



POINT NEMO CAPITAL

## Core Equity Growth & Income

November 2025 Update

## CEGIS Outperforms in November

The Core Equity Growth & Income Strategy (“CEGIS”) returned **+4.1% in October**, outperforming its benchmark, the Vanguard Total Return Index (VTI), which returned +0.3%. **Year-to-date, CEGIS stands at +26.6% vs +17.1% for VTI.**

CEGIS Historical Performance Net of Fees

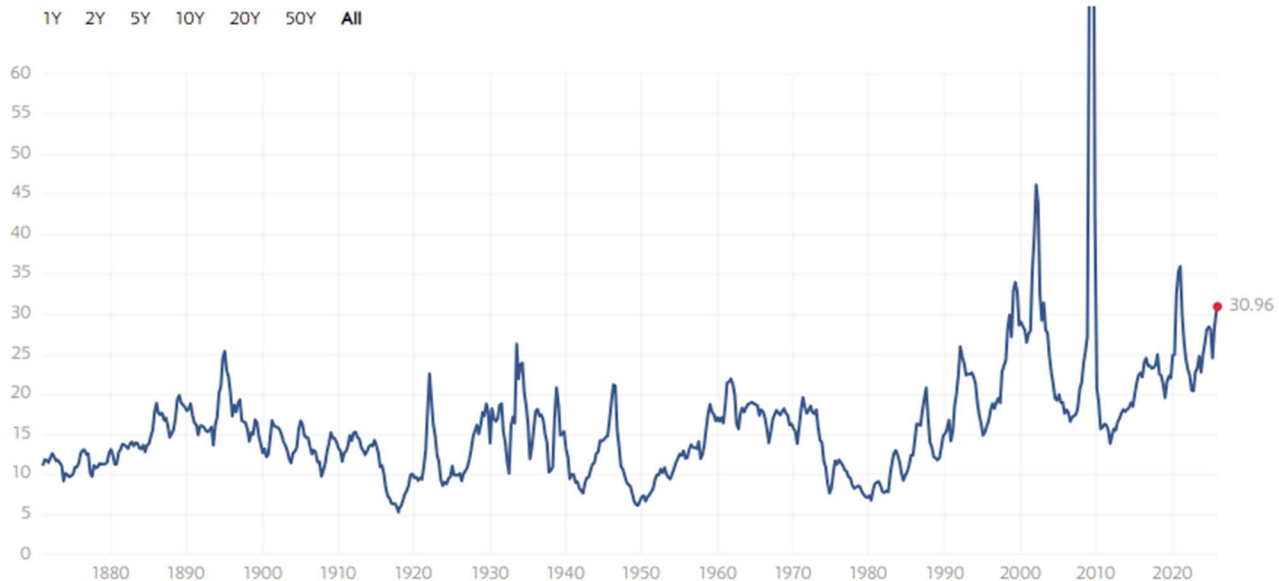
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
2023						7.6%	9.2%	-2.2%	-3.8%	-3.1%	6.7%	6.3%	20.8%
2024	0.7%	2.1%	5.2%	-4.6%	7.3%	-4.2%	5.4%	-1.5%	3.1%	1.2%	6.0%	-5.0%	15.8%
2025	4.7%	-2.0%	1.9%	-3.0%	6.2%	2.8%	-0.4%	7.4%	5.2%	-2.4%	4.1%		26.6%

As last quarter’s earnings season wrapped up, **75% of CEGIS holdings met or exceeded analyst expectations**. Our ranking model continues to demonstrate a strong batting average in identifying companies poised for fundamental outperformance—one of the core drivers of CEGIS’s consistent excess returns versus passive indices.

Market valuations, however, remain meaningfully stretched. The **S&P 500 trades at 31x earnings**, while its **dividend yield sits near a record low of 1.14%**. These metrics reinforce the speculative risk embedded in passive index exposure: investors are taking on elevated risk without receiving adequate compensation.

By contrast, following this month’s rebalance, CEGIS continues to exhibit attractive overall portfolio fundamentals. The strategy now holds **63 companies** with a **weighted average P/E of 16.9**, a **dividend yield of 3.2%**, and **five-year projected earnings growth above 26%**. These indicators reflect the discipline of our proprietary ranking system, which consistently highlights metrics that have historically supported long-term outperformance. Even without relying on the speculative bets driving broader market gains, CEGIS continues to outperform while maintaining significantly higher-quality portfolio characteristics.

