

1Q23 & April  
U.S. Equity

# MID YEAR INSIGHT

## Market Outlook & US Small Cap

May 6, 2023

Performance to April 30, 2023

- After 2022's historic year of losses in stocks and bonds, the beginning of 2023 has seen lower relative volatility and better returns than last year, but with wide divergences. Commodities were on the bottom end of the performance spectrum with negative returns year to date. U.S. small cap indices were close to breakeven year to date due to the small caps higher concentration of financial stocks.
- Technology and growth indices led, however, only a very small number of the largest mega cap stocks drove performance. The driver of the mega growth stocks was due in part from large interest rate changes in expectations and better than expected earnings in April. The lack of narrow stock market participation is most likely driven to the higher uncertainty with the Fed, banking crisis, fiscal debt limit, and recession –no recession uncertainty.
- The bond market and the deep inversion of the interest rate yield curve suggest a future U.S. recession is in the cards. The current valuations of equity markets suggest a very mild recession or economic environment of very slow growth for a longer period is in the cards. We reconcile earnings, valuations, and the new environment of fiscal and monetary policies on stocks and bonds.
- We provide an update on changes from a tactical top-down portfolio management perspective with some commentary on new investments, top holdings, and sales.

### Performance Summary



For detailed investment information, please see the quarterly fact sheet

Company Liftout  
GIPS Verified  
Composite Small  
Cap Strategy  
2/2022

	Apr-23	Year to Date	1Q 2023	1 Year	
Five Dimensions Small Cap Strategy Composite (Returns Gross of Fees)	-1.55	-0.58	0.99	27.70	18.46
Russell 2000 Index	-1.80	0.89	2.74	-3.65	-10.48

Annualized Return

	Apr-23	Year to Date	1Q 2023	1 Year	3 Year	5 Year	10 Year	Since Manager Inception 1/2010
Five Dimensions Small Cap Strategy Composite (Returns Gross of Fees)	-1.55	-0.58	0.99	27.70	41.69	22.04	17.14	16.82
Russell 2000 Index	-1.80	0.89	2.74	-3.65	11.90	4.15	7.88	8.27

# Five Dimensions Small Cap Strategy

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As of April 30, 2023

Annualized Return

Five Dimensions Small Cap Strategy  
(Gross of Fees)

Russell 2000 Index

	YTD	1 Year	3 Year	5 Year	7 Year	9 Year	10 Year	Since Manger Inception 12/31/23
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Five Dimensions Small Cap Strategy (Gross of Fees)	-0.58	27.70	41.69	22.04	18.83	15.96	17.14	16.82
Russell 2000 Index	0.89	-3.65	11.90	4.15	8.03	6.56	7.88	8.27

