




2025 Summer FPPTA Lunch and Learn

June 24, 2025

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A photograph of a coastal wetland landscape. In the foreground, there are dark, silty water channels and patches of brown, marshy ground. In the background, there are more water channels and distant land with some buildings. The sky is a pale blue. In the bottom right corner, there are some green and yellow plants, possibly sawgrass.

5000 Sawgrass Village Circle, Suite 32
Ponte Vedra Beach, FL 32082
www.saw-grass.com

Today's Agenda

- Introduction
- Meet Your Sawgrass Team
- Macro View
- Large Cap Equity
- Small Cap Equity
- Q & A Session

SAWGRASS INVESTMENT STRATEGY

Our products are governed by our belief in achieving growth while managing risk, which produces a structured and repeatable process and has demonstrated added value to our clients over time.

EQUITY INVESTMENT STRATEGIES

- Large Cap Quality Growth Equity
- Diversified Large Value Equity
- Small Cap Quality Growth Equity
- SMID Core Equity

FIXED INCOME INVESTMENT STRATEGIES

- High-Quality Core Fixed Income
- Intermediate Fixed Income
- Short-Term Fixed Income
- Local Government Investment Strategies
- Core Total Return
- Sawgrass High Quality Fixed Income CIT

CUSTOMIZED BALANCED PORTFOLIOS

Many clients utilize a balanced approach to meet their investment needs.

