Core Equity

Portfolio Update: Fourth Quarter 2024

During the quarter ending December 31, 2024, the Core Equity Strategy (the "Strategy") returned +1.81% net of fees, trailing the +2.63% return for the Russell 3000® Index (the "benchmark") and the broader market's +2.41% total return for the S&P 500 Index.

Performance	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception (4/1/2005)
Core Equity Strategy (net of IM fees)	+1.81%	+14.67%	+14.67%	+3.32%	+10.60%	+10.89%	+8.82%
Core Equity Strategy (net of IM & WM fees)	+1.55%	+13.59%	+13.59%	+2.31%	+9.52%	+9.79%	+7.75%
Russell 3000® Index	+2.63%	+23.81%	+23.81%	+8.01%	+13.86%	+12.55%	+10.48%
S&P 500 Index	+2.41%	+25.02%	+25.02%	+8.94%	+14.53%	+13.10%	+10.65%

Inception date: April 1, 2005. Performance is presented net of RMB Asset Management's maximum management fee and transaction costs. Performance is annualized for periods greater than one year. Please see important disclosures at the end of this document. Past performance is not indicative of future results, and there is a risk of loss of all or part of your investment. All data is as of December 31, 2024.

U.S. markets ultimately achieved further modest overall gains in a quarter that saw the recent trend of broadening market leadership revert to being driven by larger, growthier stocks as has been the pattern of much of the past two years. Volatility during the quarter was tied to two unsurprising factors: the U.S. Presidential election outcome and the Fed. The election of President Trump initially triggered a rise in the Russell® 3000 benchmark, increasing +6.3% from the election until the end of November. However, by December 18th, the market took back nearly half of the gains, punctuated by the Fed's "hawkish cut" to the policy to a range of 4.25% - 4.50%. The committee introduced a new qualifier on the "extent and timing" of future rate cuts and the median rate projection on the "dot plot" within the summary of economic projections implied just two rate cuts in 2025 (down from the prior dot plot, which implied four cuts in 2025). This subdued monetary policy twist may have also contributed to the lack of a "Santa Claus rally" in late December.

Within the Russell 3000® Index, Consumer Discretionary led all sectors with a 12.2% positive return. This move was fully explained by two heavily weighted names, Tesla Inc. (TSLA) and Amazon.com Inc. (AMZN), up 54% and 18% respectively. Tesla displayed even more volatility than usual in a sharp post-election surge on potential positives under the Trump Administration including tariffs on imported electric vehicles (Tesla's competition) and less regulatory scrutiny. The unfolding relationship between incoming President Trump and Tesla CEO Elon Musk is also thus far being perceived as a positive for the company. Meanwhile Amazon was driven by an earnings report that featured strong results from its ecommerce business and improvements in its profitability. The Communication Service sector rose 8.9% anchored by large benchmark weight Alphabet Inc. (GOOG and GOOGL), which saw a solid earnings report and the announcement of a new superconducting quantum computing chip. The worst performing sectors were Materials and Healthcare, down 10.8% and 9.7% respectively. Materials companies, particularly chemicals and mining companies, have been negatively impacted by persistent economic weakness in China. Healthcare stocks' weakness was exacerbated by concerns of disruption from President Trump's nomination of Robert F. Kennedy, Jr. to lead the Department of Health and Human Services (HHS).

As has been the case for the last two years, growth stocks continue to outpace value stocks. the Magnificent 7[1], which contributed over 90% of the benchmark's returns this quarter and 75% of the returns for the full year. This very narrow

[1] The "Magnificent 7" refers to the following stocks: Apple Inc. (AAPL), Microsoft Corp. (MSFT), Alphabet Inc. (GOOG), Amazon.com Inc. (AMZN), Tesla Inc. (TSLA), Meta Platforms Inc. (META), and NVIDIA Corp. (NVDA).

market has been the story in U.S. markets for each of the last two years. At the end of 2024, those seven stocks accounted for 28.8% of the cap-weighted Russell® 3000 benchmark and 33.4% of the S&P 500, both considered to be "broad" measures of the market. As a result, we have increased our attention toward managing these seven stocks' impact to the Strategy's relative performance.