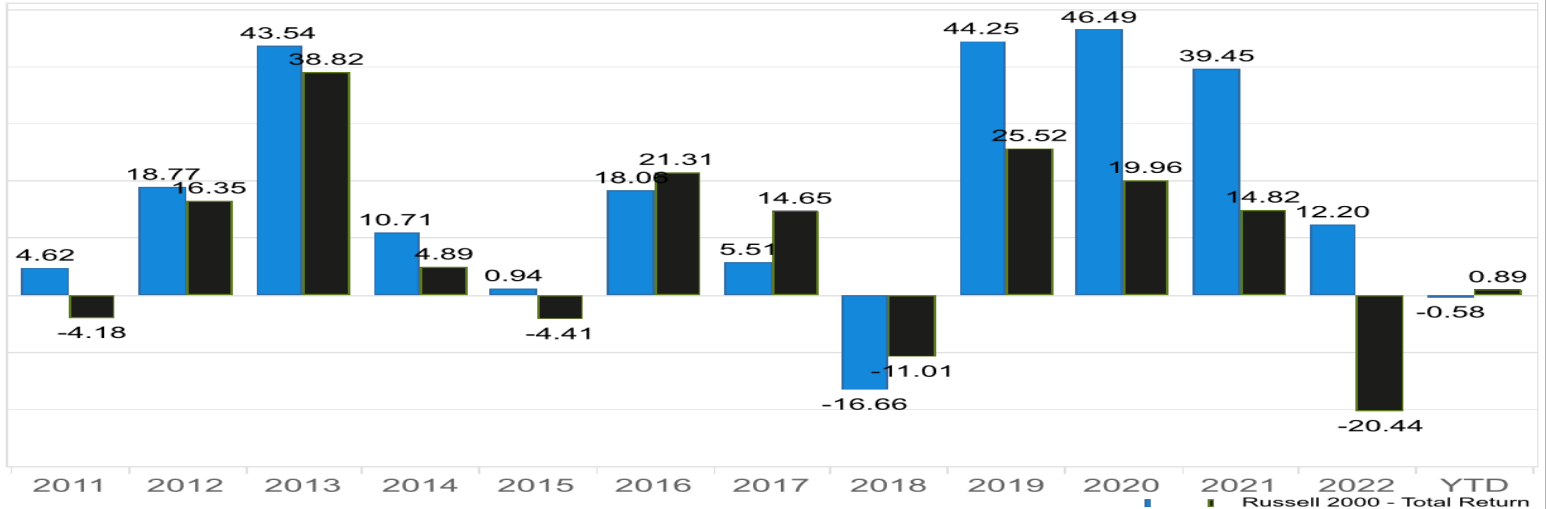


Five Dimensions  
Investment Management

Ticker	Total	Average Weight	Ending Price	Total Return	Contribution To Return
<b>10 Highest</b>		<b>13.74</b>		<b>86.68</b>	<b>10.65</b>
AUPH	Aurinia Pharmaceuticals Inc.	3.32	11.25	160.42	3.57
SFIX	Stitch Fix, Inc. Class A	0.80	3.41	42.44	1.50
IMUX	Immunic, Inc.	1.01	1.66	6.41	0.88
PERI	Perion Network Ltd	2.75	35.03	38.46	0.84
TRVI	Trevi Therapeutics, Inc.	1.04	3.44	78.24	0.76
SPOK	Spok Holdings, Inc.	1.22	12.23	54.15	0.67
LIAN	LianBio Sponsored ADR	0.15	2.23	45.12	0.65
HBI	Hanesbrands Inc.	0.59	5.24	-10.06	0.65
SDGR	Schrodinger, Inc.	1.33	29.52	57.95	0.56
EVLV	Evolv Technologies Holdings, Inc.	1.53	3.60	39.00	0.55
<b>10 Lowest</b>		<b>18.59</b>		<b>-35.94</b>	<b>-9.90</b>
APRN	Blue Apron Holdings, Inc. Class A	3.81	0.56	-33.13	-1.79
PRPL	Purple Innovation, Inc.	1.70	2.97	-52.00	-1.50
ADTN	ADTRAN Holdings, Inc.	1.81	9.12	-52.37	-1.29
GRPN	Groupon, Inc.	0.98	3.58	-40.63	-1.23
INBK	First Internet Bancorp	2.32	14.71	-37.42	-1.01
QUOT	Quotient Technology Incorporated	1.90	2.82	-16.57	-0.72
BRCC	BRC Inc Class A	2.80	5.21	-16.91	-0.71
PRTS	CarParts.com Inc	1.79	4.74	-24.28	-0.56
HBNC	Horizon Bancorp, Inc.	1.31	10.53	-28.37	-0.56
ENVX	Enovix Corporation	0.17	10.82	-37.86	-0.53

