



POINT NEMO CAPITAL

Core Equity Growth & Income

October 2025 Update

CEGIS Lags in October

The Core Equity Growth & Income Strategy (“CEGIS”) returned **-2.4% in October**, lagging its benchmark, the Vanguard Total Return Index (VTI), which advanced +2.2%. Minor adjustments to portions of the below track record have been updated to correct what was essentially a double counting of fees, historically resulting in understating returns. **Year-to-date, CEGIS stands at +21.6% vs +16.8% for VTI.**

CEGIS Historical Performance Net of Fees

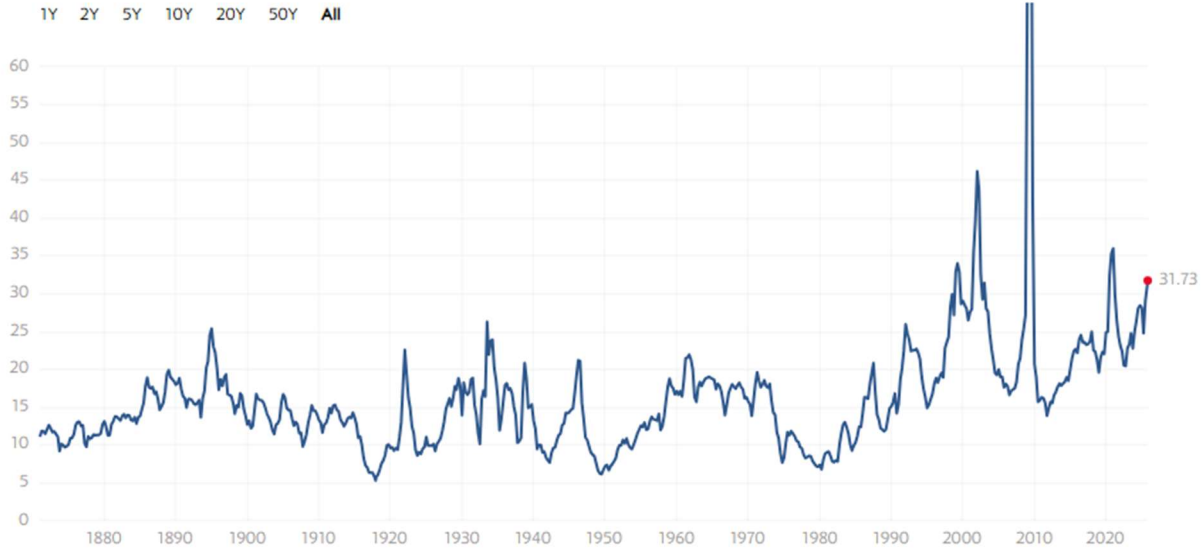
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
2023						7.6%	9.2%	-2.2%	-3.8%	-3.1%	6.7%	6.3%	20.8%
2024	0.7%	2.1%	5.2%	-4.6%	7.3%	-4.2%	5.4%	-1.5%	3.1%	1.2%	6.0%	-5.0%	15.8%
2025	4.7%	-2.0%	1.9%	-3.0%	6.2%	2.8%	-0.4%	7.4%	5.2%	-2.4%			21.6%

Market valuations continue to stretch meaningfully. The **S&P 500’s P/E ratio now stands at 31.7** with a **dividend yield near a record low of 1.14%**. These metrics underscore the speculative risk embedded in passive indices—investors are assuming elevated risk without adequate compensation.