Contributors and Detractors

Salesforce Inc. (CRM) was the largest contributor during the quarter. Salesforce operates as a global leader in customer relationship management technology that brings companies and their customers together. Its stock has seen an eventful 2024. At mid-year, investors were losing faith that its radical pivot to profitability in 2022 would not come home to roost in the form of slower top line growth. At its Dreamforce user conference in September, management focused heavily on the coming launch of Agentforce, its low code platform for building autonomous AI "agents" that perform tasks or make decisions on behalf of a user or system. The company noted thousands of Agentforce deals added to the pipeline in just its first five weeks of availability and that it would soon be adding 1,400 new sales account executives primarily focused on AI offerings. While Agentforce is not a material financial contributor yet, we are optimistic about its potential to help make Salesforce one of the bigger winners within AI applications.

Core Equity
FOURTH QUARTER 2024 CONTRIBUTION REPORT
Ranked by Basis Point Contribution

	Basis Point Contribution	Average Weight
Top Contributors		
Salesforce Inc.	+99	5.17%
Amazon.com Inc.	+98	6.36%
Booking Holdings Inc.	+87	5.20%
Visa Inc.	+84	6.03%
Alphabet Inc. Class C	+49	3.91%
Bottom Detractors		
Nordson Corp.	-70	3.42%
Cooper Companies Inc.	-69	3.93%
Danaher Corp.	-66	3.30%
Advanced Micro Devices Inc.	-49	1.55%
Entegris Inc.	-32	2.51%

Past performance is not indicative of future results, and there is a risk of loss of all or part of your investment. The above does not represent all holdings in the Strategy. Holdings listed might not have been held for the full period. To obtain a copy of RMB Asset Management's calculation methodology and a list of all holdings with contribution analysis, please contact your service team. The data provided is supplemental. Please see important disclosures at the end of this document.

After detracting from the portfolio last quarter as U.S. market leadership significantly broadened beyond the Magnificent 7, Alphabet Inc. (GOOG and GOOGL) was one of this quarter's largest contributors. Its Q324 earnings report in late October was solid with revenue growth steady in the mid-teens and continued impressive operating margin improvement despite still-aggressive capital spending. Another intriguing twist came later in the quarter with the announcement of a new superconducting quantum computing chip, named Willow, which can perform calculations that would take classical supercomputers 10,000 years in just a few seconds. Willow's economic potential lies in its ability to revolutionize industries by solving complex problems that are currently infeasible for classical computers, such as optimizing supply chains, accelerating drug discovery, enhancing cryptography, and advancing AI capabilities. While the fundamental impact remains hard to quantify or to time, the Willow announcement is an important step in the long path to make quantum useful for everyday applications. It continues to grow our confidence about AI and advanced computing having a net positive impact to Alphabet's business.

Despite a strong revenue and earnings per share beat in the third quarter, Danaher Corp. (DHR) was a relative detractor this quarter due to management's commentary about a "gradual" recovery in key end markets in 2025 that was below market expectations for a faster recovery. According to management, key clients including larger biopharma and CDMOs activity levels have returned to normal, but China remains weak and smaller biotechs are still struggling with funding availability. DHR remains a best-in-class pick and shovel provider to biopharma customers along with a very strong diagnostic franchise in Cepheid. Its competitive position remains strong with recent weakness driven by macro factors impacting its end markets. These end markets are gradually improving and we have high conviction that DHR will return to more normalized levels of return on investment and growth.

Nordson Corp. (NDSN) also detracted from portfolio performance during the quarter. Nordson manufactures precision equipment and consumables for industrial, medical, and technology applications. Many of the end markets served, including semiconductor, medical devices, and agriculture have experienced prolonged downcycles that have limited sales growth over the past two years to low single digits, compared to the company's long-term objectives of high-single digit growth. Under the leadership of Sundaram "Naga" Nagarajan, Nordson has maintained and improved its profitability while increasing the focus on M&A growth. We are optimistic about the prospect for an improved cyclical backdrop coupled with the higher pace of compounding high economic returns.

Portfolio Activity

The Strategy added two new companies to the portfolio, NVIDIA Corp. (NVDA) and Eli Lilly and Co. (LLY). We sold MarketAxess Holdings Inc. (MKTX) and STERIS PLC (STE) to fund the purchases.

NVIDIA is a leader in semiconductors, driving demand for AI, data centers, gaming, and autonomous driving technologies. The company is poised to maintain its dominance in the accelerated computing market, driven by rapid GPU adoption in data centers and the penetration of legacy infrastructure, with the total addressable market (TAM) for accelerated compute projected to grow at a 70% CAGR through 2027. This growth is expected to offset competitive pressures from other GPU and ASIC vendors. NVDA's robust ecosystem, encompassing hardware, software, and system solutions, remains difficult to replace as the company continues to innovate and scale its product cycles. Its future outperformance will likely hinge on organic revenue growth through three pillars: increasing GPU attach rates, higher pricing power with greater system solution mix, and cross-selling CPUs, networking, and software. Margin upside may also emerge from greater adoption of software subscriptions and GPU-as-a-service by enterprises. Overall, NVDA has a strong runway to exceed high expectations as it benefits from global digital transformation trends.