## SP 500 PE Ratio



The broader market remains expensive, and while geopolitical headlines are likely to drive ongoing short-term volatility, our focus remains fixed on long-term business fundamentals. Owning companies capable of compounding earnings, generating meaningful income, and maintaining attractive valuations is the only sustainable approach to navigating market cycles. Short-term outperformance is welcome, but our commitment is to long-term results—because in investing, there is no finish line.

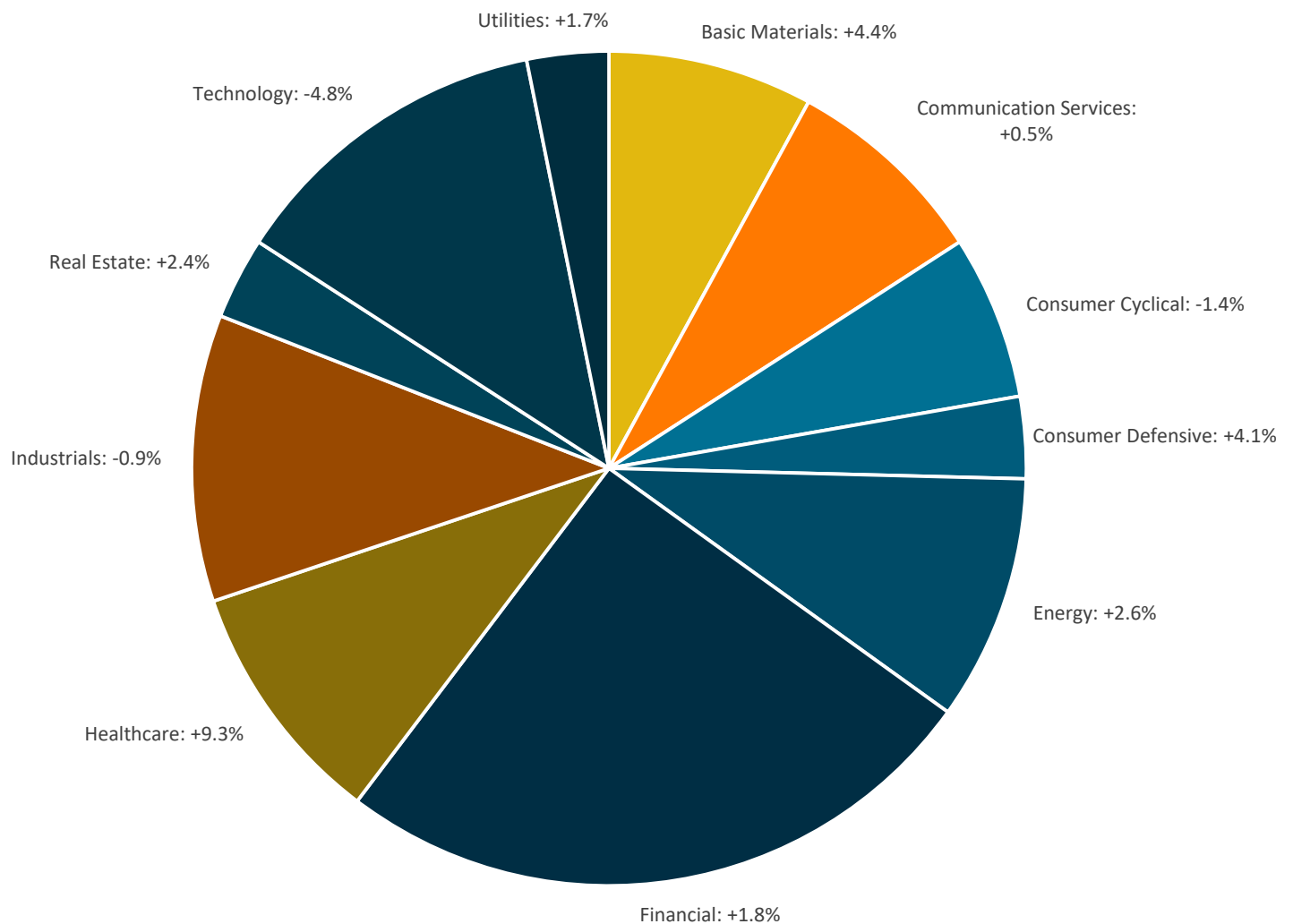
Finally, a brief illustration of the ranking model's timing is useful. CEGIS has maintained limited exposure to technology since inception, with a notable exception earlier this year when **Alphabet (GOOGL)** was added to the portfolio in March. Alphabet is a high-quality company with excellent growth prospects and a central role in the AI revolution. However, as valuations became stretched, it fell in rank and was sold this month at **nearly double our entry price**. This does not imply that GOOGL will decline from here—it simply acknowledges that valuation risk increased beyond what was justified. Our process is built around discipline: we take profits as rankings deteriorate rather than waiting for markets to enforce discipline for us.