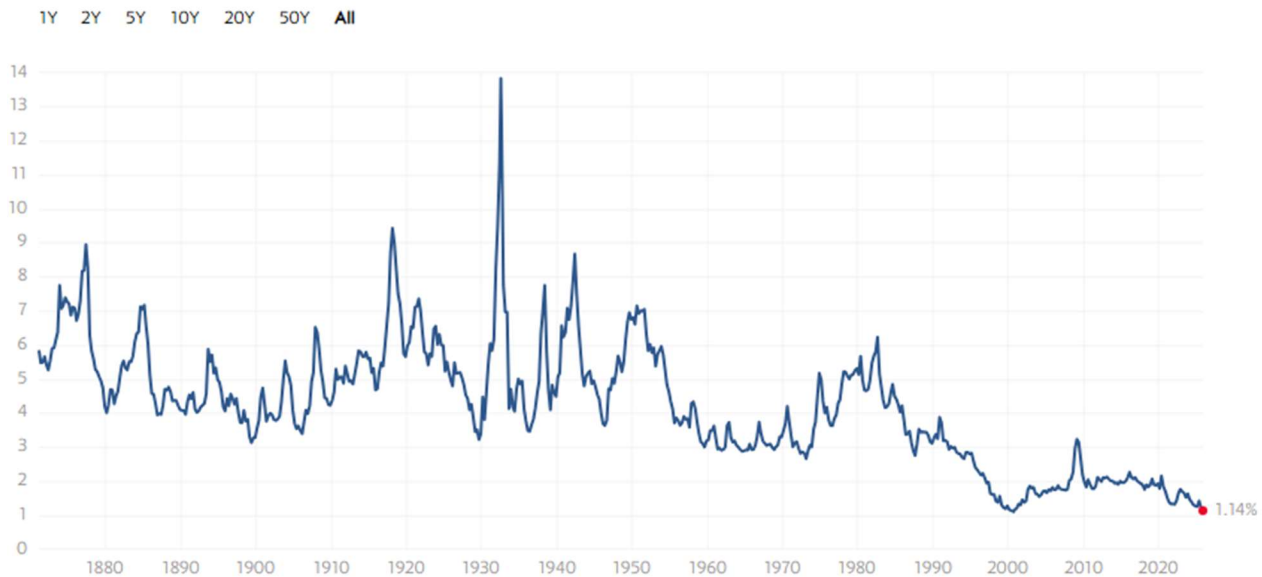
By contrast, **CEGIS holds 63 companies** with an **average P/E of 16.1**, a **dividend yield of 3.14%**, and **five-year projected earnings growth above 24%**. These portfolio fundamentals highlight the discipline of our proprietary ranking system, which allows us to remain focused on metrics that have historically led to long-term outperformance. I have often said that the current valuation of the market is akin to a drunken tourist in a casino. Admittedly, the drunken tourist wins sometimes—and no man ever bet enough on the winning horse—but we prefer to be the house.

In our view, investors should focus on making higher-quality, more rational bets with their hard-earned capital.

S&P 500 PE Ratio


[Chart](#) | [Table](#)
[f Share](#)

