



# Small Cap Equity

## Fourth Quarter 2023

### FACT SHEET

### Strategy Highlights

**Style:** U.S. Small Cap  
**Holdings range:** 70-100  
**Strategy Assets\*:** \$625 million  
**Inception Date †:** March 1, 2007

### Objective:

Outperform the Russell 2000 Index over a complete market cycle with lower overall risk.

### Philosophy:

- High-quality companies tend to outperform the market.
- Positive change can be as profitable as persistent excellence.

### Approach:

Fundamental, Bottom-up

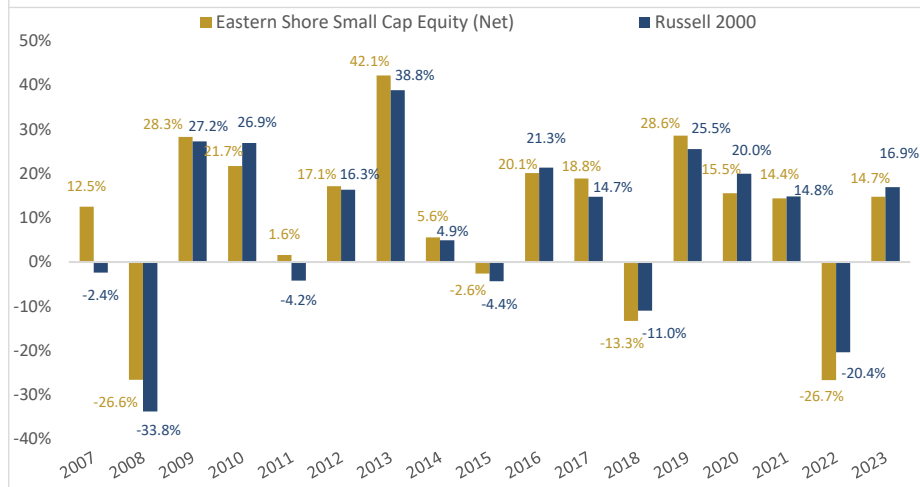
### Firm Overview:

- An investment boutique specializing in long-only U.S. Small and Smid cap equities.
- Privately owned, 75.3% by active partners.
- A division of Moody Aldrich Partners, an SEC registered investment advisor formed in 1988.

### Strategy Performance Statistics *as of 12/31/2023\*\*†*

	1 Year		5 Years		10 Years		Since Inception	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Alpha (Annualized)	1.0	0.2	-0.5	-1.4	0.6	-0.3	2.9	2.0
Beta	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Upside Capture	81.2	80.0	84.1	82.2	90.3	88.0	93.5	91.3
Downside Capture	87.1	88.7	92.0	92.9	92.6	93.7	88.8	89.8
Batting Average	0.5	0.5	0.5	0.4	0.5	0.5	0.6	0.5
Sharpe Ratio	0.5	0.5	0.3	0.3	0.3	0.3	0.4	0.4
Information Ratio	-0.2	-0.4	-0.3	-0.4	0.0	-0.2	0.4	0.2

### YTD & Calendar Year Returns\*\*†



### Strategy Characteristics\*

	Small Cap Equity	Russell 2000
<b>Wtd. Average Market Cap</b>	\$4,644M	\$3,265M
<b>5-Year Earnings Growth Est.</b>	12.9%	13.9%
<b>Dividend Yield (LTM)</b>	0.9%	1.5%
<b>Price/Earnings (FY1)</b>	17.8X	15.8X
<b>Price/Book</b>	2.8X	2.1X
<b>Standard Deviation (Net SI)†</b>	18.9%	20.9%
<b>Sharpe Ratio (Net SI)†</b>	0.4	0.3
<b>Active Share</b>	85.7%	-
<b># of Holdings</b>	93	1,966

