

## News In Brief

### Portfolio Statistics as of 9/30/2021:

- 34 Equity investments
- 1.3% International equities
- Core portfolio average holding period 3-5 years

### Top 5 Equity Investments:

- 8.6% Microsoft
- 5.1% Amazon
- 4.9% Insulet
- 4.9% Charles Schwab
- 4.8% Mastercard
- 28.3% 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 **548.11%**. On a \$1,000,000 investment, the dollar value of Blue Point's Total Return net-of-fees is \$6,481,089 versus the \$4,114,683 Total Return of the S&P 500. The active manager value-add is \$2,366,406.

### Time Weighted Return as of 12/31/20:

- 1 Year Blue Point TR 35.27%
- 1 Year S&P 500 TR 18.40%
- 3 Year Blue Point TR 77.98%
- 3 Year S&P 500 TR 48.85%
- 5 Year Blue Point TR 148.41%
- 5 Year S&P 500 TR 103.04%

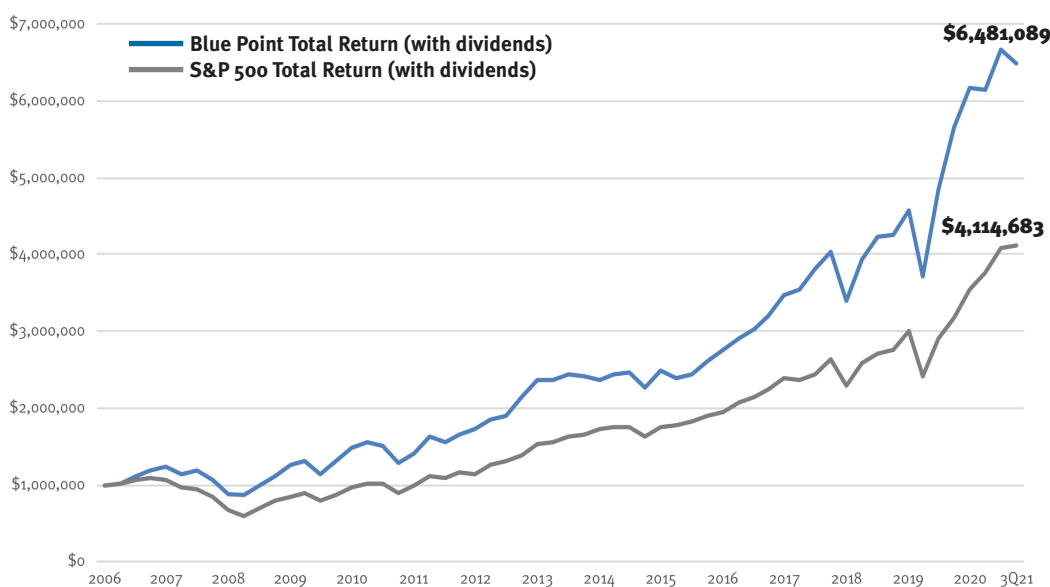
### Portfolio Manager

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## Performance Summary

During the third quarter, Blue Point's model portfolio, applied to separately managed accounts, returned -2.74% net-of-fees. The Total Return of the S&P 500, which includes dividends, was 0.58%. Blue Point's active management underperformed the benchmark by -3.32%. Year-to-date, Blue Point has returned 5.04% net of fees, while the Total Return of the S&P 500 was 15.92%. Year-to-date, Blue Point underperformed the benchmark by 10.88%. The primary source of the underperformance was the strong rotation from growth companies to cyclical companies.



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

➤ **Accelerating Inflation** – The list of items causing inflation is disturbingly long and includes: printed money, stimulus, supply chain disruptions, labor shortages, semiconductor shortages and COVID restrictions. The U.S. must take care to avoid entering an inflationary spiral. Demand already exceeds supply.

➤ **Normalizing U.S. Growth** – Since the end of the second quarter U.S. economic growth has been slowing. The passage of the Bipartisan Infrastructure Bill will spur economic growth in 2022. The infrastructure investments will help improve productivity.

➤ **Slowing Growth in China** – The Chinese government is aggressively deleveraging the Chinese property development market. The goal is "common prosperity" which has also rewritten the operating rules for private companies in China. Party trumps profits.

➤ **Accelerating European Growth** – COVID restrictions that slowed European growth are being lifted. Europe stands to benefit from the return of tourism. Elevated natural gas prices due to supply disruption will be a challenge, but the outlook is positive.

## 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.

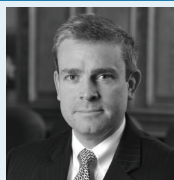
Blue Point seeks equity-oriented growth while actively managing the downside risk. Under normal circumstances, Blue Point invests at least 60% of its net assets in domestic U.S. securities. This global approach offers significant investment opportunities here and abroad. In times of market crisis,

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 Fourteen Year Performance

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Blue Point Total Return net of fees</b>	<b>23.04%</b>	<b>-28.78%</b>	<b>44.08%</b>	<b>17.26%</b>	<b>-4.55%</b>	<b>21.69%</b>	<b>37.05%</b>	<b>0.12%</b>	<b>5.27%</b>	<b>11.21%</b>	<b>25.51%</b>	<b>-2.42%</b>	<b>34.84%</b>	<b>35.27%</b>
<b>S&amp;P 500 Total Return</b>	<b>5.49%</b>	<b>-37.00%</b>	<b>26.46%</b>	<b>15.06%</b>	<b>2.11%</b>	<b>16.00%</b>	<b>32.39%</b>	<b>13.69%</b>	<b>1.38%</b>	<b>11.96%</b>	<b>21.83%</b>	<b>-4.38%</b>	<b>31.49%</b>	<b>18.40%</b>
<b>Blue Point vs. Benchmark</b>	<b>17.55%</b>	<b>8.22%</b>	<b>17.62%</b>	<b>2.20%</b>	<b>-6.66%</b>	<b>5.69%</b>	<b>4.66%</b>	<b>-13.57%</b>	<b>3.89%</b>	<b>-0.75%</b>	<b>3.67%</b>	<b>1.96%</b>	<b>3.36%</b>	<b>16.87%</b>



## 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, while being 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

**Joseph Kuta** is a candidate for a Bachelor of Science in Business Administration with a concentration in Finance at Towson University.

**Aleksandr Olshanskiy** is a candidate for a Bachelor of Science in Business Administration with a concentration in Finance at Towson University.

**Thomas O'Malley** is a candidate for a Master of Business Administration from the Seller School of Business at Loyola University Maryland.

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

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