S&P 500 Dividend Yield

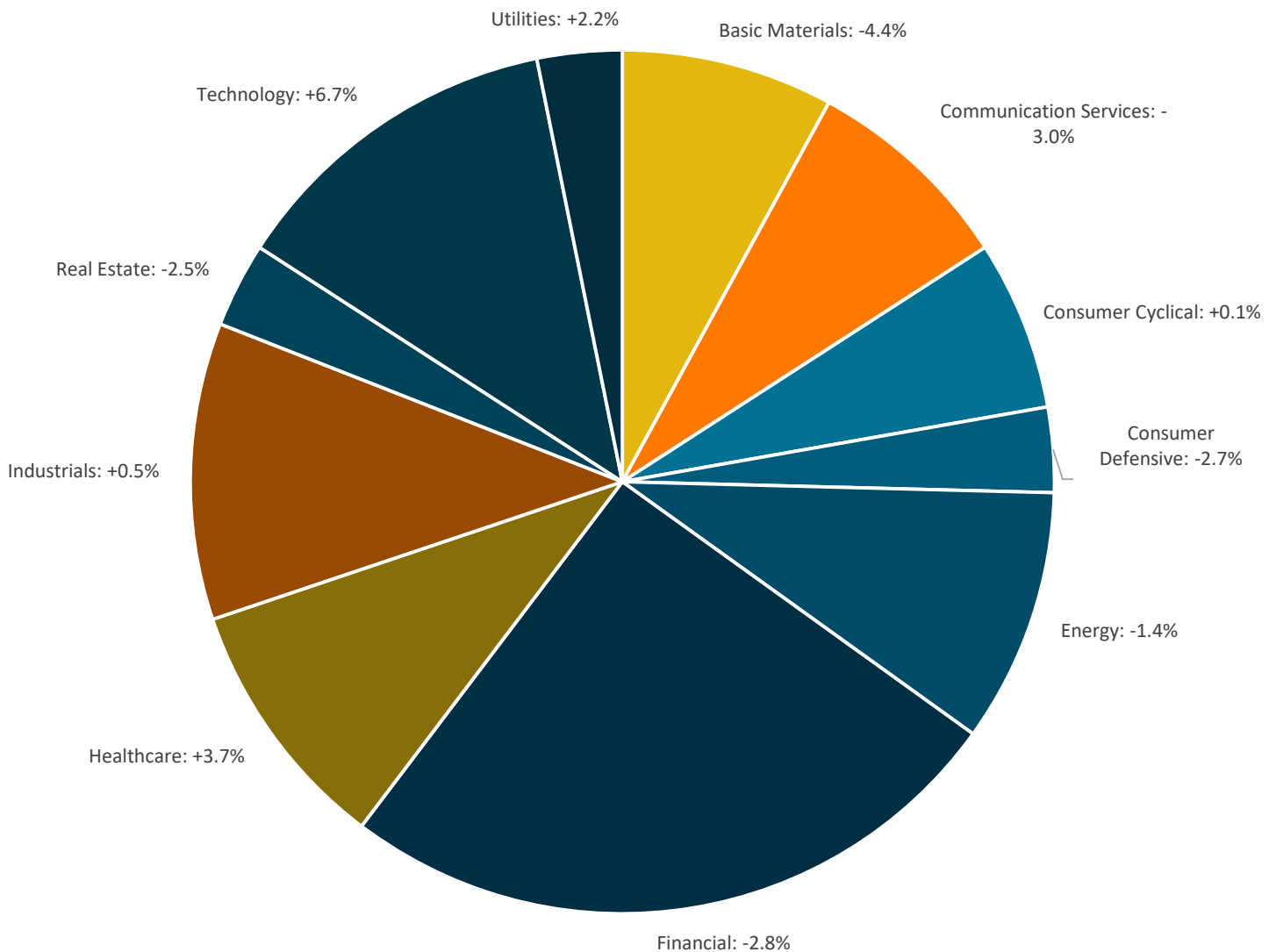


The general market remains expensive, and while geopolitical headlines will continue to drive short-term volatility, our focus remains firmly on the long term. Owning companies that can compound earnings, generate meaningful income, and stay attractively valued is the only sustainable way to navigate market cycles. Short-term outperformance is always welcome, but our attention is steadfastly on long-term results—because in investing, there is no finish line.