The Sawgrass Team

 Member of Executive Committee

PORTFOLIO MANAGEMENT



Alicia Dator
President/CCO



Anthony Brooks
Equity Growth



Liridon Gila, CFA
Co-CIO, Fixed Income/Equity



Marc Davis, CFA
Equity Growth



Rusty Creighton, CFA
Private Wealth
Management



David Siegel, CFA
Fixed Income



Martin LaPrade, CFA
Equity Growth



Dean McQuiddy, CFA
Co-CIO, Equity Growth



Patrick Riley, CFA
Equity Growth



Tim Christiansen
Equity Trader/Analyst



David Furfine, CFA
Fixed Income

CLIENT EXPERIENCE



Brian Monroe
Distribution



Brian Engel
Institutional
Distribution



Cristine Turner
Institutional
Client Relations



April December
Operations



Lori Bayler
Sales Enablement



Jamie Wienckowski
Data Management



Sarah Jellyman
Office Management

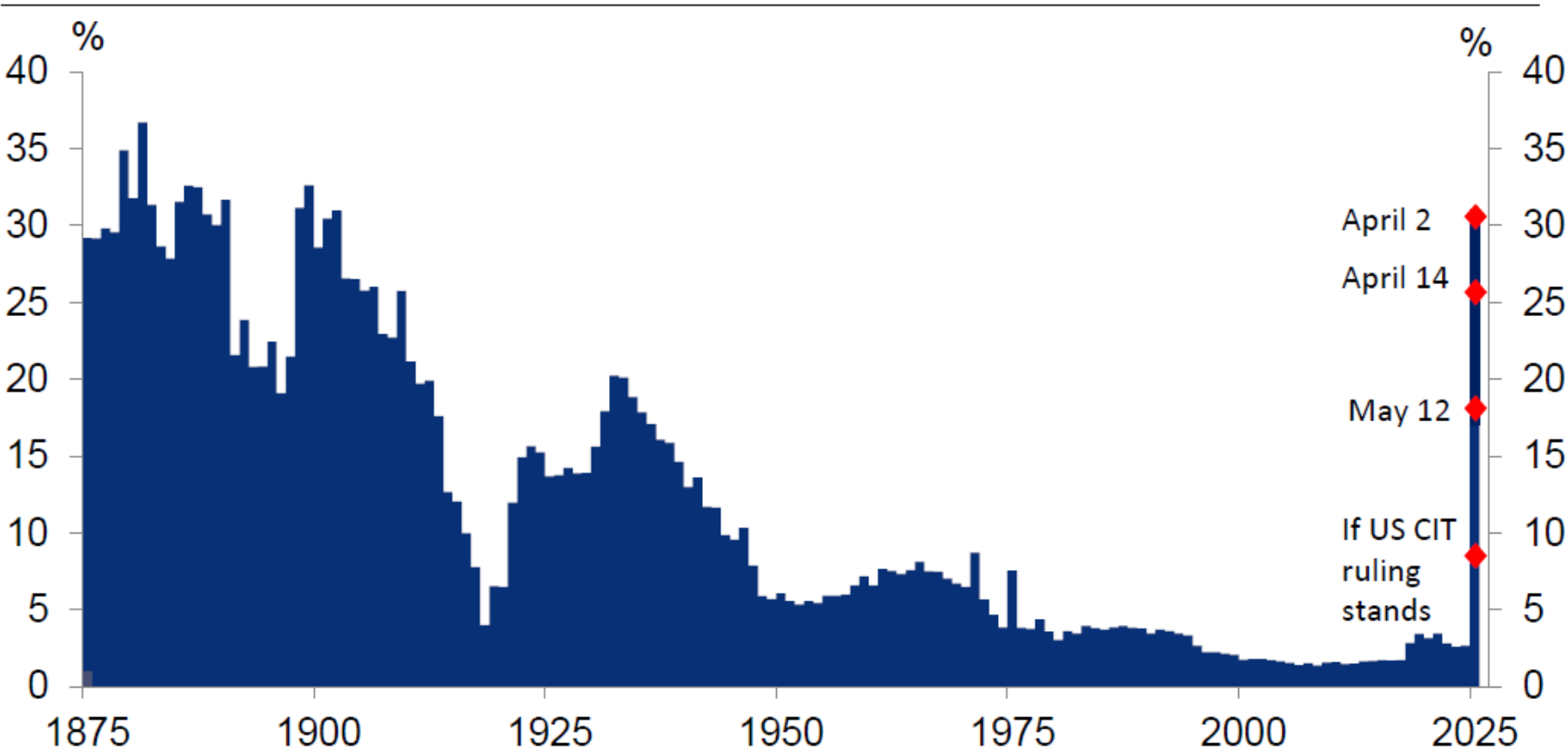
Macro View

Macro Strategy Amidst Trade & Policy Uncertainty

Liridon Gila, CFA
Co-CIO, Portfolio Manager

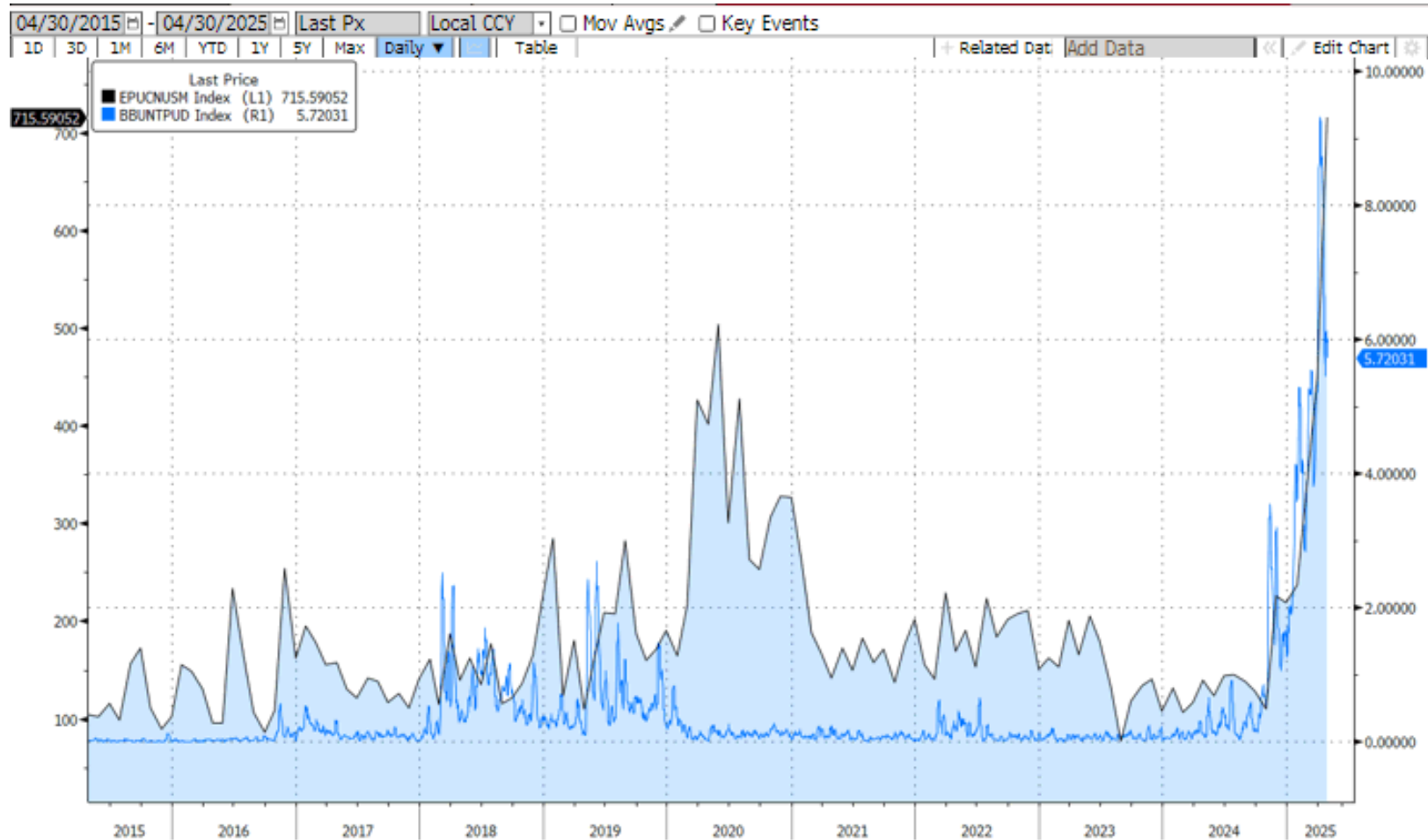
Effective Tariff Rate Near Highest in a Century

Average US tariff rate



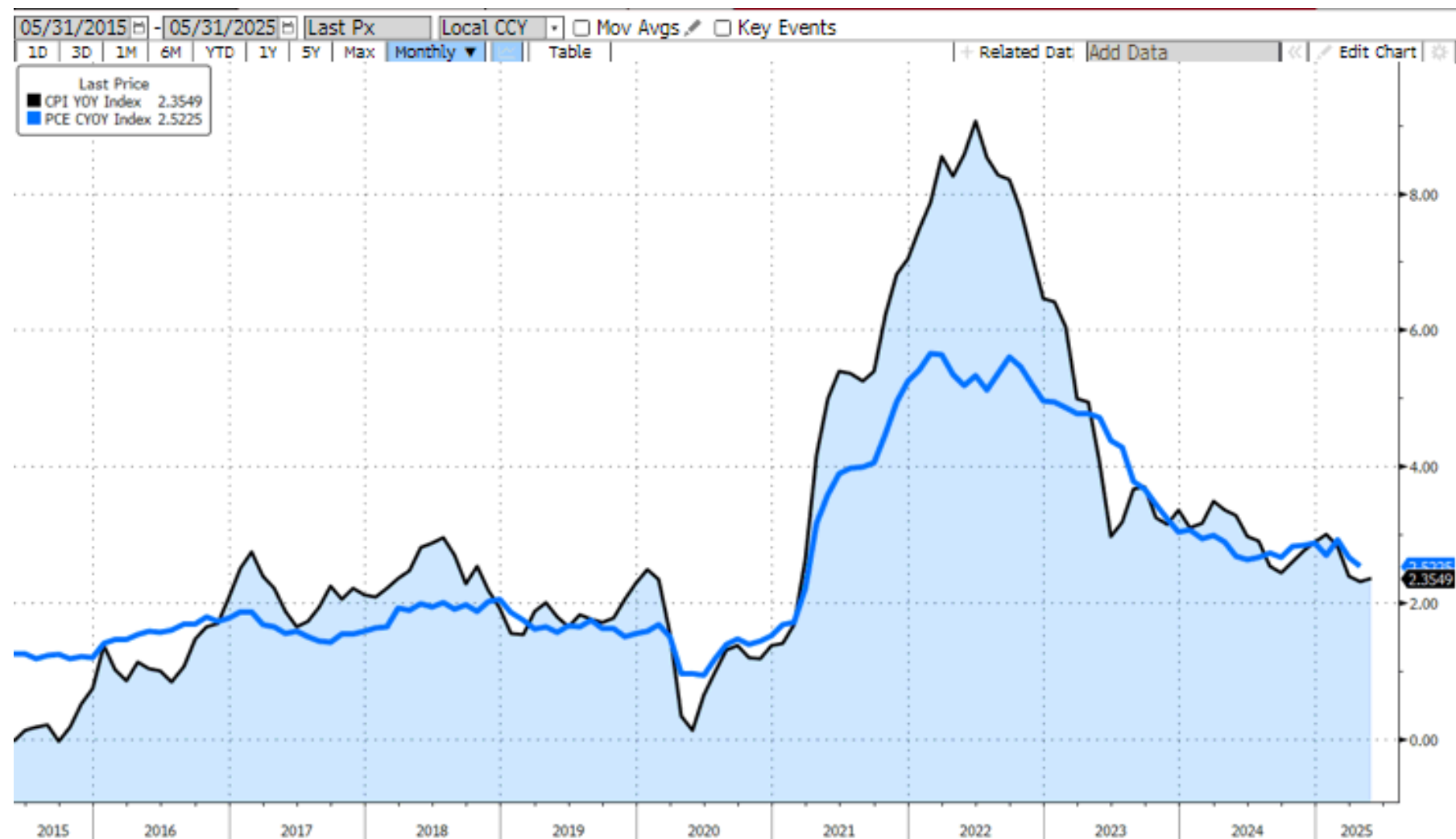
Source: St Louis Fed, USTIC, Macrobond, Deutsche Bank

