80 YEARS

JAG CAPITAL MANAGEMENT LLC

Forward. Together.

Enhanced Core Fixed Income

Highlights

- **The JAG Enhanced Core Fixed Income (ECFI) portfolio returned 1.4% net of model fee and 1.2% net of wrap fee in Q3, compared with 1.5% for the Bloomberg Intermediate Government/Credit Index. ECFI benefited from an overweight allocation to corporate bonds as credit spreads tightened during the quarter.**
- **Bond prices rose and yields fell following large revisions to payroll employment data. The revisions dramatically reduced job-growth estimates over the summer months and throughout most of 2024. The Federal Reserve (the Fed) reacted to the data in September, lowering its benchmark interest rate 25 basis points (bps).**
- **Absolute yields remain compelling, in our view. An index yield of 3.97% and moderate duration of 3.7 years reflect favorable risk-reward conditions across investment grade fixed income (read our Q3 JAG Team Insights for more, Beyond the Yield: A Risk-Based Case for Bonds).**

Portfolio Review

- The tariff-inflation theme that drove bonds in the first half of the year took a backseat to labor markets in Q3. Inflation accelerated, but the tariff pass-throughs have been moderate so far. Meanwhile, unemployment edged higher to 4.3% but a bigger story emerged in data revisions. In August, a revision cast June payrolls into negative-growth territory while materially reducing July's count. A revision in September, affecting the full year ended March 2025, removed 911,000 jobs from the preliminary data. Treasuries rallied on the developments amid fears the Fed had fallen behind the curve, and Fed officials ultimately responded with a 25-bps rate cut.
- Longer duration bonds outperformed amid the rally, providing a modest tailwind for ECFI. Our more balanced curve exposure relative to the benchmark was beneficial, though near-maturity holdings were a drag due to limited price upside - the index excludes bonds that mature within one year.
- Intermediate corporate spreads narrowed 9 bps QoQ to 66 bps and are now tighter on the year. Spread tightening was a tailwind for ECFI due to our overweight allocation to corporates, though security selection in the segment detracted slightly. By contrast, our Treasury-underweight was favorable and complemented further by positive selection effect.
- Lower-rated credits broadly outperformed higher credit tiers in Q3. Our overweight allocation to BBBs was beneficial, though our high yield positions did not contribute meaningfully as trading frictions from repositioning weighed on segment results.

Market Outlook

- Our outlook on the yield curve is neutral. While we do not attempt to predict interest rates, we note that market-implied rates reasonably align with the Fed's projections, in contrast to the rifts that have developed in recent history. Additionally, the curve has nearly been restored to "normal," enabling investors to earn term premiums.
- With yields now leaning toward further easing from the Fed, Q4 returns may hinge on inflation. Policymakers seem willing to tolerate above-target inflation for some time - multiple Fed officials have opined that tariff effects should prove transitory - but another leg higher in inflation could dampen the rate outlook, while unexpected cooling should enable greater focus on employment.
- We anticipate markets will react harshly to any upside surprises in inflation or jobs data; either scenario could challenge current policy projections.
- Credit spreads are tight and hovering near historic lows, but we believe tight spreads are warranted by strong fundamentals. We do not expect spreads to mean-revert without a catalyst, but inflation, unemployment, or tariff escalations are all visible risk factors in Q4. The ECFI portfolio is positioned with a higher quality bias in longer-maturity segments and ample liquidity to navigate a wide range of outcomes.

* Past performance is no guarantee of future results. See important performance disclaimers on page 4.

Composite Performance (%) as of 9/30/2025

Performance*	Q3	YTD 2025	1 Year	3 Years	5 Years	10 Years
Pure Gross	1.61%	6.10%	5.40%	6.22%	2.01%	2.89%
Model Net	1.36%	5.32%	4.38%	5.17%	1.01%	1.88%
Wrap Net	1.24%	4.94%	3.87%	4.86%	0.74%	1.59%
BIGC	1.51%	5.70%	4.01%	5.18%	0.81%	2.10%

* Periods greater than one year have been annualized. Returns are presented pure gross and net of fees and include the reinvestment of all income. Past performance should not be indicative of future performance. Model net fee returns reflect the highest fee (1.0%) relevant to the intended audience. They were calculated by reducing the gross returns by the highest tier of the composite's fee schedule on a monthly basis. Pure gross returns are shown as supplemental information, as wrap fee accounts are stated gross of all fees. Wrap net returns were calculated using the highest applicable annual wrap fee (1.49%), applied monthly. Wrap fees include all charges, transaction costs, portfolio management fees, custody fees, and other administrative fees. The wrap net highest annual wrap fee used for performance calculations may differ from fees listed due to the fee schedule of the independent sponsoring firm. They are available upon request, respectively.