CEGIS October Sector Performance

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

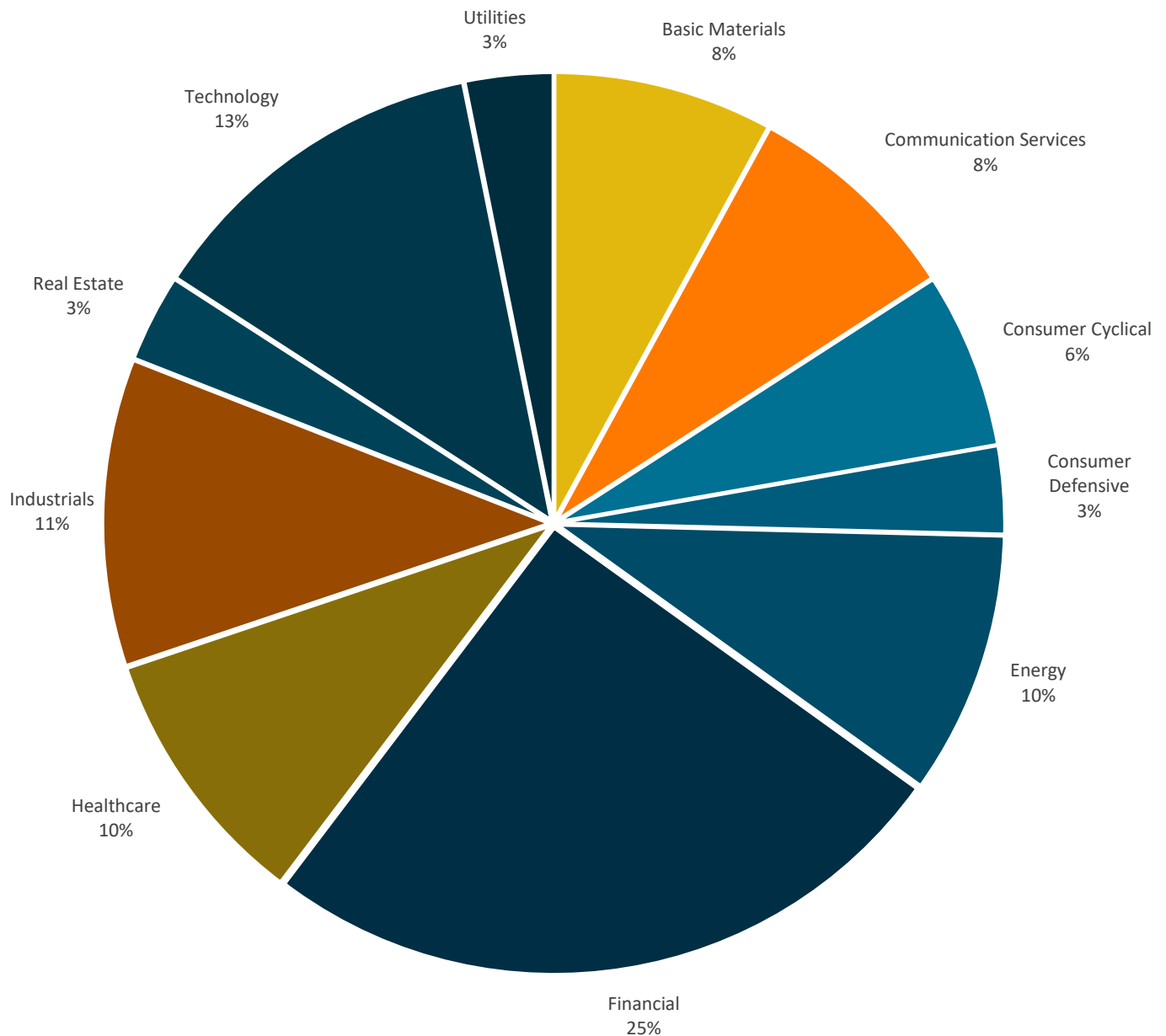
Sector Weightings at Beginning of October with P&L



CEGIS November Exposure by Sector

No changes were made to the portfolio holdings in October. 63 companies still rank well enough to be included in the portfolio. The dividend yield is roughly 3.14%.

