
HIGHLIGHTS

- The Glenmede Quantitative U.S. Long/Short Equity strategy, which targets a net equity exposure of 30%, outperformed its blended benchmark (30% Russell 3000 Index, 70% Barclays 30-month Treasury Bill) during the quarter by +2.8% net of fees.
 - For the quarter, the strategy had net positive contributions from multi-factor stock selection models, including biases towards lower valuations.
 - The strategy had stock selection outperformance in seven of eleven sectors. The most positive relative contributions were in the Information Technology and Consumer Staples sectors. The most negative relative contributions were in the Communication Services and Real Estate sectors.
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The Glenmede Quantitative U.S. Long/Short Equity Composite had a total return for the Third Quarter 2023 of +2.8% (net). The Quantitative U.S. Long/Short Equity Composite outperformed a blended mix of 30% Russell 3000 and 70% Barclays 3-Month Treasury Bill Indexes by +2.8%. This strategy is managed to a net equity exposure of about 30%.

For the Third Quarter 2023, S&P 500 and Russell 3000 Indexes had total returns of -3.3% and -3.3%, respectively. Investor sentiment turned negative after July, impacted by a sharp rise in energy prices, slowing labor growth, UAW strike, government shutdown risk, and hawkish Fed commentary. The Fed raised short-term interest rates by 25 basis points in July and paused in September. The 10-year Treasury yield increased to about 4.6% versus 3.8% at prior quarter end. The average stock in the Index underperformed with a total return of -6.6% (equal-weighted). The Russell 3000 Value Index (-3.2%) outperformed the Russell 3000 Growth Index (-3.3%). YTD, the Russell 3000 Value Index (+23.8%) has outperformed the Value Index (+1.7%) by about +23.1%. In the quarter, the best performing sectors in the Russell 3000 Index were Energy (+13.0%) and Communication Services (+2.2%). The worst performing sectors were Utilities (-9.4%) and Real Estate (-8.5%).

For the quarter, the strategy had net positive contributions from multi-factor stock selection models, including biases towards lower valuations. However, the strategy was negatively impacted from lower relative market capitalizations versus the Russell 3000 Index. The strategy had stock selection outperformance in seven of eleven sectors. The most positive relative contributions were in the Information Technology and Consumer Staples sectors. The most negative relative contributions were in the Communication Services and Real Estate sectors. Industry group biases had a net favorable impact on performance, including overweightings in energy and underweightings in utility stocks. Long equity positions had a total return of -1.8% versus short positions with a total return of -6.2%.

The latest U.S. real GDP estimate for Second Quarter was +2.1% versus +2.2% for the first quarter. The quarter reflected gains in personal consumption expenditures (+0.8%), gross private direct investment (+5.2%), and federal, state and local spending (+3.3%). Exports (-9.3%) was a detractor. For full year 2023, many economists project real GDP growth in a range of 1.5% to 2.0% and CPI of about 4%. 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, Consumer Staples, Health Care and Communication Services, and underweightings in Industrials, Financials, Information Technology and Utilities. We believe this strategy is well positioned with its multifactor approach favoring stocks with more attractive valuations, high cash flows, strong fundamentals, positive earnings/revenue estimate trends and favorable technicals.

QUANTITATIVE U.S. LONG/SHORT EQUITY Composite Performance (%)

As of 9/30/2023	QTD	YTD	1 YEAR	3 YEAR*	5 YEAR*	10 YEAR*	SINCE INCEPTION* (11/30/06)
Glenmede (Gross)	3.1	6.7	13.0	11.7	4.3	5.0	4.1
Glenmede (Net)	2.8	5.8	11.6	10.3	3.0	3.8	2.8
Russell 3000 Index	-3.3	12.4	20.5	9.4	9.1	11.3	8.8
30% Russell 3000/ 70% Barclays Capital 3-Month TBill	0.0	6.5	9.5	4.4	4.3	4.3	3.7

*Annualized

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

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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. Long/Short 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 consistent with reasonable risk to principal. 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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1650 Market Street, Suite 1200 Philadelphia, PA 19103-7391
215-419-6662 | gimclientsupport@glenmede.com

glenmedeim.com

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