We initiated a position in Eli Lilly (LLY) following a pullback after its third quarter earnings report, identifying an attractive opportunity to invest in a well-managed pharmaceutical leader with robust barriers to entry and strong exposure to high-growth therapeutic areas, particularly diabetes and obesity. LLY's portfolio spans diabetes, oncology, immunology, and neurology, serving over 100 countries. The company's growth is underpinned by the success of its blockbuster therapies, including Mounjaro and Zepbound (targeting diabetes and obesity) and Verzenio (for breast cancer), which drive strong returns on investment and significant asset growth potential. The GLP-1 market, estimated at $100–$200 billion, presents a substantial opportunity as these chronic-use drugs see increasing adoption and expanded indications. Leveraging its multi-year head start, expanding production capacity, and a robust pipeline of next-generation products, Eli Lilly is well-positioned to strengthen its leadership in this rapidly growing market.

MarketAxess Holdings Inc. (MKTX) was sold during the quarter. We had been watching it closely given increased competitive pressures and loss of market share. At the time of sale, the stock was factoring in optimism that interest rate cuts would bolster volumes traded on the MKTX platform. However, we also observed that credit spreads were narrowing, a negative for MKTX which can outweigh the tailwind of rate cuts. When credit spreads are very tight, the platform is less valuable to traders and tends to lose market share during these periods. Subsequent to our exit, MKTX reported weaker market share statistics consistent with our view, leading to a decline in the stock of more than 20%.

STERIS PLC (STE) is a global leader in infection prevention and sterilization products, serving the healthcare, pharmaceutical, and research industries. Over the past 18 months, the company has faced significant manufacturing and supply chain challenges, reflective of broader industry-wide disruptions. While procedure volumes have begun to recover, persistent margin pressures and concerns over a declining backlog in healthcare equipment remain headwinds to near-term performance. Given these challenges, we made the strategic decision to exit our position and to reallocate capital toward a more compelling investment opportunity in Eli Lilly.

Core Equity

Outlook

As we begin the new year, we recognize that we have just experienced two consecutive years of exceptional market performance. The S&P 500 has not delivered back-to-back returns exceeding 20% since the late 1990s. It is natural to be cautious about the near-term outlook given the nature of mean reversion. However, we recognize that a combination of company-specific factors and macroeconomic factors will shape stock performance in the coming year. While our primary focus is on investments in companies that can achieve strong results through controllable, company-specific drivers, we remain aware and mindful of the external factors that affect both financial results and stock prices. In 2025, two significant external factors are likely to shape results: the policies of the new administration and the Federal Reserve. These can broadly be classified as fiscal and monetary policies, respectively.

Forecasting the impact of the new administration's fiscal policies and executive orders is inherently challenging. A range of pro-growth measures could support economic expansion and the markets in 2025. For instance, the potential extension of the 2017 Tax Cuts and Jobs Act and the easing of regulatory burdens are widely seen as favorable for growth. Conversely, uncertainty surrounds tariffs and the implications of stricter immigration policies. An additional wildcard will be the actions of the Department of Government Efficiency (DOGE), spearheaded by Elon Musk and Vivek Ramaswamy. While non-defense discretionary spending accounts for a small share of federal expenditures, any movement toward austerity would mark a significant departure from the expansive spending policies implemented since the onset of the COVID-19 pandemic.

Monetary policy, which has been front and center on investors' minds since the Federal Reserve's introduction of Quantitative Easing in March 2009, remains influential but may take a secondary role to fiscal policy in 2025. As of the third-quarter Federal Reserve Summary of Economic Projections, policymakers expected the federal funds rate to decline to approximately 3.25%–3.50% by the end of 2025, implying four rate cuts. However, the December dot plot suggested a more conservative outlook, with only two cuts projected. In January, a stronger-than-expected December Jobs Report—showing 256,000 jobs added and a 4.1% unemployment rate—further raised doubts about the Fed's capacity to ease policy significantly in 2025. Persistent inflation could compel the Fed to maintain "higher for longer" restrictive policies, delaying the normalization of rates toward the neutral level where monetary policy is neither stimulative nor restrictive. We will continue to monitor the most interest rate sensitive parts of the economy like housing, commercial real estate and capital goods, while recognizing that short-term macro concerns can create great entry opportunities for long-term investors.