### Performance Summary *(through 12/31/2023)\*\*†*

	4Q 2023	1 Year	3 Year (Annualized)	5 Year (Annualized)	10 Year (Annualized)	Since Inception (Annualized)
	(%)	(%)	(%)	(%)	(%)	(%)
<b>Small Cap Equity (Gross)</b>	12.3	15.7	-0.4	8.4	7.1	9.5
<b>Small Cap Equity (Net)</b>	12.0	14.7	-1.3	7.4	6.2	8.5
<b>Russell 2000</b>	14.0	16.9	2.2	10.0	7.2	7.2
<b>Strategy Excess Return (Gross)</b>	-1.7	-1.2	-2.6	-1.6	-0.1	2.3
<b>Strategy Excess Return (Net)</b>	-2.0	-2.2	-3.5	-2.6	-1.0	1.3

\*This information is presented as supplemental to the GIPS Report, which can be found [here](#). Strategy Performance, Strategy Characteristics, Strategy Sector Weights, Top Holdings, and Strategy Statistics are reflecting the aggregate composite for the strategy. As such, individual accounts performance, weights, statistics, and characteristics may vary. All performance related statistics are calculated using net of fee performance if not labeled and are compared to the strategy benchmark, the Russell 2000 Index. As of December 31, 2023, Eastern Shore Capital Management manages or advises \$625M for its Small Cap equity clients, with \$501M in assets under management and \$124M in advisory-only Unified Managed Account ("UMA") business.

\*\*Past performance is no guarantee of future results.

†Inception date is 03/01/07. 2007's return represents a partial year beginning at the inception of the fund on 3/01/2007 and is not annualized. Performance from March 1, 2007 through October 26, 2012 occurred while Robert Barringer was the strategy's sole Portfolio Manager at FBR Asset Management.



**EASTERN SHORE**  
CAPITAL MANAGEMENT  
A Division of Moody Aldrich Partners

# Small Cap Equity

## Fourth Quarter 2023

### FACT SHEET

## PORTFOLIO MANAGERS



**Robert Barringer, CFA**

- Chief Investment Officer, Partner, Founder of Eastern Shore
- Creator of the Eastern Shore's investment process while at a prior firm. In 2012, founded Eastern Shore and brought his track record.
- Over 30 years of investment experience
- B.A., Wesleyan University
- M.B.A., Harvard Business School



**James O'Brien, CFA**

- Partner, Founder of Eastern Shore
- Over 25 years of investment experience
- B.S., Bentley University
- Masters Certificate in Accountancy, Bentley University



**Sarah Westwood, CFA, CMT**

- Partner
- Over 20 years of investment experience
- Veteran, Operation Iraqi Freedom
- B.A., Wellesley College
- Master of Global Business Administration, Tufts University

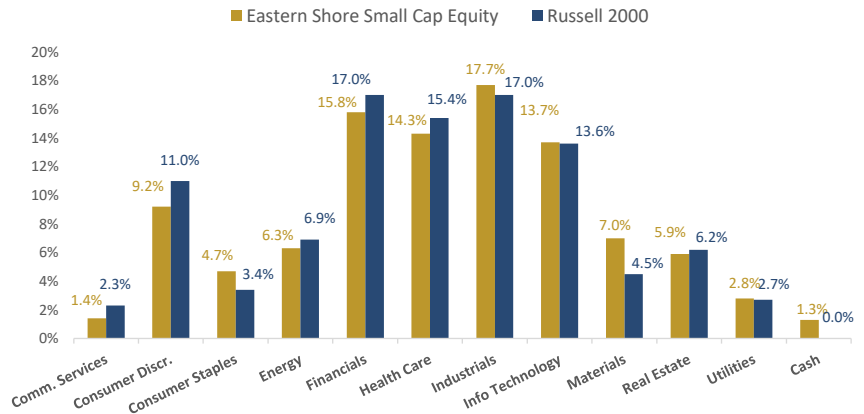
## OFFICE CONTACT

18 Sewall Street  
Marblehead, MA 01945

Phone  
(781) 639-2750

Fax  
(781) 639-2751

## Strategy Sector Weights as of 12/31/2023\*\*



## Strategy Top Ten Holdings\*\*

Name	Symbol	Weight (%)
Cohen & Steers, Inc.	CNS	2.1
Terreno Realty Corp.	TRNO	2.0
Evercore, Inc.	EVR	2.0
Wintrust Financial Corp.	WTFC	2.0
Leonardo DRS, Inc.	DRS	2.0
Columbia Banking System, Inc.	COLB	1.9
Southwest Gas Holdings, Inc.	SWX	1.9
Independent Bank Corp.	INDB	1.8
Vaxcyte, Inc.	PCVX	1.8
Simply Good Foods Co.	SMPL	1.7
<b>Percentage of Total Portfolio</b>		<b>19.1</b>