Trade & Economic Policy Remains at Historical Highs



Source: Bloomberg, Baker, Bloom and Davis

Inflation Trending Lower: CPI 2.4%, PCE 2.5%



Source: Bloomberg, 6/15/2025

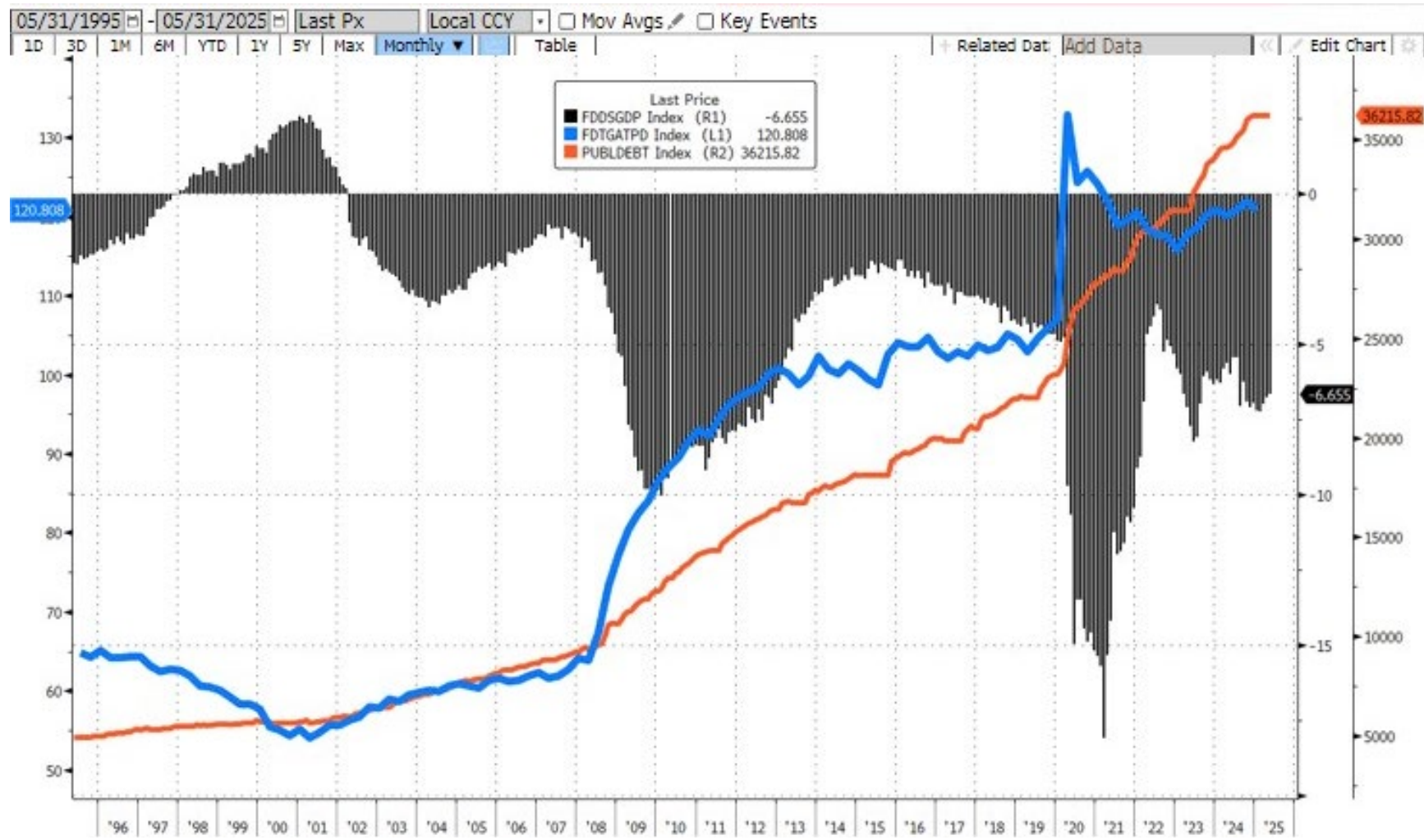
Money Supply Growth – Leading Indicator of Inflation Trend



Source: Bloomberg, 6/15/2025

US Deficit: Sustaining the Unsustainable

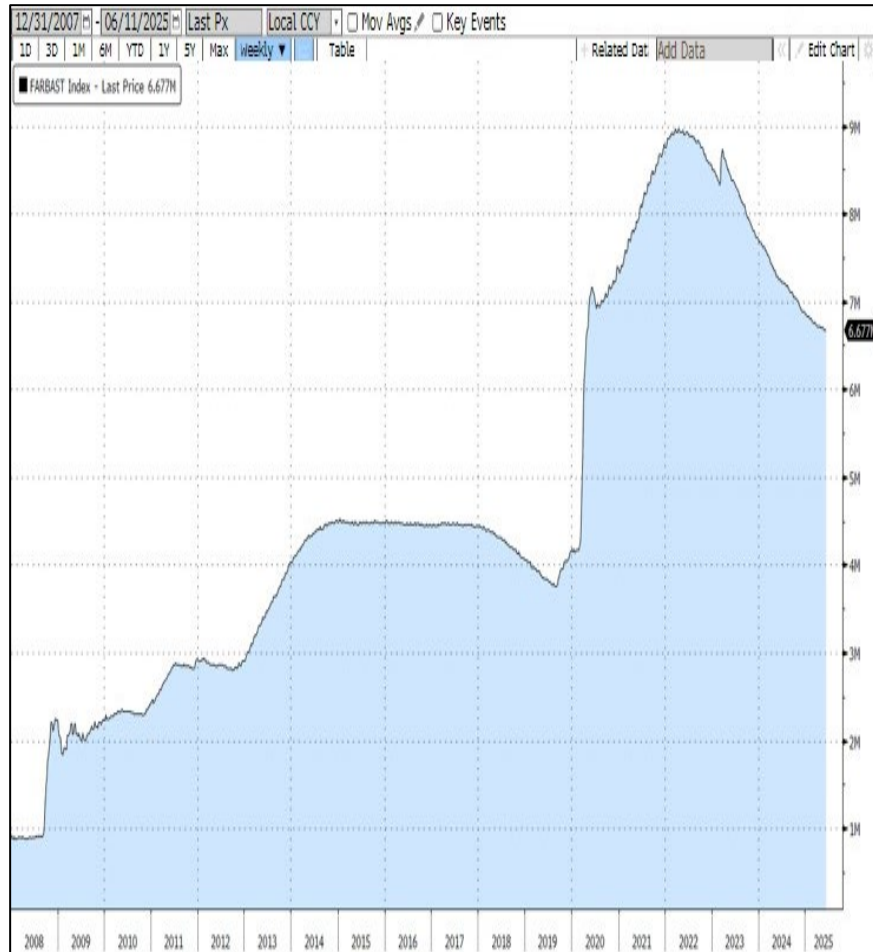
Federal Debt: \$36.2 Trillion | Federal Debt/GDP 121% | Fiscal Deficit/GDP -6.7%