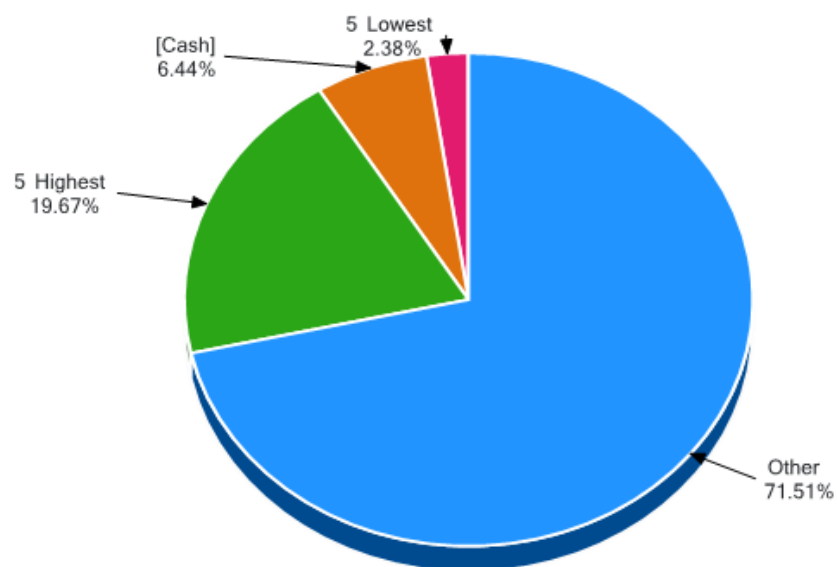
## Calendar Year: Annualized Return

12/31/2010 to 04/30/2023 (M) Currency: USD Benchmark: Russell 2000 - Total Return Annualized Return



# Five Dimensions Small Cap Strategy

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	Five Dimensions Small Cap Composite	Russell 2000 Index
Portfolio (# stocks)	63	1,921
Market Capitalization	1,835.1	2,937.2
Active Share	97.0	--
Dividend Yield	1.0	1.5
Price/Earnings	10.8	11.4
P/E using FY1 Est	12.4	13.2
P/E using FY2 Est	11.2	11.9
Est 3-5 Yr EPS Growth	14.1	13.5
Price/Cash Flow	4.5	7.0
Price/Book	1.7	1.8
Price/Sales	0.3	1.1

	Five Dimensions Small Cap Composite	Russell 2000 Index]	Difference
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100.00 100.00 --

<b>Health Technology</b>	<b>29.40</b>	<b>14.44</b>	<b>14.95</b>
<b>Retail Trade</b>	<b>13.80</b>	<b>3.12</b>	<b>10.67</b>
<b>Technology Services</b>	<b>10.78</b>	<b>8.83</b>	<b>1.95</b>
<b>Consumer Non-Durables</b>	<b>9.25</b>	<b>3.93</b>	<b>5.31</b>
<b>Electronic Technology</b>	<b>8.59</b>	<b>6.71</b>	<b>1.89</b>
<b>[Cash]</b>	<b>6.44</b>	<b>0.26</b>	<b>6.18</b>
<b>Commercial Services</b>	<b>4.85</b>	<b>3.99</b>	<b>0.86</b>
<b>Health Services</b>	<b>4.49</b>	<b>1.53</b>	<b>2.96</b>
<b>Finance</b>	<b>3.83</b>	<b>21.35</b>	<b>-17.52</b>
<b>Producer</b>			
<b>Manufacturing</b>	<b>2.66</b>	<b>7.70</b>	<b>-5.05</b>
<b>Consumer Durables</b>	<b>1.83</b>	<b>3.20</b>	<b>-1.36</b>
<b>Distribution Services</b>	<b>1.45</b>	<b>1.61</b>	<b>-0.16</b>
<b>Consumer Services</b>	<b>1.37</b>	<b>4.00</b>	<b>-2.63</b>
<b>Communications</b>	<b>0.68</b>	<b>0.82</b>	<b>-0.14</b>
<b>Process Industries</b>	<b>0.60</b>	<b>3.30</b>	<b>-2.71</b>
<b>Energy Minerals</b>	<b>--</b>	<b>3.44</b>	<b>-3.44</b>
<b>Industrial Services</b>	<b>--</b>	<b>3.77</b>	<b>-3.77</b>
<b>Miscellaneous</b>	<b>--</b>	<b>0.05</b>	<b>-0.05</b>
<b>Non-Energy Minerals</b>	<b>--</b>	<b>1.84</b>	<b>-1.84</b>
<b>Transportation</b>	<b>--</b>	<b>2.62</b>	<b>-2.62</b>
<b>Utilities</b>	<b>--</b>	<b>3.47</b>	<b>-3.47</b>



