

# JSC Active Management – Income Generating Strategy



Q1 '25 | As of 3.31.25

## CHARACTERISTICS

**Objective:** JSC's Income Generating Strategy provides reliable investment income without sacrificing the potential for growth of principal. Like all actively managed strategies at JSC, every portfolio is carefully tailored to each individual investor.

**Methodology:** A multi-asset strategy is deployed based on a framework developed by Andrew Graham, CFA over a 30 year timespan.

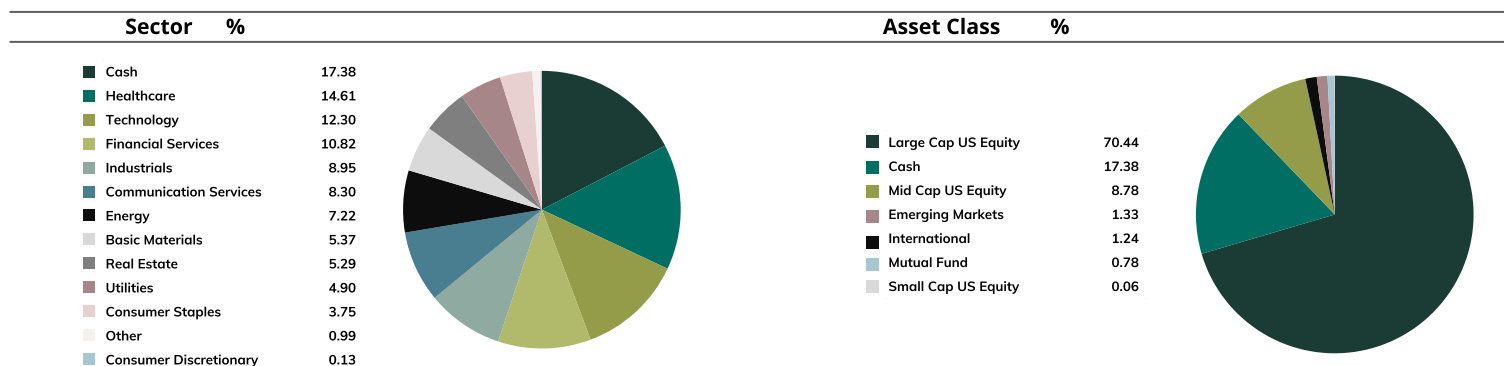
- **Investment selection** focuses on reliable income and sustainable growth. Portfolios typically feature holdings with less price volatility than those held in our growth portfolios, and can leverage tax advantages like qualified dividends to deliver strong after-tax returns.
- **Timing** is critical. Fundamentally attractive securities are bought at technically oversold levels when constructing a new portfolio, meaning all investments are not uniformly held across Income Generating Portfolios. Sell decisions are also made at the individual level, contributing to tax-efficient returns.
- **Protection** is as important as growth. Per-position loss limits are a key component of JSC's pragmatic approach to active management. Fees and taxes are limited in order to control two factors that degrade real returns.

**Benchmark:** 70% Russell 1000 Value Index, 30% Bloomberg Barclays US Aggregate Index

**Total Assets in Strategy:** \$48,586,567

## HOLDINGS

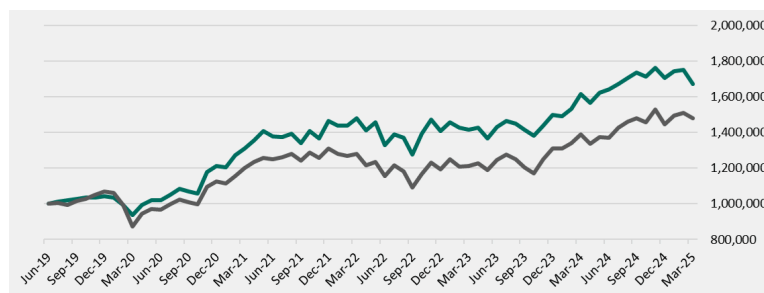
### Sector and Asset Class Distribution



## PERFORMANCE

### Growth of \$1,000,000 Net of Fees

JSC Income Generating Benchmark



### Average Annual Total Returns (%) Net of Fees

	QTD	YTD	1yr	3yr	5yr	since inception*
JSC Income Generating	-1.81%	-1.81%	3.58%	4.19%	12.30%	9.36%
MSCI US IM HDY	3.15%	3.15%	8.69%	6.55%	14.48%	8.45%
Benchmark	2.36%	2.36%	6.60%	4.95%	11.15%	7.07%

\*Inception date 7/1/2019.

## TEN LARGEST HOLDINGS

Broadcom Inc	Bristol-Myers Squibb Company
AT&T Inc	Cisco Systems Inc
Eli Lilly and Company	Caterpillar Inc
AbbVie Inc	Western Alliance Bancorporation
Deutsche Telekom ADR	Linde PLC

Top 10 as % of net total assets: 35.70%

## CONTACT THE TEAM

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Composite performance inception date 7/1/19; Data courtesy of MSCI, Orion Advisor Solutions, and Longs Peak Advisory Services. Investment advisory services provided through Jackson Square Capital, LLC an SEC registered investment adviser.

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## STRATEGY METRICS

Statistics Presented Net of Fees

	1yr				since inception			
	JSC IG vs. MSCI US IM HDY	MSCI US IM HDY	JSC IG vs. Benchmark	Benchmark	JSC IG vs. MSCI US IM HDY	MSCI US IM HDY	JSC IG vs. Benchmark	Benchmark
Alpha (%)	(3.77)	0	(2.59)	0	2.71	0	2.85	0
Beta	0.65	1.00	0.75	1.00	0.70	1.00	0.88	1.00
St. Deviation	8.87	12.02	8.87	10.60	12.70	16.50	12.70	13.32
Sharpe Ratio	(0.10)	0.36	(0.10)	0.21	0.59	0.43	0.59	0.41
Upside Capture	0.67	1.00	0.76	1.00	0.80	1.00	0.99	1.00
Downside Capture	0.83	1.00	0.86	1.00	0.69	1.00	0.84	1.00
Max Drawdown	(5.09)	(6.58)	(5.09)	(5.28)	(13.62)	(25.53)	(13.62)	(18.39)

## JSC INCOME GENERATING PORTFOLIOS IN ACTION

### Largest Position Changes

#### Buys

Deutsche Telekom ADR	Gilead Sciences Inc
Mosaic Co	Williams Companies
JP Morgan Chase & Co	EPR Properties

#### Sells

NextEra Energy Inc	Taiwan Semiconductor
Eastman Chemical Co	Chubb Limited
PNC Financial Service Corp	Dell Technologies Inc

### Case Study: Deutsche Telekom AG (DEGY)

#### Deutsche Telekom AG (DEGY)

October 1, 2024 - March 31, 2025



Deutsche Telekom has a ~57% ownership stake of T Mobile (TMUS) and trades at an attractive discount at ~16x forward EPS vs. TMUS at 22x. The company has a successful history in M&A, with substantial opportunities ahead given ample room on the balance sheet. TMUS also has a successful track record when it comes to acquisitions, with DEGY participating in \$10B of expected US approved deals in 2025.

Reliable income and sustainable path to growth: Deutsche Telekom (US ADR symbol DEGY) is one of the few European large cap companies to offer a double-digit EPS growth profile, plus current dividend yield of 2.86% and trades at reasonable multiple.

Deutsche Telekom AG (DEGY) chart courtesy of FactSet.

## DISCLOSURES

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