### Investing in Eastern Shore Strategies carry certain risks:

- Key risks include the general risks of common stock investments and specific risks due to the concentration of the portfolio within specific securities, countries, and sectors.
- Concentration of the strategy is significantly different than the broad-based benchmark.
- The value of the Strategy may decrease in response to the activities and financial prospects of an individual security in the strategy's portfolio.
- The performance of the Strategy may be subject to substantial short-term changes. Stocks of smaller companies may be subject to additional risks, including the risk that earnings and prospects of these companies are more volatile.
- These factors may affect the value of your investment.

\*\*This information is presented as supplemental to the GIPS Report, which can be found [here](#). The securities identified and described do not represent all of the securities purchased, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified was or will be profitable. Statistics are calculated using gross of fee performance. Strategy Performance, Strategy Characteristics, Strategy Sector Weights, and Top Holdings, Strategy Statistics are reflecting the aggregate composite for the strategy. As such, individual accounts performance, weights, statistics, and characteristics may vary.

Moody Aldrich Partners claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards™ and "GIPS®" is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein."

The information contained in this document is subject to updating and verification and may be subject to amendment. No representation or warranty is expressed as to the accuracy of the information contained in this document and no liability is given by Eastern Shore Capital Management as to the accuracy of the information contained in this document and no liability is accepted for any such information. This document and the information contained within it are confidential and intended solely for the use of the individual or entity to whom they are addressed. If you are not the named addressee you should not disseminate, distribute or copy this document or any of the information contained within it. If you are not the intended recipient you are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited.

Past performance is not necessarily indicative of future results. This document includes returns for the Russell 2000 index. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 is a subset of the Russell 3000® Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. This index is not intended to be a direct benchmark for a particular strategy, nor is intended to be indicative of the type of assets in which a particular strategy may invest. The assets invested in on behalf of a client will likely be materially different from the assets underlying this index and will likely have a significantly different risk profile. Performance statistics, portfolio characteristics, portfolio holdings and other information included in this presentation are targets only and may change without notice to the client. The value of investments can go down as well as up. A client may not get back the amount invested.

†Inception date is 03/01/07. For the period of March 1, 2007 through October 26, 2012, the performance presented occurred while the Portfolio Manager was at a prior firm. Performance for this period has been calculated using custodial transactions for the fund while it was managed as a mutual fund (FBRVX) at FBR Asset Management. Eastern Shore Capital Management has met the requirements for claiming performance record portability and keeps the appropriate books and records as well as a portability memo on file. The Eastern Shore Capital Management Small Cap Equity Composite has undergone a portability examination for the period of March 1, 2007 through October 26, 2012.

Past performance is not indicative of future results. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated by retroactively applying the maximum model composite fee (.90%). More information about such fees and expenses applicable to a client's investment are generally available in the Form ADV Part 2A of Moody Aldrich Partners, LLC, which is publicly available and upon request and provided to every client (along with Form ADV Part 2B) prior to investment. A client's return will be reduced by the advisory fees as described in Form ADV Part 2A and other expenses incurred by the account. For example, an annual advisory fee of .90% compounded quarterly over 3 years will reduce a gross 28.92% annual return to a net 28.1% annual return. Actual returns may vary from the performance information presented. All performance numbers are expressed in US Dollars. This product does not use leverage, derivatives or short positions in its portfolio. † 2007's return represents a partial year beginning at the inception of the fund on 3/01/2007 and is not annualized.