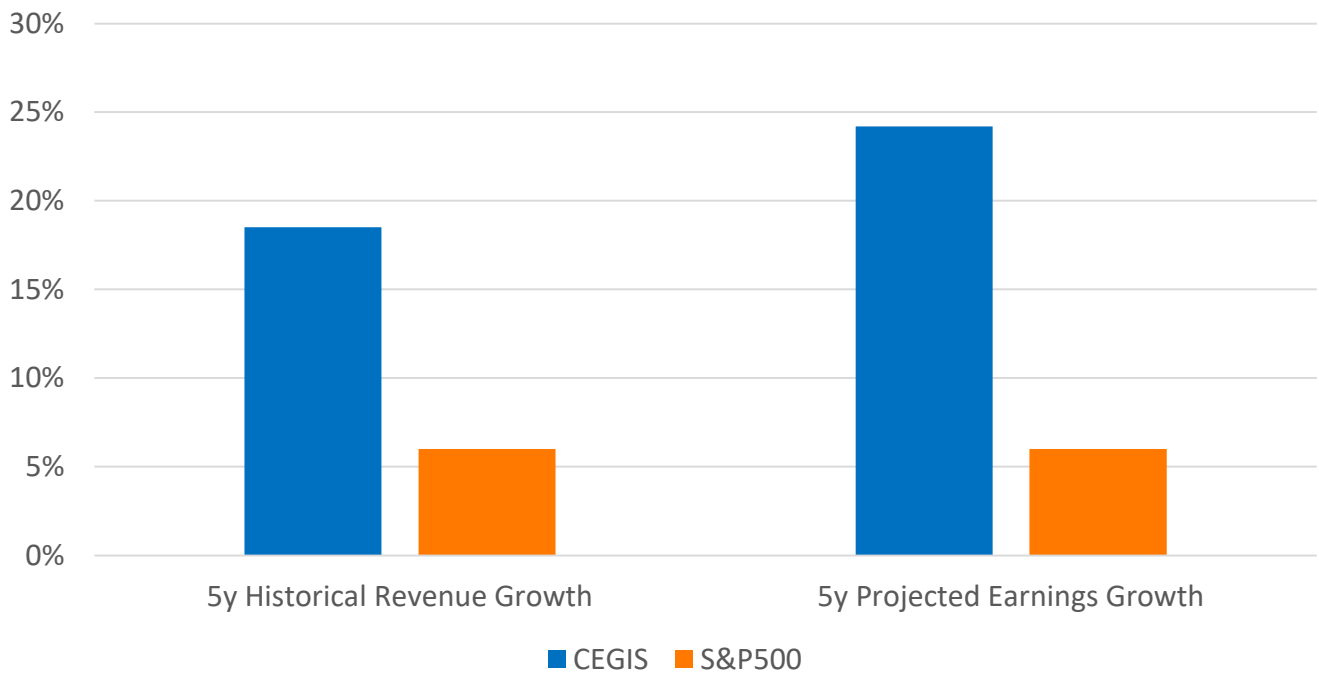
November Exposure by Sector



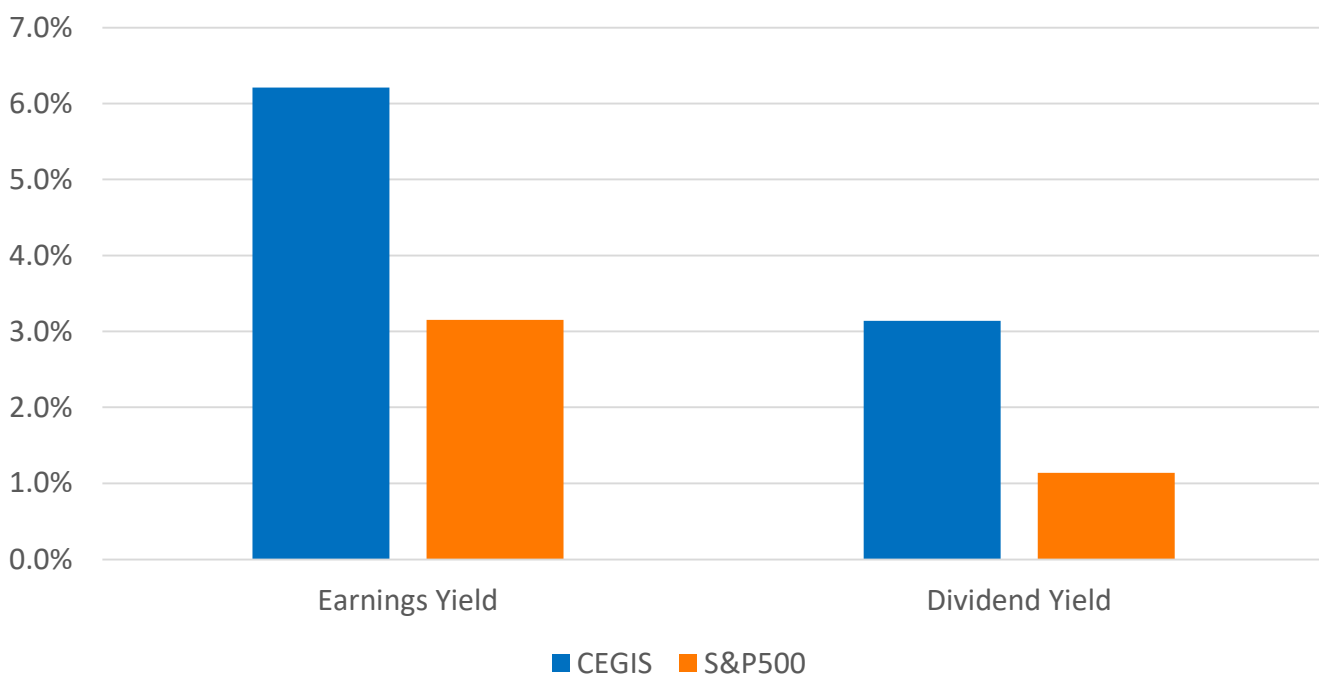
CEGIS Portfolio Stats as of November

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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Disclaimer

The performance information contained herein is for informational purposes only and should not be construed as investment advice or a recommendation to buy or sell any security.

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.