



INVESTMENT MANAGEMENT TEAM

FEBRUARY 2025 SPELLMAN FUND REPORT

Summary

February was a highly volatile month, with markets reaching new highs but also experiencing sharp declines. The S&P 500 reached a historic high of 6,144 points on February 19 but trended downward for the rest of the month. The Spellman Fund followed a similar trajectory to the market, closing the month with a return of -0.57%, nearly matching the S&P 500's -0.56% return. February's volatility saw stocks show strong momentum midway through the month before a sharp downturn erased gains, leaving both the S&P 500 and the Spellman Fund with negative returns.

Trump's Tariffs and Market Impact

Trump's anticipated tariffs began to impact the market toward the end of February, fueling investor concerns and contributing to the stock market's decline. On February 26th, President Trump announced plans to impose a 25% tariff on goods imported from the European Union, along with similar tariffs on Canada, Mexico, and China. The tariffs were meant to address trade issues but instead raised concerns among investors about potential responses from affected countries and the impact on global trade.

Tariffs increase the cost of imported goods, and in correlation, raise production costs. When manufacturers can't raise prices enough to cover these higher costs or find cheaper materials, their profit margins shrink. This, coupled with market uncertainty, can lower profitability for many companies, particularly those reliant on global supply chains.

These tariffs are expected to continue impacting the market in the coming months, creating uncertainty and influencing investor sentiment. This makes it an important time to closely monitor economic and market information.



Portfolio Performance for the February



The portfolio had a total return of -0.57%, on par with the S&P 500 with a total return of -0.56%

The three highest performing sectors were Consumer Services (7.29%), Consumer Non-Cyclicals (5.68%), Energy (5.05%)

Top 5 Highest Performers

Intel Corporation (INTC):

- 22.45% Increase
- \$23.73 Ending price per share



Nexstar Media Group, Inc. (NXST):

- 12.49% Increase
- \$169.15 Ending price per share



Coca-Cola Company (KO):

- 12.41% Increase
- \$71.21 Ending price per share



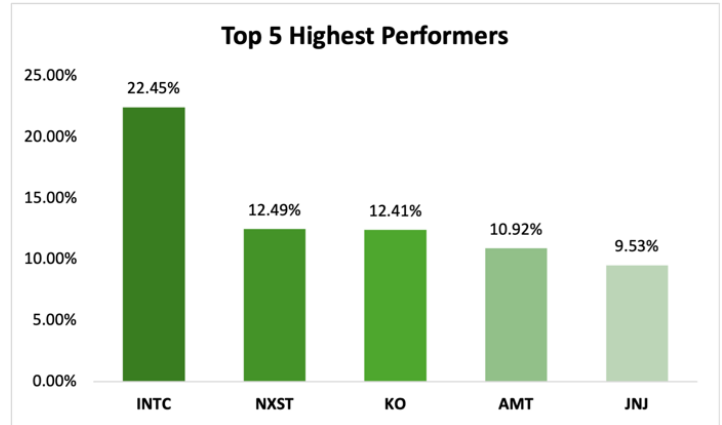
American Tower Corporation (AMT):

- 10.92% Increase
- \$205.62 Ending price per share



Johnson & Johnson. (JNJ):

- 9.53% Increase
- \$165.02 Ending price per share



The three lowest performing sectors were Healthcare (-8.11%), Technology (-1.85%), and Consumer Cyclicals (0.71%)

Top 5 Lowest Performers

Alphabet Inc. (GOOGL):

- -15.38% Decrease
- \$170.28 Ending price per share



UnitedHealth Group Incorporated (UNH):

- -13.36% Decrease
- \$474.96 Ending price per share



Applied Materials, Inc. (AMAT):

- -11.39% Decrease
- \$158.07 Ending price per share



QUALCOMM Incorporated (QCOM):

- -7.68% Decrease
- \$157.17 Ending price per share



Emerson Electric Co. (EMR):

- -4.47% Decrease
- \$121.61 Ending price per share

