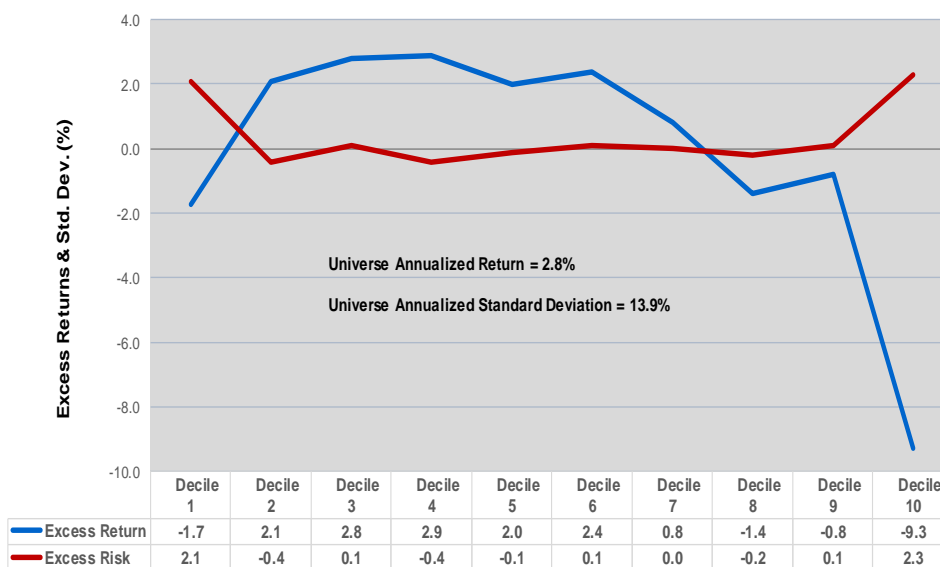


### Relative Earnings Trend Model (SDR)

Companies with high earnings variability can show wide swings in scores based on Ford's original Earnings Trend Model (SED). In order to compensate for this, Ford introduced the Relative Earnings Trend Model in September, 1991. The Relative Earnings Trend divides each company's earnings trend by the historical magnitude of its earnings trend (the standard error about zero of the past 60 month's earnings trends, or the months available if less than 60). Values greater than 1.0 or less than -1.0 are outside the average historical magnitude indicate positive and negative signals, respectively.

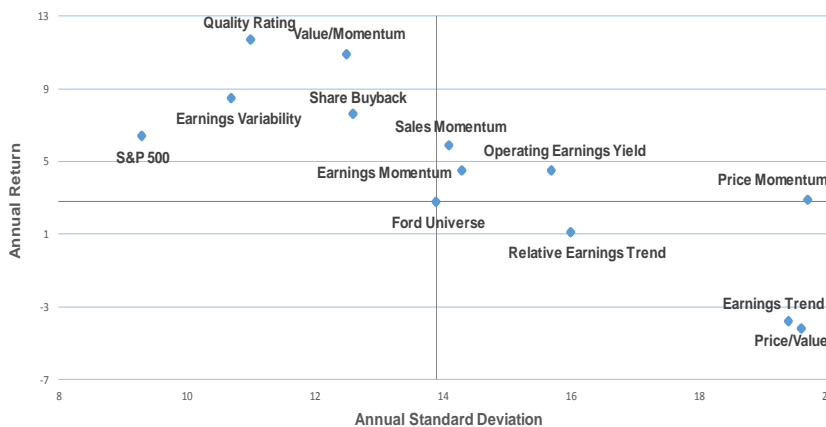
Ford's Earnings Trend analysis is a second derivative calculation, which measures the acceleration or deceleration in the change in earnings. The second derivative is calculated for a second order curve which best fits a companies trailing 12 month operating earnings per share for the past four quarters and an estimate for the current quarter. Ford's operating earnings series is adjusted for extraordinary items, cumulative accounting changes, sale of discontinued operations, and other major nonrecurring items.

### Ford Relative Earnings Trend Model (SDR) Decile Excess Returns & Std. Dev. (%) vs. Ford Universe 12/13 to 12/18



### Top Decile/Group Ford Stock Selection Models 12/13 to 12/18

SDR Excess Return Top Decile vs. Ford Universe (%)	
2014	-6.3
2015	-2.6
2016	4.0
2017	0.6
2018	-2.4



Performance is based on ranking the Ford Universe from best to worst for the model shown and dividing it into 10 equal-sized groups each month. The group returns represent equal-dollar investments in each stock each month, with monthly total returns linked to create annual and annualized results. Total returns, which sum month-end price changes and 1/12 of companies' indicated annual dividend rates, exclude transaction costs and management fees. The Ford Universe had 4023 companies at the end of 2018.

Quantitative model results are affected by market environment and are based on historical financial data. Certain material information for a company may not be reflected in models presented. The performance shown is based on large portfolios and may not be effective on every security. There is no assurance that future results will duplicate past results.