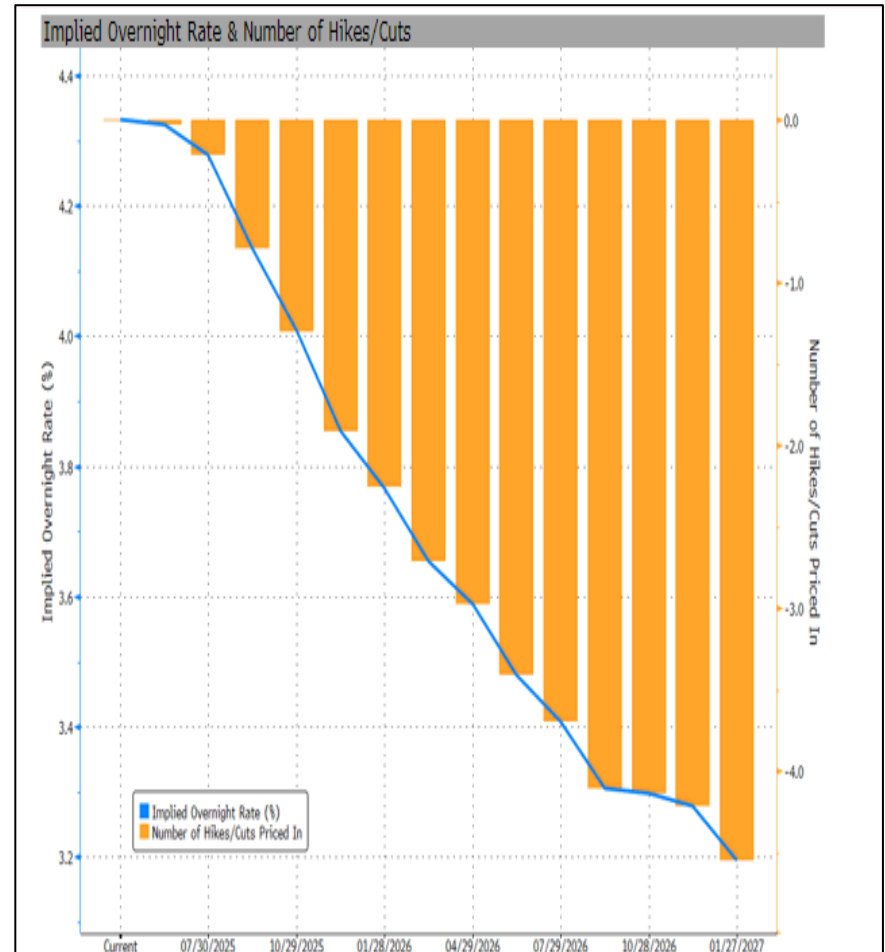
Source: Bloomberg, 6/15/2024

Monetary Policy: Quantitative Tightening & Rate Cuts

Fed Balance Sheet: \$6.67 Trillion



Market Implied Rate & Number of Cuts



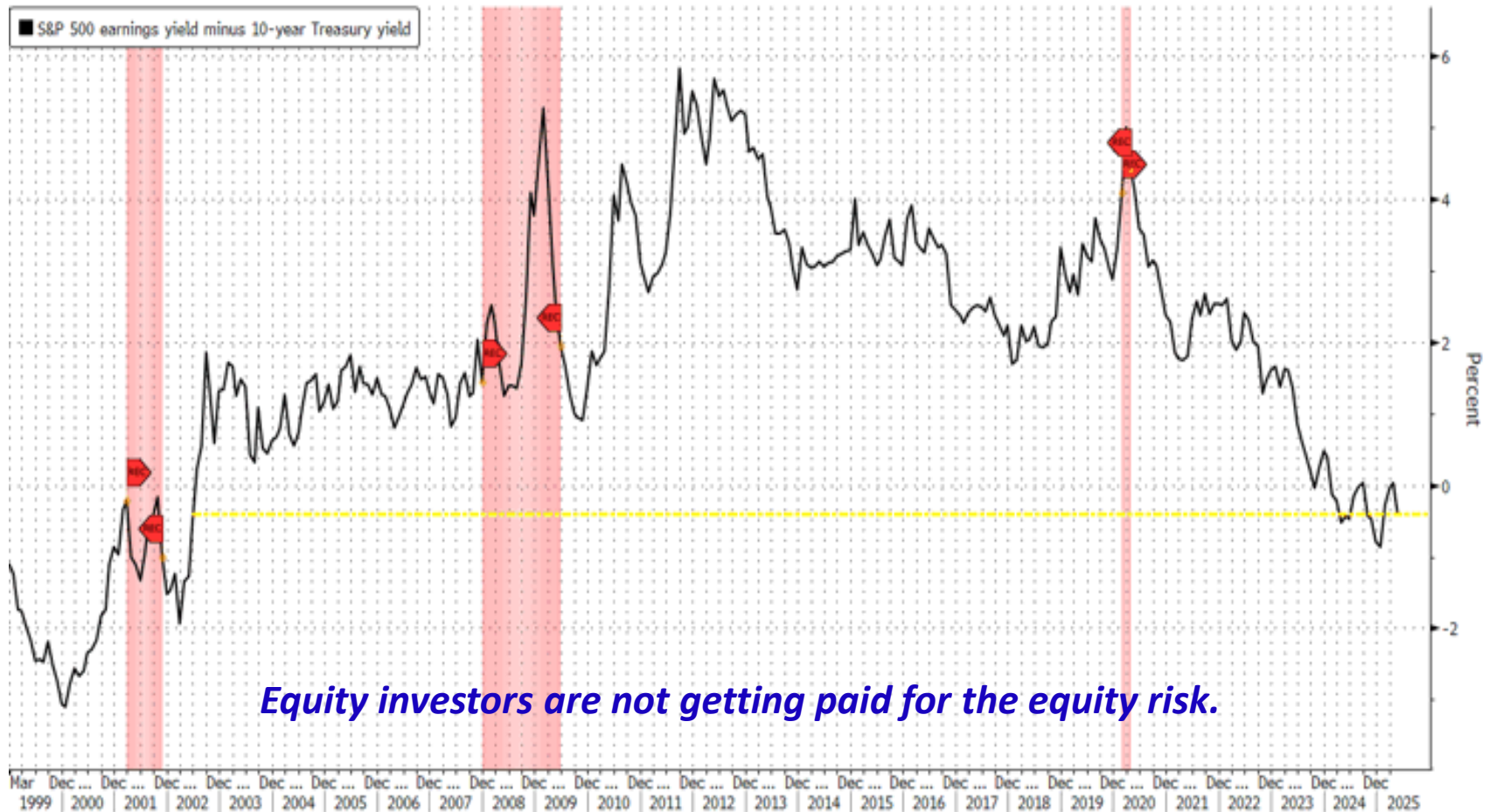
Source: Bloomberg, 6/15/2025

Bloomberg Aggregate Yield



Source: Bloomberg

Equity Risk Premium Near Lowest in Two Decades



Source: Bloomberg 6/15/2024

Large Cap Quality Growth Equity

Tarif-fying 🤖 or Tarif-fic 👍?

*Anthony Brooks
Portfolio Manager*

Three Best “Tariff Trades”...and what to look out for



T.A.C.O. Trade/Buy the Dip

Policy Negotiations will continue to be **volatile**.



Services over Goods

Consumer sentiment can affect demand for **prolonged periods**.



Domestic over Foreign

Most large cap stocks are **multi-national companies** with complex supply chains.