Highlighted Contributors

DR Horton Inc (DHI) 5.50% due 10/15/2035 (A3/BBB+) outperformed significantly, benefiting from its long duration during the rally. The company, a leading US homebuilder, also saw spread tightening supported by resilient housing demand and strong credit metrics.

Vontier Corp (VNT) 2.950% due 4/1/2031 (Baa3/BBB-) outperformed on better-than-expected results, including robust growth in its order backlog. Vontier provides mobility infrastructure and fueling solutions. The bond's optionality is limited, and its low dollar price and modest coupon allowed more of the rally to filter through.

Arrow Electronics Inc 5.875% due 4/10/2034 (Baa3/BBB-) outperformed during the quarter as its long duration amplified the benefit from the market rally. The company, a global technology distributor, reported results above expectations, supporting tighter credit spreads.

Highlighted Detractors

Centene Corp (CNC) 4.25% due 12/15/2027 (Ba1/BBB-) fell after the company withdrew its outlook ahead of Q2 earnings. The company, which administers government-sponsored health plans, cited insurance market trends that diverged from its internal revenue models. While the news was disappointing, we see no threat to CNC's ability to service this note.

Verisign Inc (VRSN) 4.75% due 7/15/2027 (Baa3/BBB) underperformed as the bond's call feature effectively acted as a price ceiling during the market rally. The note is currently callable at par, and the coupon is near market rates. Verisign is an internet infrastructure provider that operates .com and .net domains.

Encompass Health Corp (EHC) 4.50% due 2/1/2028 (Ba2/BB-) underperformed despite solid quarterly results and a raised full-year outlook. The company operates post-acute care hospitals with a focus on rehabilitation services. The bond's low duration contributed to weaker price performance.

* Past performance is no guarantee of future results. See important performance disclaimers on page 4. Reference to a particular security is not a recommendation to buy, sell or hold such investment or security, nor is it considered to be investment advice. The information contained in this document is circulated for general information only. It does not address specific investment objectives, or the financial situation and the particular needs of any investor. Investors should not attempt to make investment decisions based on the information contained in this communication as it does not offer enough information to make such decisions and may not be suitable for your personal financial circumstances.

Portfolio Characteristics[1]

	JAG ECFI	BIGC
Yield-to-Worst	4.14%	3.97%
Average Coupon	3.88%	3.59%
Average Maturity (yrs)	4.69	4.29
Average Modified Duration (yrs)	3.75	3.83
Average Effective Duration (yrs)	3.77	3.68

Quality Distribution[1]

Rating	%
Aaa	3.5%
Aa	45.2%
A	15.3%
Baa	26.4%
Below IG	8.3%
Unrated	1.4%

Sector Distribution[1]

Sector	%
Treasury	43.9%
Industrial	29.1%
Financial	22.1%
Utility	1.4%
Cash	3.5%

Effective Duration Distribution[1]

Years	%
0 – 1 yr	10.3%
1 – 3 yrs	26.8%
3 – 5 yrs	29.9%
5 – 7 yrs	24.2%
7 – 10 yrs	8.8%

1 As of 9/30/25. Statistics provided are weighted averages and calculated by JAG. Due to rounding, percentages may not sum to 100%. Characteristics are, for the model portfolio, calculated using closing market values on the stated date, including cash and cash equivalents; for the benchmark index, reported by Bloomberg. Credit quality is Moody's ratings. This data is subject to change.

JAG Capital Management, LLC Enhanced Core Fixed Income Composite GIPS® Report

		Composite Assets			Annual Performance Results					3-Year Standard Deviation	
Year End	Total Firm Assets (millions)	US Dollars (millions)	Number of Accounts	% of Wrap Fee	Model Fee Net	Wrap Fee Net	Pure Gross	BIGC	Dispersion %	JAG Pure Gross %	BIGC %
2024	1,696	324	111	62	3.20%	2.86%	4.23%	3.00%	0.07	4.51	5.00
2023	1,552	299	105	72	5.14%	4.98%	6.19%	5.24%	0.40	4.30	4.58
2022	1,573	211	82	75	-8.87%	-9.02%	-7.96%	-8.23%	0.17	5.51	3.82
2021	2,148	247	91	72	-0.72%	-0.98%	0.28%	-1.44%	0.25	4.45	2.34
2020	1,963	268	100	98	5.29%	5.03%	6.35%	6.43%	0.64	4.46	2.31
2019	1,516	266	103	96	7.90%	7.63%	8.95%	6.80%	0.29	1.90	2.04
2018	1,070	249	95	97	-1.58%	-1.83%	-0.58%	0.88%	0.23	1.84	2.09
2017	1,181	287	116	95	2.19%	1.78%	3.20%	2.14%	0.24	1.88	2.11
2016	1,051	268	112	95	2.84%	2.46%	3.86%	2.08%	0.74	2.18	2.22
2015	1,122	219	106	98	-0.34%	-0.73%	0.68%	1.07%	0.68	2.76	2.10
3 Yr Ann.					-0.37%	-0.59%	0.62%	-0.18%			
5 Yr Ann.					0.66%	0.43%	1.67%	0.86%			
10 Yr Ann.					1.40%	1.12%	2.42%	1.71%			
Information for period(s) ending September 30, 2025											
3rd Qtr. '25	1,892	356	119	62	1.36%	1.24%	1.61%	1.51%	0.04		
Since Inc. Ann.					3.80%	3.82%	4.84%	3.87%			