## CEGIS November Sector Performance

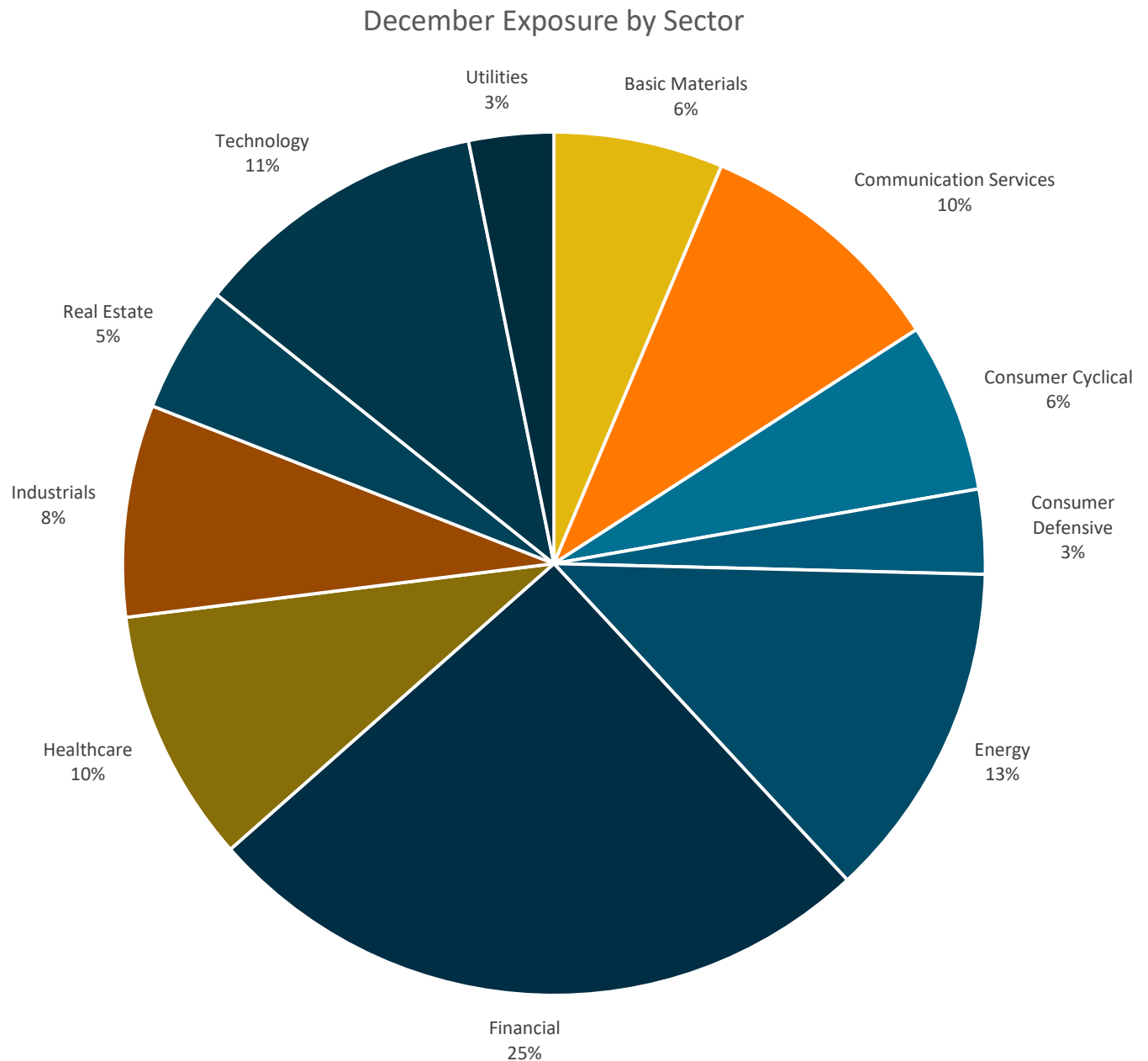
Below are the passive index sector returns for November as well as the weightings of each sector in CEGIS at the beginning of the month. Health Care, Basic Materials, and Consumer Defensive sectors led the way this month, while Technology dragged on the portfolio.

