-Party Content is not intended to provide tax, legal or investment advice. the Third-Party Content provided to is obtained from sources believed to be reliable and that no guarantees are made by Berkshire or the providers of the Third-Party Content as to its accuracy, completeness, timeliness.

Any companies referenced, have been done so, solely for illustrative purposes and not based on investment performance or attribution to the overall performance of the strategy. The companies identified herein do not represent all the securities purchased, sold or recommended for client accounts, and you should not assume that an investment in the companies identified was or will be profitable. Berkshire retains the right to revise or modify portfolios and strategies if it believes such modifications would be in the best interests of its clients. Model portfolios may or may not contain any specific security at any time, and decisions to invest should not be made based on the presumed or current composition of any model portfolio - A complete list of holdings in the Berkshire Dividend Growth Strategy.

Berkshire Asset Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To receive GIPS-compliant performance information for the firm's strategies and products, contact Jason Reilly, CFP® Tel: 570-825-2600 or info@berkshiream.com.

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.

*Market Commentary, Aggregate Holdings, Securities, Sectors, Portfolio Characteristics Mentioned: No statement made in this presentation shall construe investment advice. This presentation is for informational purposes only. Views, comments or research mentioned is not intended to be a forecast of future events. The mention of any security or sector is not deemed as a recommendation to buy or sell. Any reference to any security or sector is used to explain the portfolio manager's rationale for portfolio decisions or philosophy. Research or financial statistics cited regarding securities or sectors do not contain all material information about them. Any securities mentioned represent a partial list of holdings whereas Berkshire portfolios typically contain approximately 30-40 securities in percentage weightings ranging from 1-5%. A complete list of holdings from a representative account is available upon request. Overall portfolio characteristics mentioned are from a representative account deemed representative of the strategy; data may be compiled from Bloomberg, Baseline or Berkshire estimates. Individual holdings, performance and aggregate characteristics of actual portfolios may vary based on a variety of factors including market conditions, timing of client cash flows and manager discretion. This presentation contains Berkshire opinions and use of Berkshire estimates which are subject to change at any time. Berkshire employees may have personal positions in any securities or sectors mentioned. Charts, presentations or articles may be obtained from third parties and Berkshire does not guarantee their accuracy. *Platform restrictions may apply. Preliminary returns are based on composite estimates only. Individual accounts will vary. Copyright © 2021 Berkshire Asset Management, LLC, All rights reserved.*