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## HIGHLIGHTS

- Equities (as represented by the Russell 3000 Index) rose +8.4% during the quarter.
  - The Glenmede Quantitative U.S. Total Market 130/30 Equity strategy underperformed the Russell 3000 Index by -5.0% net of fees for the quarter.
  - The strategy had stock selection outperformance in three of eleven sectors. The most positive relative contributions were in the Financials and Consumer Staples sectors. The most negative relative contributions were in the Information Technology and Consumer Discretionary sectors.
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The Glenmede Quantitative U.S. Total Market 130/30 Equity Composite had a total return for Second Quarter 2023 of +3.4% (net of fees). On a relative basis, the Quantitative U.S. Total Market 130/30 Equity Composite underperformed the Russell 3000 Index by -5.0%.

For the Second Quarter 2023, the S&P 500 and Russell 3000 Indexes had total returns of +8.7% and +8.4%, 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 67% of companies in the Russell 3000 reporting positive surprises. Investor exuberance about AI boosted demand for large growth stocks. In the quarter, seven companies contributed about 59% (498 basis points) of the total return for the Russell 3000 Index. The average stock in the Index lagged with a total return of +4.1% (equal-weighted). The Russell 3000 Growth Index (+12.5%) outperformed the Russell 3000 Value Index (+4.0%) by about +8.4%. In the quarter, the best performing sectors in the Russell 3000 Index were Information Technology (+16.9%) and Consumer Discretionary (+12.8%). The worst performing sectors were Utilities (-2.7%) and Energy (-0.5%).

For the quarter, the strategy had net negative contributions from multi-factor stock selection models, including biases towards stocks with lower valuations. The strategy was negatively impacted from its relative underexposures to the largest companies in the Russell 3000 Index. The strategy had stock selection outperformance in three of eleven sectors. The most positive relative contributions were in the Financials and Consumer Staples sectors. The most negative relative contributions were in the Information Technology and Consumer Discretionary sectors. Industry group biases had a net negative impact on performance, including underweightings in Information Technology and overweightings in Consumer Staples stocks. Long equity positions had a total return of +3.9% versus short positions with a total return of +4.4%.

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. TOTAL MARKET 130/30 EQUITY Composite Performance (%)

As of 6/30/2023	QTD	YTD	1 YEAR	3 YEAR*	5 YEAR*	10 YEAR*	SINCE INCEPTION* (12/31/06)
Glenmede (Gross)	3.6	8.5	14.9	20.6	9.9	12.4	8.9
Glenmede (Net)	3.4	8.0	13.7	19.2	8.6	11.0	7.6
Russell 3000 Index	8.4	16.2	19.0	13.9	11.4	12.3	9.2

\*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. Total Market 130/30 Equity Composite objective is to use long and short equity positions based on proprietary multi-factor stock ranking models, overlaid with upside and downside risk screens, to achieve long-term capital appreciation of select domestic all cap stocks consistent with reasonable risk to principal. The short positions involve a form of leveraging securities which involves risk that losses may exceed the original amount invested. Under normal circumstances, the strategy will generally have an operating target of 130% of net assets in long positions, and 30% of net assets in short positions. The Russell 3000 Index is an unmanaged, market value weighted index, which measures total return performance of the 3,000 companies that are largest in the market. One cannot invest directly in an index.

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