Sector Weightings at Beginning of November with P&L



## CEGIS December Exposure by Sector

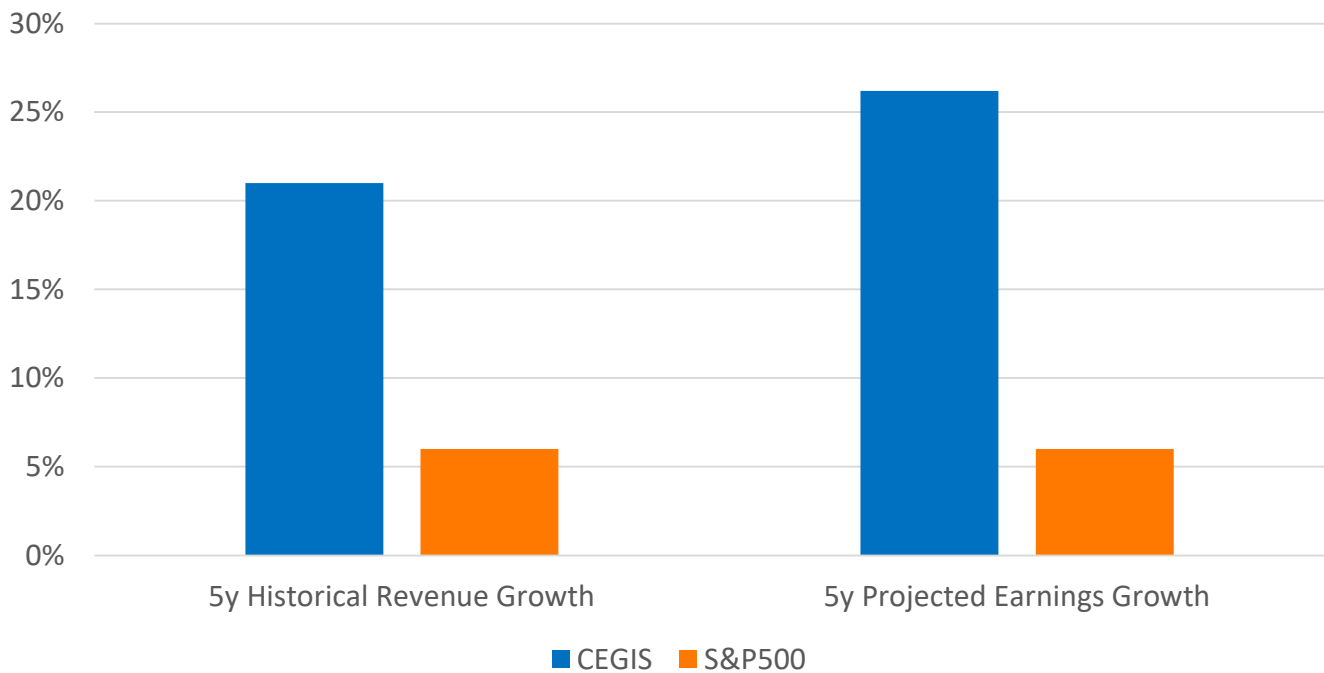
Several changes were made to the portfolio this month. Despite the turnover, there are still 63 companies that rank well enough to be included in the portfolio. The dividend yield is roughly 3.2%.