We focus on identifying companies that we believe can beat market expectations for growth and returns on capital. Economic cycles, interest rates, and investor preferences all influence short-term absolute and relative performance. Over the long-term, we believe that investing in high quality companies that create value for shareholders may result in long-term shareholder returns that beat the overall market.

Thank you for your confidence in the team and the Strategy. If you have any questions, please do not hesitate to contact us.

Sincerely,

Tom Fanter
Portfolio Manager

John O'Connor, CFA
Portfolio Manager

Core Equity

TOP TEN HOLDINGS AS OF 12/31/24	
Company	**% of Assets**
Alphabet Inc. (Class A & C)	8.27%
Amazon.com Inc.	6.87%
Visa Inc.	6.40%
Booking Holdings Inc.	5.42%
Salesforce Inc.	5.40%
Microsoft Corp.	4.86%
S&P Global Inc.	4.72%
Tyler Technologies Inc.	4.72%
TJX Companies Inc.	4.61%
PTC Inc.	4.23%

Holdings are subject to change. Past performance is not indicative of future results, and there is risk of loss of all or part of your investment. The data provided is supplemental. Please see disclosures at the end of this document.

Past performance is not indicative of future results, and there is a risk of loss of all or part of your investment. The opinions and analyses expressed in this newsletter are based on Curi RMB Capital, LLC's ("Curi RMB Capital") research and professional experience are expressed as of the date of our mailing of this newsletter. Certain information expressed represents an assessment at a specific point in time and is not intended to be a forecast or guarantee of future results, nor is it intended to speak to any future time periods. Curi RMB Capital makes no warranty or representation, express or implied, nor does Curi RMB Capital accept any liability, with respect to the information and data set forth herein, and Curi RMB Capital specifically disclaims any duty to update any of the information and data contained in this newsletter. The information and data in this newsletter does not constitute legal, tax, accounting, investment or other professional advice. Returns are presented net of fees. An investment cannot be made directly in an index. The index data assumes reinvestment of all income and does not bear fees, taxes, or transaction costs. The investment strategy and types of securities held by the comparison index may be substantially different from the investment strategy and types of securities held by your account. RMB Asset Management is a division of Curi RMB Capital.

A complete list of security recommendations made during the past 12 months is available upon request. An investment cannot be made directly in an index. The index data assumes reinvestment of all income and does not account for fees, taxes or transaction costs. The investment strategy and types of securities held by the comparison index may be substantially different from the investment strategy and types of securities held by your account. The Russell 3000® measures the performance of the largest 3000 U.S. companies, representing approximately 98% of the investable U.S. equity market. The Russell 3000® Index is constructed to provide a comprehensive, unbiased, and stable barometer of the broad market and is completely reconstituted annually. The S&P 500 includes 500 leading companies in leading industries of the U.S. economy. The S&P 500 focuses on the large-cap segment of the market and covers approximately 75% of U.S. equities. High-quality stocks are those that we believe offer greater reliability and less risk. The quality assessment is made based on a combination of soft (e.g., management credibility) and hard (e.g., balance sheet stability) criteria.

Core Equity

RMB Asset Management

Core Equity Composite // GIPS Report

Organization | Curi RMB Capital, LLC ("Curi RMB Capital") is an independent investment advisor registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940 and established in 2005. The GIPS firm is defined as RMB Asset Management ("RMB AM"), a division of Curi RMB Capital. Previously, the firm was defined as RMB Capital and was redefined on January 1, 2016 to only include the asset management business due to the difference in how its investment strategies and services are offered. RMB AM claims compliance with the Global investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. RMB AM has been independently verified for the periods April 1, 2005 through December 31, 2022. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

Description | The Core Equity Strategy reflects the performance of fully discretionary equity accounts, which have an investment objective of long-term growth using a portfolio of primarily small-, mid-, and large-cap stocks and for comparison purposes is measured against the Russell 3000® and S&P 500 indices. The inception date of the Core Equity Composite is April 1, 2005 and the Composite was created on April 1, 2005. Valuations and returns are computed and stated in U.S. Dollars.

