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## HIGHLIGHTS

- Large Cap Growth stocks (as represented by the Russell 1000 Growth Index) rose +12.8% during the quarter.
  - The Glenmede Quantitative U.S. Large Cap Growth Equity strategy underperformed the Russell 1000 Growth Index by -7.8% net of fees for the quarter.
  - The strategy had stock selection outperformance in two of ten sectors. The positive relative contributions were in the Energy and Industrials sectors. The most negative relative contributions were in the Information Technology and Consumer Discretionary sectors.
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The Glenmede Quantitative U.S. Large Cap Growth Equity Composite had a total return for Second Quarter 2023 of +5.0% (net of fees). The Composite underperformed the Russell 1000 Growth Index by a relative spread of -7.8%.

For the Second Quarter 2023, the S&P 500 and Russell 1000 Growth Indexes had total returns of +8.7% and +12.8%, respectively. Investor sentiment improved with increased optimism on economic growth supported by strength in employment and consumer spending. The Fed raised short-term interest rates by 25 basis points in May and paused in June. First quarter earnings were better than expected with 78% of companies in the Russell 1000 Growth Index reporting positive surprises. Investor exuberance about AI boosted demand for the largest growth stocks. In the quarter, six companies contributed about 71% (910 basis points) of the total return for the Russell 1000 Growth Index. The average stock in the Index lagged with a total return of +7.2% (equal-weighted). The Russell 1000 Growth Index outperformed the Russell 1000 Value Index (+4.1%) by about +8.7%. YTD, the Russell 1000 Growth Index (+29.0%) outperformed the Value Index (+5.1%) by +23.9%, the second largest spread in the first half of a year since 1979 (+26.1% in 2020). In the quarter, the best performing sectors in the Russell 1000 Growth Index were Information Technology (+19.2%) and Communication Services (+16.3%). The worst performing sectors were Energy (-1.4%) and Real Estate (-1.3%).

For the quarter, the strategy had net negative contributions from multi-factor stock selection models, including biases towards lower valuations. The strategy was unfavorably impacted from relative underexposures to the six largest constituents in the Russell 1000 Growth Index. The strategy had stock selection outperformance in two of ten sectors. The positive relative contributions were in the Energy and Industrials sectors. The most negative relative contributions were in the Information Technology and Consumer Discretionary sectors. Industry group biases had an unfavorable impact on performance, including overweightings in Consumer Staples and underweightings in Information Technology stocks.

The latest U.S. real GDP estimate for First Quarter was +2.0% versus +2.6% for last quarter. The quarter reflected gains in personal consumption expenditures (+4.2%) and federal, state and local spending (+5.0%), and exports (+7.8%). Gross private domestic investment (-11.9%) was a detractor. For full year 2023, many economists project real GDP growth in a range of 0.5% to 2.0% and CPI of 3.5% to 4.5%. We expect corporate earnings and revenue growth of 0% to 3% supported by high employment, declining inflation, and prudent Fed monetary policy. However, Russia and China are having significant global economic and financial impacts. Currently, our leading industry group indicators target overweightings in Consumer Discretionary, Communication Services, Health Care and Energy, and underweightings in Industrials and Utilities. We believe this strategy is well positioned with its multifactor approach favoring stocks with more attractive valuations, high cash flow yield, strong fundamentals, positive earnings/revenue estimate trends and favorable technicals.

## QUANTITATIVE U.S. LARGE CAP GROWTH EQUITY Composite Performance (%)

As of 6/30/2023	QTD	YTD	1 YEAR	3 YEAR*	5 YEAR*	10 YEAR*	SINCE INCEPTION* (12/31/02)
Glenmede (Gross)	5.2	15.0	19.9	13.3	13.0	15.2	12.6
Glenmede (Net)	5.0	14.6	19.0	12.4	12.1	14.4	11.7
Russell 1000 Growth	12.8	29.0	27.1	13.7	15.1	15.7	11.9

\*Annualized

Glenmede Investment Management, LP claims compliance with the Global Investment Performance Standards (GIPS®).

Glenmede Investment Management, LP, a registered Investment Advisor, is an affiliate of The Glenmede Trust Company, NA (GTC). The "Firm" is defined as all investment advisory accounts managed by Glenmede Investment Management LP. Effective January 1, 2007, the Investment Product Management Group of GTC became Glenmede Investment Management, LP. All performance prior to January 1, 2007, shown here as the performance of GIM, was previously reported as the performance of the Investment Product Management Group of the Glenmede Trust Company.

**Past performance is not indicative of future performance and may be lower or higher than the performance quoted.** All of the composites' valuations and returns are computed and stated in U.S. Dollars. Additional information regarding the Firm's policies for valuing portfolios, calculating performance and preparing compliant presentations, is available upon request. A GIPS® compliant presentation, as well as a complete list of firm composites and performance, can be requested from GIM Client Service at 215.419.6662. Please see the GIPS® presentation for further explanation.

The Glenmede Quantitative U.S. Large Cap Growth Equity Composite objective is to provide maximum long-term return with reasonable risk to principal, by investing in domestic stocks of the Russell 1000 Growth universe. The Russell 1000 Growth Index is an unmanaged, market value weighted index, which measures performance of the largest 1,000 companies in the market. Returns include the reinvestment of dividends and other income. One cannot invest directly in an index.

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