

## News In Brief

### Portfolio Statistics as of 9/30/2020:

- 34 Equity investments
- 7.5% International equities
- Core portfolio average holding period 3-5 years

### Top 5 Equity Investments:

- 8.5% Microsoft
- 5.6% Amazon
- 5.4% Mastercard
- 4.8% FedEx
- 4.7% Insulet
- 29.0% Net Assets

### Blue Point's Cumulative Return

Since its inception on 12/31/06, Blue Point's quarterly, time-weighted return net-of-fees is 464.77%. On a \$1,000,000 investment, the dollar value of Blue Point's Total Return net-of-fees is \$5,647,650 versus the \$3,139,002 Total Return of the S&P 500. The active manager value-add is \$2,508,648.

### Time Weighted Return as of 12/31/19:

- 1 Year Blue Point TR 34.84%
- 1 Year S&P 500 TR 31.49%
- 3 Year Blue Point TR 65.14%
- 3 Year S&P 500 TR 53.17%
- 5 Year Blue Point TR 93.32%
- 5 Year S&P 500 TR 73.86%

### Portfolio Manager

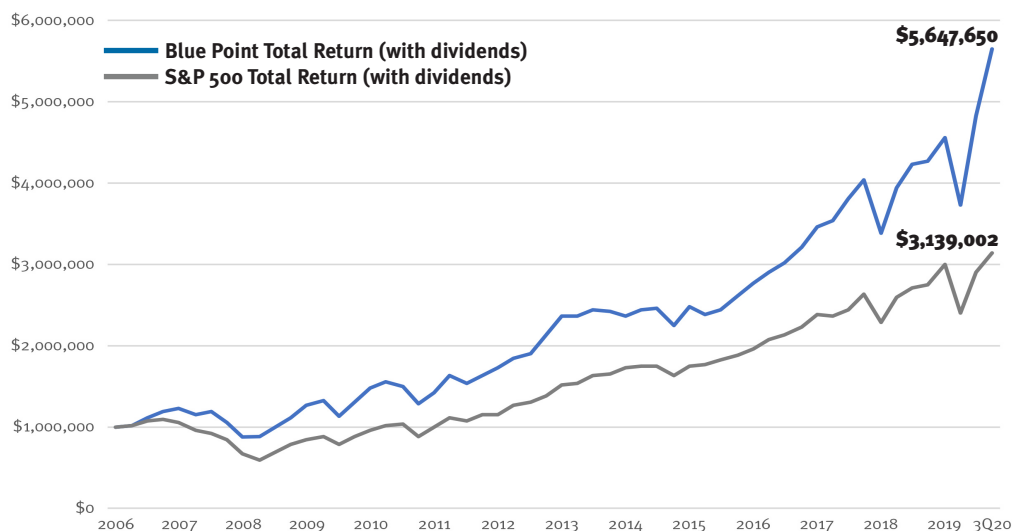
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## Performance Summary

Blue Point is pleased to report an outstanding performance for the third quarter. During the third quarter, Blue Point's model portfolio, applied to separately managed accounts, returned 16.92% net-of-fees. The Total Return of the S&P 500, which includes dividends, was 8.03%. Blue Point outperformed the benchmark by 8.89% during the third quarter.

Year-to-date, Blue Point has returned 23.81% net-of-fees, while the Total Return of the S&P 500 was 4.71%. Year-to-date, Blue Point's active management has outperformed the benchmark by 19.10%. Investments in the digital economy and healthcare created the majority of the value-add for clients.



Graph footnote: Total Return (TR), includes the reinvestment of dividends.

**Disclosures:** Performance of the separate accounts can differ substantially from the performance of Blue Point's model portfolio due to timing of entry, whether account is taxable or non-taxable, and the timing of withdrawals. Returns include accrued income since 9/30/14. Past performance does not guarantee future results. The standard investment adviser fee schedule is 1.0% on the first \$3 million, 0.85% on the next \$7 million, 0.75% thereafter. There is no stated account minimum, but the relationship needs to be mutually beneficial. The investment adviser fees are negotiable and may be waived. Blue Point Investment Management, LLC, is a Maryland registered investment adviser. To receive a copy of Blue Point's ADV Part 2, call 443-600-8050.

## Market Outlook

➤ **Growth in the Digital Economy** – Restrictions associated with the virus are forcing digital engagement at unprecedented levels. Remote working is now the norm, digital purchases define consumer activity, and video interaction has become the new social, business and education standard.