# Five Dimensions Small Cap Strategy

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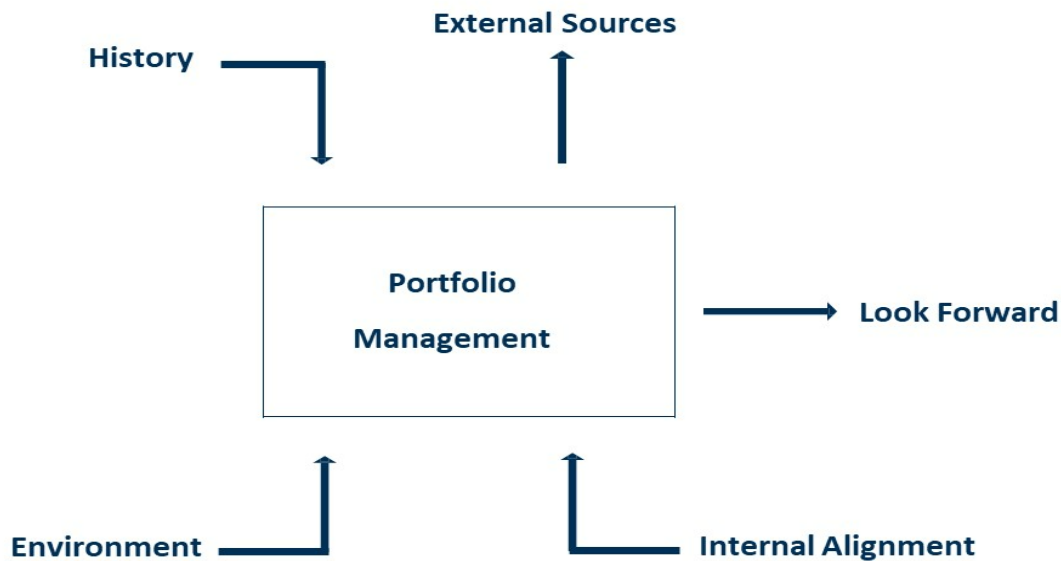
## INVESTMENT STYLE

- Active management
- Small-cap equity
- Bottom-up stock selection
- Benchmark: Russell 2000®
- Index



Five Dimensions  
Investment Management

## The Five Dimensions



For more information, please visit [fivedimensionsinvest.com](http://fivedimensionsinvest.com)

## PORTFOLIO MANAGER



Jason Bulinski, CFA  
Portfolio Manager  
Manager Inception:  
12/31/2010  
Industry start date: 2002

Past performance is no guarantee of future results.  
Discussion is based on performance gross of fees.

Information relating to portfolio holdings is based on the representative account in the composite and may vary for other accounts in the strategy due to asset size, client guidelines and other factors. The representative account is believed to most closely reflect the current portfolio management style.

Portfolio holdings are as of the date indicated, and are subject to change. This material should not be construed as recommendation to buy or sell any security.

For equity portfolios, relative contribution compares the performance of a security in the portfolio to the benchmark's total return, factoring in the difference in weight of that security in the benchmark. Returns are calculated using daily returns and previous day ending weights rolled up by ticker, gross of advisory fees, may exclude certain derivatives and will differ from actual performance.

**Investing involves risk, including the possible loss of principal and fluctuation of value.**

US Small Cap Composite, benchmarked to the Russell 2000® Index

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