How do Tariffs Affect....Consumer stocks (**Significantly!**)

- Increasing costs pressure profit margins.
- Product demand can fall as prices rise.
- ***What to Look For:***
 - *Pricing power.*
 - *Higher income customers.*
 - *Essential goods with few substitutes.*

“Tarif-fying” 🤖



“Tarif-fic” 👍



“Tarif-fic” 🤖



How do Tariffs Affect....Cyclical stocks ([Also Significant](#))

- Highly exposed to foreign markets and global supply chains.
- Suffer most if tariffs dampen economic growth.
- ***What to Look For:***
 - *Flexible supply chains.*
 - *Less import dependent.*
 - *Have services component to business.*

“Tarif-fying” 



“Tarif-fic” 



REPUBLIC[®]
SERVICES

“Tarif-fic” 

HEICO

How do Tariffs Affect....Health Care stocks (Less Significant)

- Interrupted supply chains and research collaborations.
- Increasing costs for service providers.
- ***What to Look For:***
 - *Beware big pharma, political targets.*
 - *Dominant provider of treatment.*
 - *Address essential healthcare needs.*

“Tarif-fying” 🤖

Lilly

“Tarif-fic” 👍

**Johnson
& Johnson**

“Tarif-fic” 🤖

zoetis

How do Tariffs Affect....Technology stocks ([Individualized](#))

- Dependent on global supply chains for components.
- Innovation stifled by deglobalization.
- ***What to Look For:***
 - *Software fares better than hardware.*
 - *Works with larger less economically-sensitive customers.*
 - *Cheaper valuations can provide support.*

“Tariff-fying” 🤖



“Tariff-fic” 👍

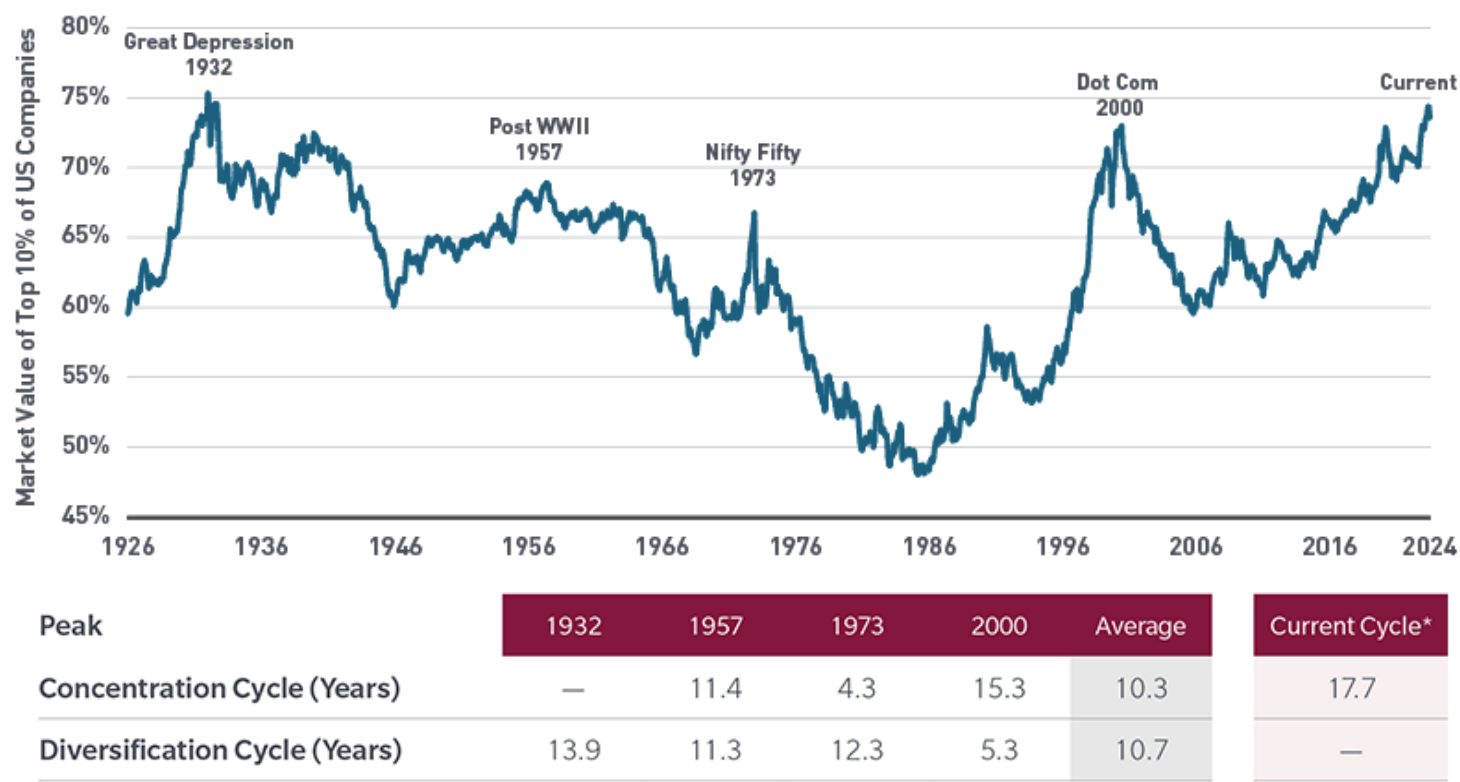
NETFLIX

“Tariff-fic” 🌐

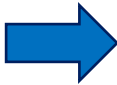
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Potential Impact of Tariffs on Large Caps

Markets remain at *historic* levels of *concentration*



Tariffs could be the catalyst for the beginning of the next Diversification cycle... Why?



Most large caps are multi-national companies and will be affected by tariffs to varying degrees.

Source: MFS Research; Kenneth French Data Library

Small Cap Quality Growth Equity

Tariff-Resilient: Small Caps' Domestic Advantage?

Patrick Riley, CFA
Portfolio Manager

Small Caps: Home Field Advantage Mitigates Tariff Impact

“Anything you want, they got it right here in the USA.”*



- Small Caps are primarily focused on U.S. market
- 77% of the size segment's revenues are generated here
- Supply chain risks are lower