➤ **Valuation Risk** – Central bank stimulus has created a disconnect between the real economy and financial markets. The real economy is struggling with virus restrictions that limit consumer activity, service businesses, and schools. An important offset to the challenges present in the real economy is the growing number of potential treatments and vaccines.

➤ **Unexpected Productivity Gains** – Consumers, businesses and healthcare professionals are learning to work more efficiently. Distribution systems are being rationalized, businesses are seeing dramatically less need for business travel, and healthcare professionals are embracing video conferencing.

➤ **Political Clarity** – The upcoming U.S. election will help decide government policy and investment priorities. Many parts of the service economy have not recovered. How the U.S. government structures stimulus and incentives will impact economic growth and opportunity gaps.

## A Global Perspective

Blue Point Investment Management offers equity-oriented growth with a global perspective. The investment discipline seeks Growth at a Reasonable Price. Each client account is managed separately.

The Growth At a Reasonable Price (GARP) investment strategy is a blend of active growth and value investing. As a rule, value investors focus on the price of the security, the numerator of the P/E ratio, while growth investors focus on earnings offered by the security, the denominator of the P/E ratio. GARP represents a blended approach and is often referred to as a market-oriented investment strategy.

Blue Point identifies sustainable, long-term trends through macro-economic research. From there, Blue Point uses fundamental research to identify and invest in companies that stand to benefit from favorable trends. Investments are geared towards long-term value creation while preserving capital.

Blue Point seeks equity-oriented growth while actively managing the downside risk. Under normal circumstances, Blue Point invests at least 60% of its net assets in domestic U.S. securities. This global approach offers significant investment opportunities here and abroad. In times of market crisis,

adjustments to portfolio holdings will be made that best serve the preservation of capital while seizing investment opportunities. Cash is used as an asset class in portfolio construction.

Each separately managed account stays in the client's name providing complete transparency. Blue Point receives no commission or compensation that would create a conflict of interest. To further ensure the alignment of interests, Blue Point's portfolio manager invests in the same Blue Point model portfolio as clients.

### Blue Point's Thirteen Year Performance

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Blue Point Total Return net of fees	23.04%	-28.78%	44.08%	17.26%	-4.55%	21.69%	37.05%	0.12%	5.27%	11.21%	25.51%	-2.42%	34.84%
S&P 500 Total Return	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%
Blue Point vs. Benchmark	17.55%	8.22%	17.62%	2.20%	-6.66%	5.69%	4.66%	-13.57%	3.89%	-0.75%	3.67%	1.96%	3.36%



## THE MANAGER'S CORNER

### PORTFOLIO MANAGER:

Niall H. O'Malley (pictured) is the founder and Managing Director of Blue Point Investment Management, which manages accounts on a separate account basis. Niall has an MBA from George Washington University in Finance and Investments with minors in Business Law and Taxation. All of these activities build on strong professional experience working for buy-side firms, consulting, and over seven years with a top-ten U.S. commercial bank. Prior to starting Blue Point, Niall was a Vice President of Credit & Risk Management at SunTrust Bank.

He passed Level II of the Chartered Financial Analyst examination in 2005, and holds the Series 65 License from FINRA.

Niall regularly speaks to CFA Society, university and investment groups. He served on the Board and the Program Committee of the CFA Society Baltimore for 13 years, and now serves on the Society's Advisory Board. Niall served as President of the CFA Society Baltimore from 2009-2010, and founded the Baltimore Business Review. He served as Co-Editor of the Baltimore Business Review for eight years and continues to be a contributor. Niall has taught

Investments and Equity Security Analysis as an Adjunct Professor at Towson University, College of Business and Economics.

### EQUITY RESEARCH INTERNS

**Thomas O'Malley** is a candidate for a Bachelor of Science in Business Administration in Finance at Loyola University Maryland.

**Keyur Patel** is a candidate for a Bachelor of Science in Business Administration in Finance and Financial Planning at Towson University.

**Sarah Pulkowski** is a candidate for a Bachelor of Science in

Business Administration with a concentration in Finance and with an Accounting minor at Towson University Honors College.

**Brett Wardle** is a candidate for a Bachelor of Science in Business Administration with a concentration in Finance and Economics at Towson University.

Additional Information is available at [www.bluepointim.us](http://www.bluepointim.us)

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