

News In Brief

Portfolio Statistics as of 3/31/2025:

- 28 Equity investments
- 11.4% International equities
- Core portfolio average holding period 3-5 years

Top 5 Equity Investments:

- 8.3% Costco
- 7.8% Carpenter Technology
- 6.2% Microsoft
- 5.9% EQT
- 5.1% Booking Holdings
- 33.3% 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 **587.66%**.

Time Weighted Return as of 12/31/24:

- 1 Year Blue Point TR 21.60%
- 1 Year S&P 500 TR 25.02%
- 3 Year Blue Point TR 17.32%
- 3 Year S&P 500 TR 29.29%
- 5 Year Blue Point TR 80.87%
- 5 Year S&P 500 TR 97.02%

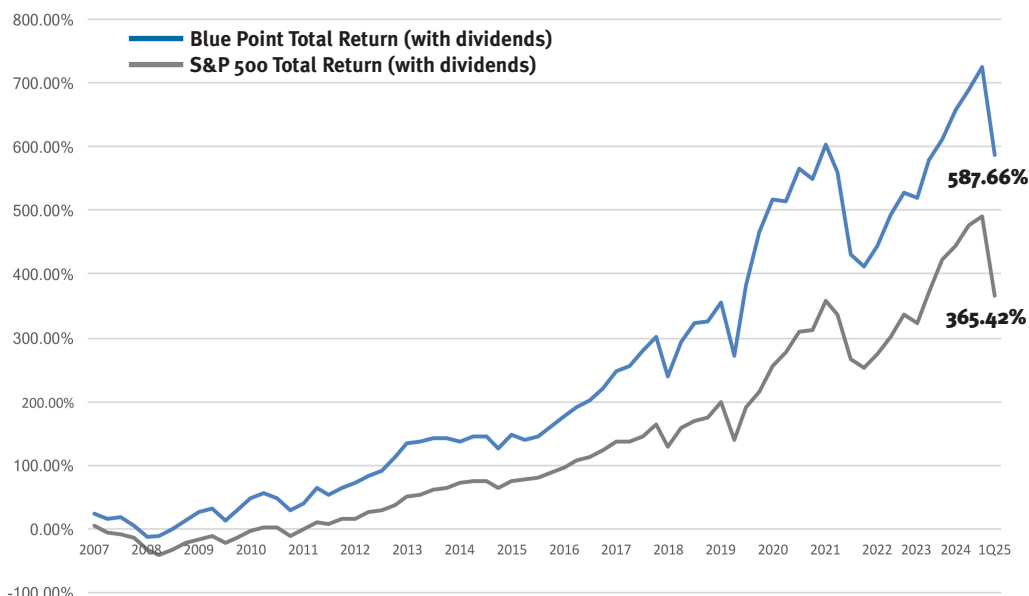
Portfolio Manager

Niall H. O'Malley
(443) 600-8050

niall.omalley@bluepointim.us
Web site www.bluepointim.us

Performance Summary

During the first quarter, Blue Point's model portfolio, applied to separately managed accounts, returned (4.27%) net-of-fees. The Total Return of the S&P 500, which includes dividends, was (4.53%). Blue Point's active management underperformed the benchmark by (0.26%). Halfway through the first quarter, Blue Point's investment stance shifted to defensive as trade turmoil increased downside risk.



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

➤ **Hard Data is Replacing Soft Data** – The global trade disruption associated with aggressive tariffs designed to force trade barrier negotiation has largely only shown up in consumer and executive surveys. That is about to change as U.S. tariffs force price increases. Consumers and businesses have become reluctant to commit to discretionary purchases as the U.S. adopts a 10% value added tax on imports.

➤ **Slowing Growth for Magnificent 7** – Revenue and earnings growth and free cash flow growth are falling for the overvalued Magnificent 7. The AI capital investment arms race is compressing margins as capital light IT software businesses become capital intensive. The assumption of the AI frenzy is: build it and they will come.

➤ **Higher Long-Term Interest Rate Risk** – U.S. Federal government deficit spending requires foreign capital, but aggressive use of tariffs is causing foreign investors to reduce U.S. investments. This can be seen in the declining value of the U.S. dollar. If deficit spending is not cut, it is possible the 10-Year Treasury will increase above 5.25%, which would increase the risk of a financial market correction.

➤ **A World of Opportunities** – The overvalued U.S. equity market is creating a world of opportunities. Overlooked international companies stand to benefit as the U.S. reduces its dependency on China. While not pleasant now, the potential for lower trade barriers creates unusual opportunities for Japan, India, South Korea, UK, Mexico, Canada, Germany, and the Netherlands.

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 Eighteen Year Performance

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
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%	35.27%	13.98%	-22.53%	24.53%	21.60%
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%	18.40%	28.71%	-18.11%	26.29%	25.02%
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%	16.87%	-14.73%	-4.42%	-1.76%	-3.42%



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.

Additional Information is available at www.bluepointim.us

Niall H. O'Malley
Blue Point Investment
Management
6115 Falls Road, Suite 101
Baltimore, MD 21209
(443) 600-8050
niall.omalley@bluepointim.us