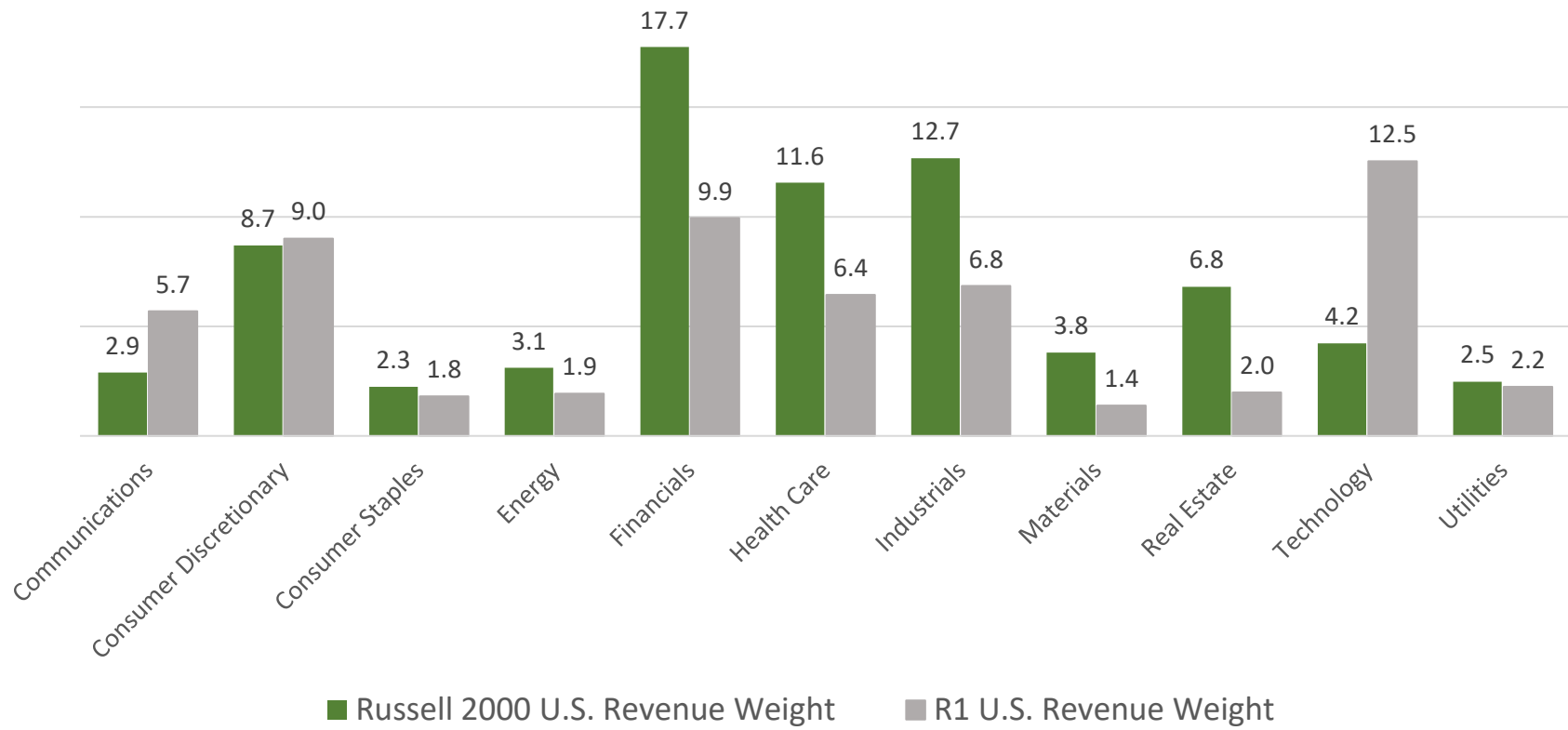
*“Back in the USA”, Chuck Berry, © Copyright Ole Purple Cape Music o/b/o Dualtone Words and Songs

Small Caps: Greater U.S. Revenue Exposure than Large Caps

U.S. generated revenues represent 77% of small caps total revenue vs 65% for large caps.

Percent of total revenues per sector that are U.S. generated

R2	79%	81%	89%	63%	89%	70%	72%	65%	98%	48%	90%
R1	54%	68%	51%	62%	73%	67%	67%	52%	83%	44%	96%

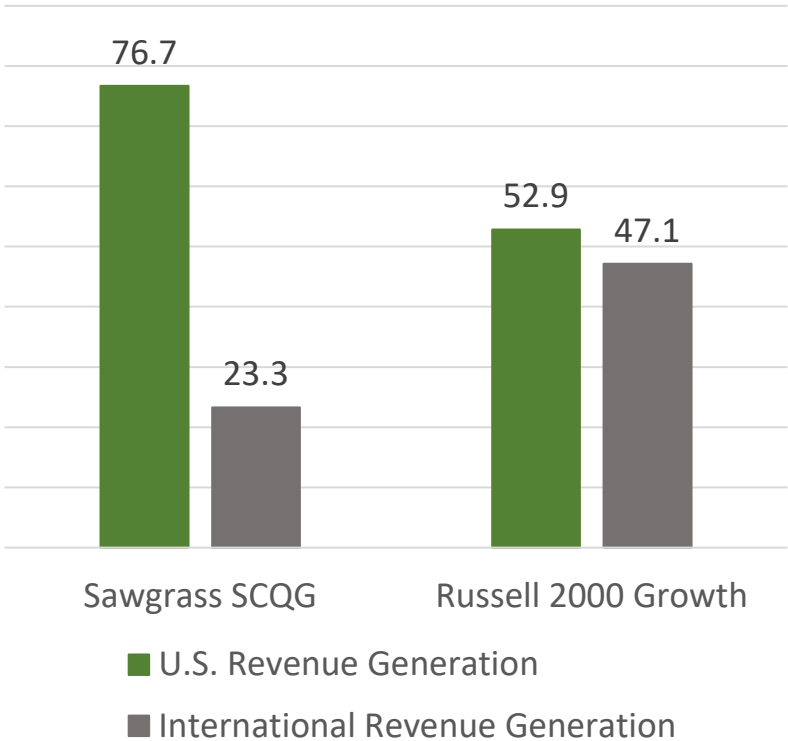


Source: FactSet

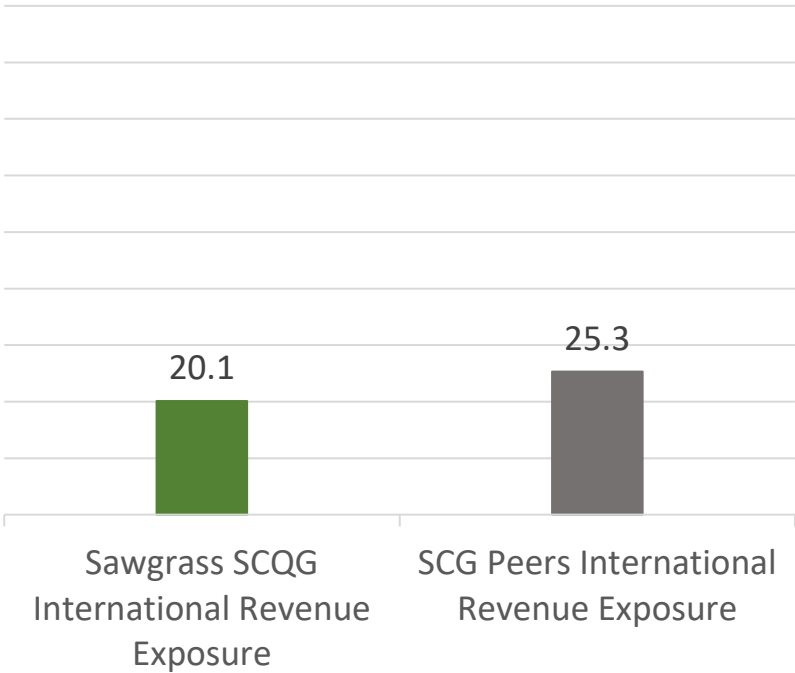
Sawgrass Small Cap Quality Growth: Domestically Focused

Companies purchased into the portfolio are all headquartered in the U.S.

The Sawgrass Small Cap Quality Growth product significantly outstrips its benchmark, the Russell 2000 Growth in terms of U.S. based revenue generation.



The Sawgrass Small Cap Quality Growth product has lower exposure to international revenues than do its small cap growth peers.