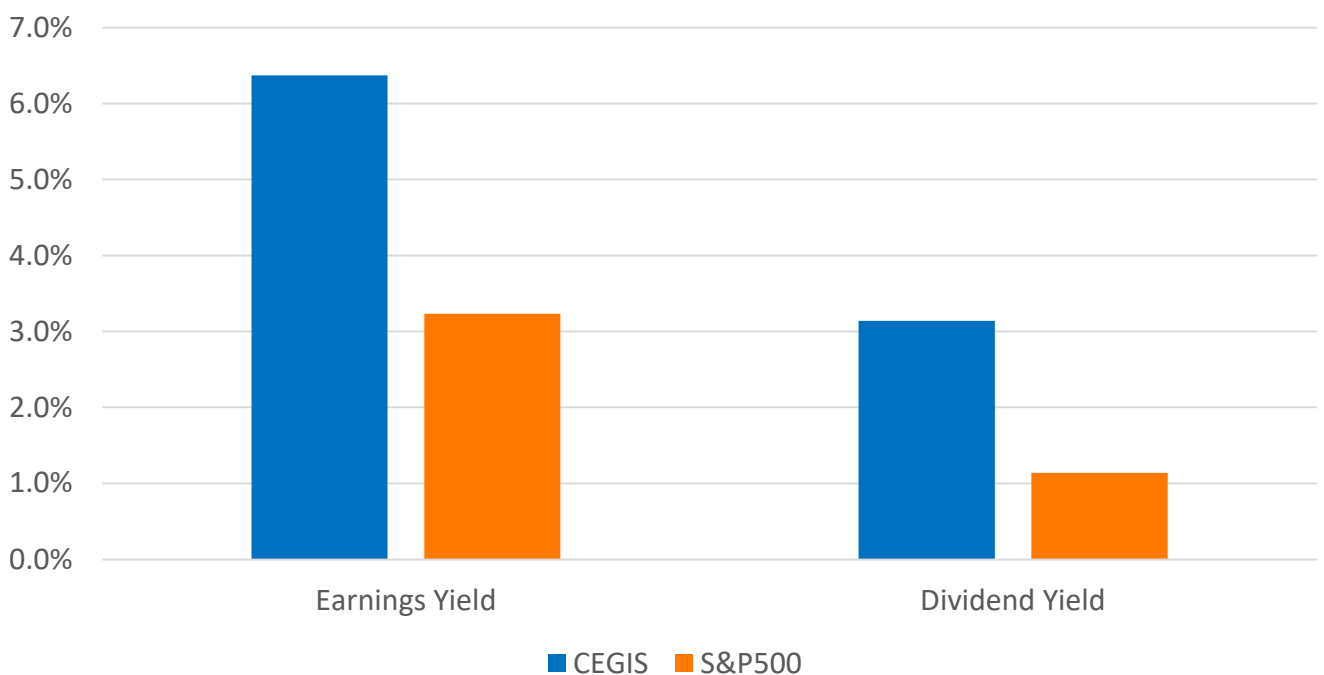
### CEGIS Portfolio Stats as of December

These metrics underscore CEGIS's advantage in combining robust earnings potential with meaningful income generation, positioning it favorably against the broader market.

#### CEGIS vs S&P500 Avg Growth Rates



#### CEGIS vs S&P 500 Yields



**Managed Account Platform:**

Custodian – Charles Schwab

Liquidity – Real-time

Fees – 0.75% per annum

Transparency – Full

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Unless otherwise noted, the performance results presented:

- Are based on a single account managed under the stated strategy and do not represent the performance of all client accounts;
- Client accounts are traded pari passu with this account, meaning they follow the same trades and allocations as dictated by the strategy;
- Include the reinvestment of dividends and other earnings;
- Reflect the deduction of applicable management fees, transaction costs, and other account expenses; and
- Are shown for the period indicated only.

Because these results are from a single account, they may not be representative of the performance experienced by other accounts managed in the strategy. Individual client results will vary due to factors such as the timing of investments, market conditions, cash flows, account size, and client-imposed restrictions.

**Past performance is not indicative of future results.** The value of investments and the income derived from them can decrease as well as increase, and investors may lose money. All performance data is believed to be accurate but is not guaranteed. Additional information regarding calculation methodology is available upon request.