Disclosures

JAG Capital Management, LLC, (the "Firm") is a registered investment adviser. The Firm's Enhanced Core Fixed Income Composite (the "Composite") is a composite of actual accounts invested in the JAG Enhanced Core Fixed Income investment strategy. The composite was formally created March 31, 2001 from pre-existing client accounts with an inception date of 3/31/98. Returns are presented pure gross and net of management fees and include the reinvestment of all income. Model net returns reflect the highest fee (1.0%) relevant to the intended audience. They were calculated by reducing the gross returns by the highest tier of the firm's balanced account fee schedule on a monthly basis. Pure gross returns are shown as supplemental information, as wrap fee accounts are stated gross of all fees and transaction costs. Wrap fee net returns were calculated using the highest applicable annual wrap fee (currently 1.49%), applied monthly. Wrap fees include all charges, transaction costs, portfolio management fees, custody fees, and other administrative fees. The wrap net highest annual wrap fee used for performance calculations may differ from fees listed due to the fee schedule of the independent sponsoring firm. They are available upon request, respectively. An individual client's return will vary based on their actual advisory or wrap fee and the timing of their investment into the strategy. There is no guarantee that an investment with the strategy will meet its investment objectives. Performance is reported in US Dollars. **PAST PERFORMANCE SHOULD NOT BE CONSIDERED INDICATIVE OF FUTURE PERFORMANCE. ANY INVESTMENT CONTAINS RISK INCLUDING THE RISK OF TOTAL LOSS.**

JAG Capital Management, LLC, is a Missouri company and a wholly owned subsidiary of J.A. Glynn & Co., registered as an Investment Adviser with the Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended. Prior to May 1, 2013, JAG Capital was defined and conducted business as J.A. Glynn & Co. with the advisery business under the name JAG Advisors.The redefinition was a result of corporate restructuring.

The Enhanced Core Fixed Income Composite (formerly called Intermediate Fixed Income Composite) is comprised of intermediate-maturity fixed income securities with average S&P rating typically of single A. As of 3/31/06, the Composite's name was changed. Minimum account size for the composite is $500,000. Prior to 3/31/07, the Firm maintained an Enhanced Core Fixed Income Composite and a Taxable Fixed Income Composite. These were combined at 3/31/07 with history on the Enhanced Core Fixed Income Composite displayed here. The composite now contains taxable and non-taxable fixed income accounts.

The index comparison is appropriate for the following reason: the Bloomberg Intermediate Govt/Credit Bond Index is an unmanaged index that represents securities that are US dollar-denominated US Treasury bonds, government-related bonds (i.e., US and non-US agencies, sovereign, supranational and local authority debt) and investment-grade US corporate bonds that have a remaining maturity of greater than one year and less than ten years. Prior to November 1, 2008, this index was published by Lehman Brothers. This index is used for comparison purposes only and is not meant to be indicative of a portfolio's performance, asset composition, or volatility. The performance of the Composite may differ markedly from that of compared indices due to varying degrees of diversification and/or other factors. Return calculations for the Composite are provided by Advent APX and calculated by JAG. Individuals cannot invest directly in an index.

JAG Capital Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. The Firm has been independently verified for the periods April 1, 1996 to December 31, 2024. A copy of the verification report (s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. 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.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Policies for valuing investments, calculating performance, preparing GIPS Reports, and a list of the Firm's composite descriptions are available upon request.

The Firm's maximum balanced investment advisery fee schedule for the Enhanced Core Fixed Income Composite is an annual fee of 1% on the first $5 million; 0.8% on the next $5 million; 0.6% on the balance.

The annual and quarterly composite dispersion is calculated through the use of an equal-weighted standard deviation for the accounts returns on a pure gross of fees basis included in the composite for the entire year or quarter, respectively.

All material presented is compiled from sources believed to be reliable and current, but accuracy cannot be guaranteed. The information contained herein should not be construed as personalized investment advice and should not be considered as a solicitation.