Source: FactSet

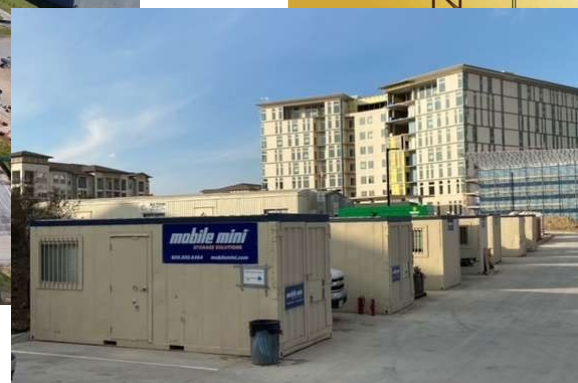
Small Caps: Re-Shoring Opportunities

Small caps are the worker bees for the re-shoring effort.

COMFORT SYSTEMS USA *



enova. *



WILLSCOT **

STERLING INFRASTRUCTURE, INC. **

* Current Holding
** Former Holding

Small Caps: Tariffs Another Log on the Leadership Switch Fire?



SITUATION

Economic environment of the 2020s favors high quality companies



VALUATION

Small caps are attractively valued relative to large caps across the board



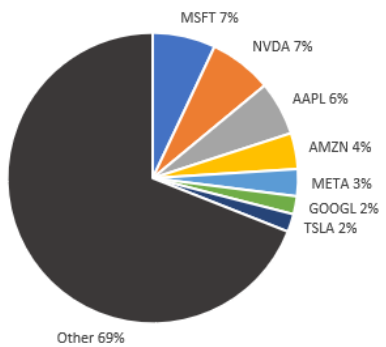
DURATION

Large cap leadership cycle at 14+ years is mature



DETERIORATION

Small cap poor 10Y relative performance measure only registered four times since Great Depression



CONCENTRATION

Extreme % share of S&P 500 by select large caps has occurred seldomly since the Great Depression

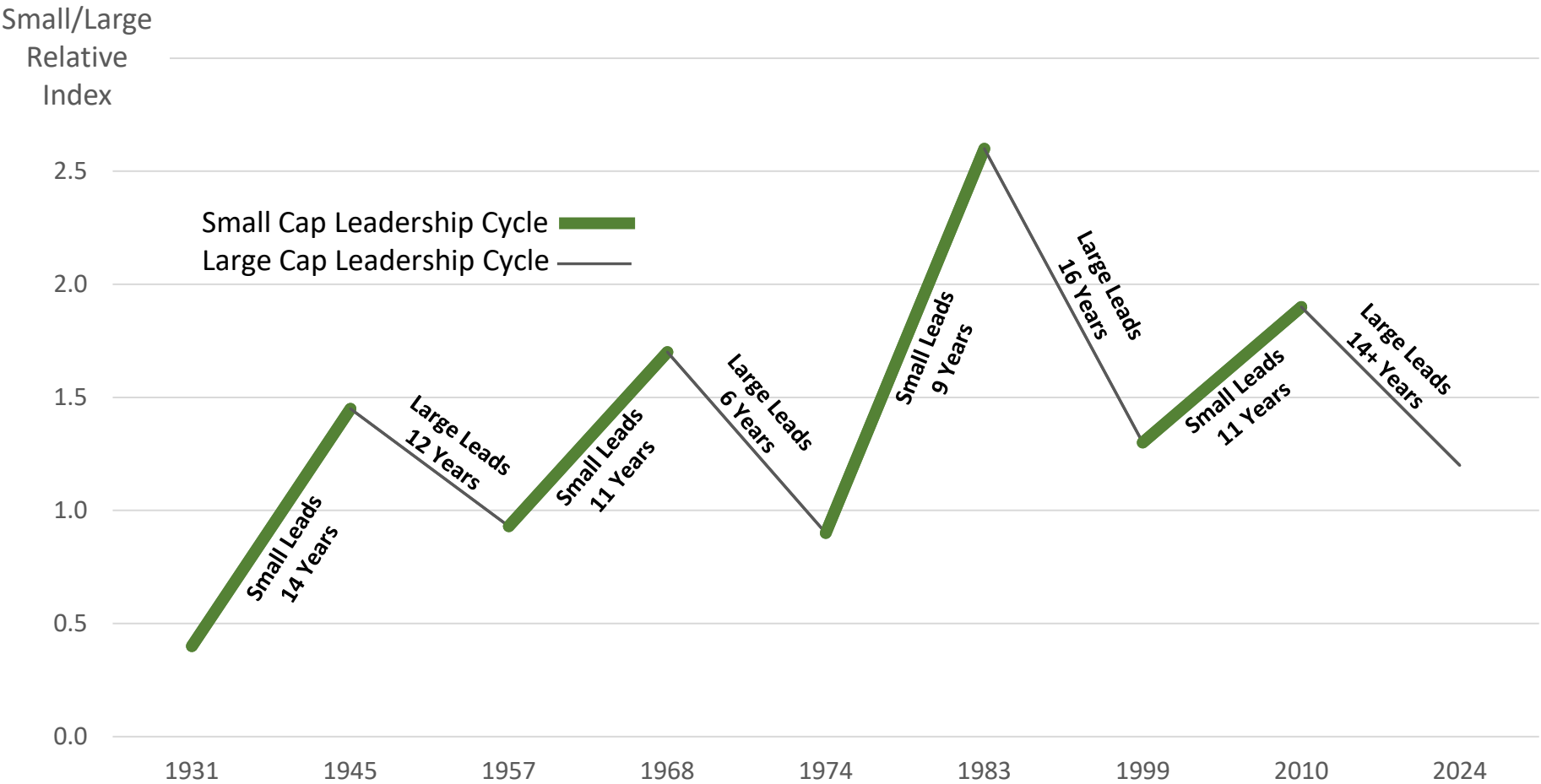


“TARIFFICATION”

Should support and perhaps accelerate re-shoring to the United States

Small Caps: Giants Will Fall, Gems Will Rise

Cap size alternates leadership. At 14+ years in length, this large cap leadership cycle is mature



Source: Furey Research Partners

Q & A



Sawgrass Product Performance Disclosures

Sawgrass Asset Management, LLC. (Sawgrass) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. Sawgrass has been independently verified for the periods 31 March 1998 through 31 December 2022. The verification report is available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedure 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. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant accuracy or quality of the content contained herein.

Sawgrass is a 100 percent employee-owned Registered Investment Advisor whose primary focus is to provide institutional investment management services.

Gross returns do not reflect the deduction of investment advisory fees but do include transaction fees. Gross and net returns include the reinvestment of all dividends and income. Net of fee performance was calculated by reducing the actual management fee charged to clients, or if part of a balanced account by reducing the highest management fee charged, in accordance with the Diversified Large Growth Equity strategy fee schedule. Prior to 12/31/2015, the highest management fee was utilized to calculate net-of-fee performance.

Performance is in U.S. dollars. A comprehensive list and description of the firm's composites and limited distribution pooled funds, and additional information regarding policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request.

Past performance does not guarantee future results. Investments are subject to risk and may lose value.

Information Specific to the Sawgrass Large Cap Quality Growth Equity Product: As of 3/31/2025, this composite was comprised of 47 accounts valued at \$583.5 million. Assets in this product represent 27% of the firm's total assets under management. Total product model assets under advisement are \$926.6 million and total firm advisory model assets are \$927.5 million. The three-year standard deviation for this product and its benchmark was 15.4% and 20.5%, respectively. This composite's creation date was 3/31/1998, and the composite's minimum account size is currently \$1 million. Net of fee performance includes performance based fees.