		Composite Assets		Annual Performance Results							
Year End	Total Firm Assets as of 12/31 ($M)	USD ($M)	# of Accounts Managed	Composite Gross-of-Fees (%)	Composite Net-of-Fees (%)	Russell 3000® (%)	S&P 500 (%)	Composite 3-YR ST DEV (%)	Russell 3000® 3-YR ST DEV (%)	S&P 500 3-YR ST DEV (%)	Composite Dispersion (%)
2023	6,235.5	507.9	387	25.83	25.23	25.96	26.29	18.96	17.46	17.29	0.64
2022	5,228.7	421.5	357	-22.82	-23.24	-19.21	-18.11	21.58	21.48	20.87	0.43
2021	6,277.6	574.4	417	23.95	23.36	25.66	28.71	18.24	17.94	17.17	0.37
2020	5,240.6	463.4	361	22.22	21.63	20.89	18.40	19.57	19.41	18.53	1.31
2019	4,947.9	487.6	737	32.14	31.53	31.02	31.49	13.43	12.21	11.93	0.92
2018	4,196.9	382.9	697	-1.81	-2.30	-5.24	-4.38	13.01	11.18	10.80	0.46
2017	3,610.6	356.8	625	23.48	22.89	21.13	21.83	12.41	10.09	9.92	0.37
2016	3,047.5	307.5	621	13.88	13.34	12.74	11.96	13.56	10.88	10.59	1.02
2015	3,706.0	298.2	666	-4.60	-5.08	0.48	1.38	12.77	10.56	10.47	0.54
2014	3,312.9	368.3	748	6.44	5.91	12.56	13.69	10.96	9.29	8.97	0.44

Fees | *Effective January 1, 2011, Curi RMB Capital's management fee schedule for this Composite is as follows: 0.50% on the first $3.0 million, 0.475% on the next $2.0 million, 0.450% on the next $5.0 million, 0.425% on the next $15.0 million, and 0.400% over $25.0 million. Net returns are computed by subtracting the highest applicable fee (1.00% on an annual basis) on a quarterly basis from the gross composite quarterly return, and the resulting quarterly net figures are compounded to calculate the annual net return. Actual management fees charged by Curi RMB Capital may vary. Composite performance is presented on a gross-of-fees and net-of-fees basis and includes the reinvestment of all income. Gross-of-fees returns means it is net of transaction costs but gross of asset management fees and custodian fees. The payment of actual fees and expenses would reduce gross returns. The compound effect of such fees and expenses should be considered when reviewing gross returns. The composite includes accounts that pay asset-based pricing for trading expenses. The maximum fee is 15 basis points per year; however, many accounts pay lower amounts due to household break-point relief. Returns for those accounts prior to 3/1/19 do not reflect the deduction of asset-based pricing are therefore gross of trading expenses. These accounts represent approximately 84% of composite assets. In addition to a management fee, some accounts pay a wealth management fee based on the percentage of assets under management to Curi RMB Capital. The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the Composite the entire year. Risk measures presented are calculated using gross-of-fees performance. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.*

Minimum Value Threshold | *The account minimum in the Core Equity composite is currently $500 thousand. Prior to July 2020, the composite did not have a minimum.*

Comparison with Market Indices | *Curi RMB Capital compares its Composite returns to a variety of market indices such as the Russell 3000 and the S&P 500. The indices represent unmanaged portfolios whose characteristics differ from the Composite portfolios; however, it tends to represent the investment environment existing during the time period shown. The Russell 3000® Index consists of the 3000 largest publicly listed U.S. companies, representing about 98% of the U.S. equity market. The index does not reflect investment management fees, brokerage commissions, or other expenses associated with investing in equity securities. The S&P 500 Index is widely regarded as the best single gauge of the U.S. equity market. It includes 500 leading companies in leading industries of the U.S. economy. The index focuses on the large-cap segment of the market and covers approximately 75% of the U.S. The index includes dividends reinvested. An investment cannot be made directly in an index. The returns of the index do not include any transaction costs, management fees, or other costs. The investment strategy and types of securities held by the comparison index may be substantially different from the investment strategy and types of securities held by your account in the Composite. Benchmark returns presented are not covered by the report of independent verifiers.*

Other | *Past performance is no guarantee of future performance. Historical rates of return may not be indicative of future rates of return. Individual client performance returns may be different than the composite returns listed. Total Firm Assets as of 12/31 for the years 2011 and 2012 have been revised to exclude assets from personal trading accounts that were included in previously reported figures. 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. A list of Composite Descriptions and a list of Broad Distribution Pooled Funds are available upon request.*