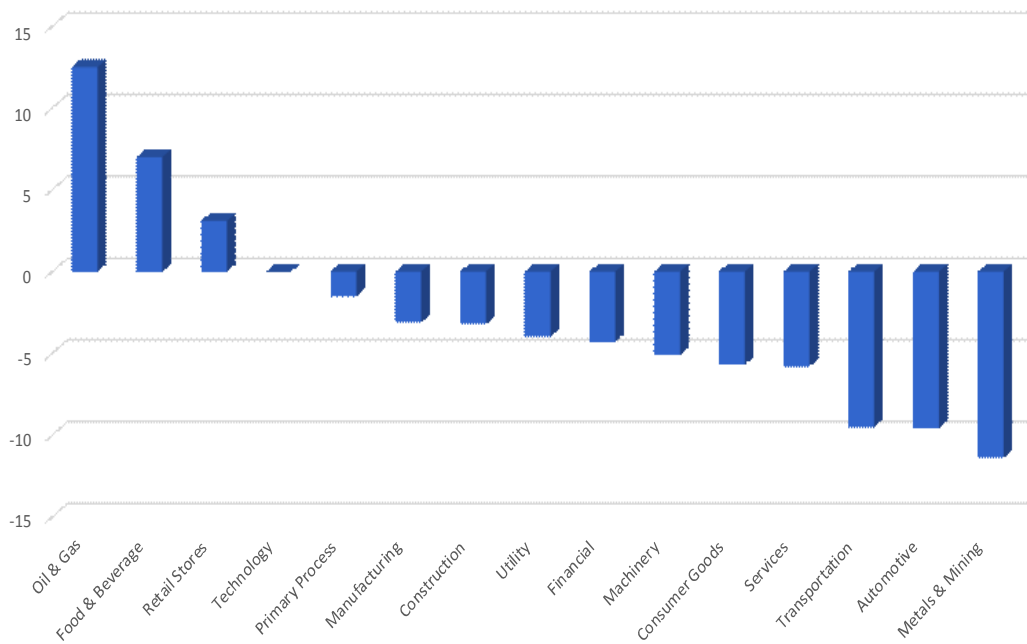
## SDR Decile Performance on Capitalization Sectors

Average Annual Returns (%) 12/13-12/18

Deciles	1	2	3	4	5	6	7	8	9	10	Cap Univ.
<b>Large Cap</b>	7.8	7.3	6.1	6.9	3.3	8.0	3.9	3.7	6.3	4.1	5.8
<b>Standard Deviation</b>	12.0	11.6	12.1	11.9	12.1	11.8	11.4	11.7	11.6	11.6	11.4
<b>Mid Cap</b>	6.3	7.6	7.5	4.5	6.2	5.0	4.1	4.3	2.6	-0.4	4.8
<b>Standard Deviation</b>	16.2	14.9	15.6	14.7	16.2	15.6	15.4	16.0	15.0	16.7	15.2
<b>Small Cap</b>	2.9	6.9	3.4	5.0	7.1	3.7	4.7	2.8	1.7	-4.1	3.5
<b>Standard Deviation</b>	19.4	18.5	17.1	17.0	16.5	16.9	17.7	16.5	17.3	20.3	17.1

Large, Mid and Small Cap constituents include the top 1000, second 1000, and third 1000 companies in the Ford universe of stocks when ranked by market capitalization.

## SDR Top Decile Annual Excess Return by Industry Group 12/13 - 12/18



## Correlation Coefficients 12/13 - 12/18 Ford Proprietary Models

	PVA	OEY	EMO	PRM	VMO	SHB	QTY	SMO	SED	SDR	EDV
Price/Value (PVA)	1.000	0.902	0.871	0.870	0.809	0.805	0.481	0.781	0.882	0.891	0.680
Operating Earnings Yield (OEY)	0.902	1.000	0.921	0.837	0.937	0.927	0.643	0.871	0.842	0.918	0.831
Earnings Momentum (EMO)	0.871	0.921	1.000	0.931	0.944	0.928	0.634	0.947	0.927	0.971	0.883
Price Momentum (PRM)	0.870	0.837	0.931	1.000	0.866	0.817	0.566	0.886	0.949	0.932	0.769
Value/Momentum (VMO)	0.809	0.937	0.944	0.866	1.000	0.944	0.710	0.939	0.842	0.923	0.921
Share Buyback (SHB)	0.805	0.927	0.928	0.817	0.944	1.000	0.730	0.887	0.802	0.894	0.928
Quality Rating (QTY)	0.481	0.643	0.634	0.566	0.710	0.730	1.000	0.643	0.482	0.615	0.795
Sales Momentum (SMO)	0.781	0.871	0.947	0.886	0.939	0.887	0.643	1.000	0.870	0.924	0.895
Earnings Trend (SED)	0.882	0.842	0.927	0.949	0.842	0.802	0.482	0.870	1.000	0.948	0.718
Relative Earnings Trend (SDR)	0.891	0.918	0.971	0.932	0.923	0.894	0.615	0.924	0.948	1.000	0.835
Earnings Variability (EDV)	0.680	0.831	0.883	0.769	0.921	0.928	0.795	0.895	0.718	0.835	1.000