The investment management fee schedule is available in Form ADV 2 as follows: 0.70% on the first \$10 million, 0.60% on the next \$20 million and 0.50% on the balance.

Composite Description: Accounts included are comprised of all actively managed equity accounts with assets greater than \$1,000,000 that are managed with a mandate of Large Capitalization Growth benchmarked to the Russell 1000 Growth Index. These accounts primarily invest in large capitalization U.S. growth equities.

Large Cap Quality Growth Equity Composite	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Annual Total Return - Gross of Fees	2.3%	6.5%	23.0%	3.5%	30.6%	21.7%	27.6%	-17.6%	30.8%	18.8%
Annual Total Return - Net of Fees	1.8%	6.1%	22.5%	3.0%	30.1%	21.2%	27.0%	-18.0%	30.2%	18.3%
Russell 1000 Growth	5.7%	7.1%	30.2%	-1.5%	36.4%	38.5%	27.6%	-29.1%	42.7%	33.4%
Total Product Assets - Year End (MM)	\$1,929.7	\$1,942.0	\$2,005.0	\$1,761.6	\$1,222.2	\$1,041.1	\$1,019.8	\$840.8	\$1,225.4	\$1,603.0
Product Composite Assets - Year End (MM)	\$1,901.4	\$1,893.0	\$1,901.0	\$1,655.7	\$1,008.8	\$942.3	\$863.5	\$602.1	\$658.5	\$650.4
Product Advisory Model Assets - Year End (MM)	\$28.3	\$35.9	\$99.5	\$102.4	\$210.2	\$95.4	\$154.3	\$235.1	\$565.9	\$951.9
Total Firm Assets Under Advisement - Year End (Bln)	\$3.8	\$3.9	\$4.0	\$3.7	\$3.3	\$3.3	\$3.1	\$2.3	\$2.9	\$3.2
Total Firm Assets Under Management - Year End (Bln)	\$3.8	\$3.8	\$3.9	\$3.5	\$3.0	\$3.2	\$2.9	\$2.1	\$2.3	\$2.3
Total Firm Advisory Model Assets - Year End (Bln)	\$0.1	\$0.1	\$0.1	\$0.1	\$0.3	\$0.1	\$0.2	\$0.2	\$0.6	\$1.0
Percent of Firm's Assets	50.6%	49.8%	49.3%	47.0%	33.2%	29.2%	29.5%	28.6%	28.5%	28.7%
Number of Accounts	74	78	81	77	73	68	59	52	51	48
Dispersion - Gross	0.22%	0.10%	0.21%	0.21%	0.51%	1.51%	0.39%	0.38%	0.47%	0.36%
Volatility - 3 Year Rolling Net Std Dev Sawgrass	9.89	9.77	9.38	10.03	10.41	16.41	15.77	19.61	16.58	15.66
Volatility - 3 Year Rolling Std Dev Index	10.85	11.31	10.69	12.30	13.26	19.92	18.42	23.80	20.80	20.62
Inception Date	3/31/1998									

Benchmark Index Definition: The Russell 1000 Growth index measures the performance of the large-cap growth segment of the U.S. equity universe. "Russell" is a registered trademark owned by the Frank Russell Company and has no affiliation with Sawgrass Asset Management, LLC.

Dispersion Note: Effective 1/1/2022, dispersion calculated on an asset-weighted basis. Prior dispersion calculated on an equal-weighted basis.

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Performance is in U.S. dollars. A comprehensive list and description of the firm's composites and limited distribution pooled funds, and additional information regarding policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request.

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Information Specific to the Sawgrass Small Cap Quality Growth Equity Product: As of 3/31/2025 this composite was comprised of 5 accounts valued at \$5.8 million. Assets in this product represent less than 1% of the firm's total assets under management. Total product model assets under advisement are \$0.9 million and total firm advisory model assets are \$927.5 million. The three-year standard deviation for this product and its benchmark was 21.4% and 23.9%, respectively. The composite's creation date was 4/30/2010, and the composite's minimum account size is currently \$100,000 (as of 2/19/2010, \$500,000 prior).

The investment management fee schedule is available in Form ADV 2 as follows: 0.80% on the first \$25 million, 0.70% on the next \$25 million and 0.60% over \$50 million.

Composite Description: Accounts included are comprised of all actively managed equity accounts with assets greater than \$100,000 (as of 2/19/2010, \$500,000 prior) that are managed with a mandate of Small Capitalization Growth benchmarked to the Russell 2000 Growth Index. These accounts primarily invest in small capitalization U.S. growth equities with a diversified portfolio of between 80-100 stocks.

Small Cap Quality Growth Equity Composite	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Annual Total Return - Gross of Fees	7.0%	13.4%	20.8%	-6.5%	25.8%	14.7%	25.6%	-10.8%	15.3%	30.9%
Annual Total Return - Net of Fees	6.0%	12.5%	19.9%	-7.2%	24.9%	14.0%	24.8%	-11.5%	14.5%	30.0%
Russell 2000 Growth	-1.4%	11.3%	22.2%	-9.3%	28.5%	34.6%	2.8%	-26.4%	18.7%	15.2%
Total Product Assets - Year End (MM)	\$25.2	\$23.7	\$51.3	\$54.6	\$26.3	\$9.8	\$11.5	\$6.6	\$6.9	\$7.9
Product Composite Assets - Year End (MM)	\$2.2	\$2.6	\$27.1	\$32.7	\$4.2	\$9.8	\$11.5	\$6.6	\$6.9	\$7.1
Product Advisory Model Assets - Year End (MM)	\$23.0	\$21.1	\$24.1	\$21.9	\$22.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.8
Total Firm Assets Under Advisement - Year End (Bln)	\$3.8	\$3.9	\$4.0	\$3.7	\$3.3	\$3.3	\$3.1	\$2.3	\$2.9	\$3.2
Total Firm Assets Under Management - Year End (Bln)	\$3.8	\$3.8	\$3.9	\$3.5	\$3.0	\$3.2	\$2.9	\$2.1	\$2.3	\$2.3
Total Firm Advisory Model Assets - Year End (Bln)	\$0.1	\$0.1	\$0.1	\$0.1	\$0.3	\$0.1	\$0.2	\$0.2	\$0.6	\$1.0
Percent of Firm's Assets	0.1%	0.1%	0.7%	0.9%	0.1%	0.3%	0.4%	0.3%	0.3%	0.3%
Number of Accounts	3	4	6	6	5	6	6	5	5	5
Dispersion - Gross	0.03%	0.02%	0.12%	0.14%	0.16%	0.32%	0.05%	0.18%	0.24%	0.05%
Volatility - 3 Year Rolling Net Std Dev Sawgrass	13.05	13.46	11.78	14.04	13.08	20.68	18.65	22.68	18.67	21.79
Volatility - 3 Year Rolling Std Dev Index	15.16	16.91	14.80	16.69	16.60	25.46	23.40	26.57	22.09	24.33
Inception Date	4/30/2010									

Benchmark Index Definition: The Russell 2000 Growth Index measures the performance of the small-cap growth segment of the U.S. equity universe. "Russell" is a registered trademark owned by the Frank Russell Company and has no affiliation with Sawgrass Asset Management, LLC.

*As a new composite, there were fewer than five accounts for the entire period.

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