TAMID Group at Michigan

PORTFOLIO MANAGEMENT COMMITTEE REPORT

Portfolio Performance Review

Equity and Portfolio Data as of October 24, 2025

Fund Performance

Figure 1.1 – TAMID Fund Performance vs Index Benchmarks (May 1, 2025 through October 24, 2025)

	Performance
TAMID Fund	19.09%
Russell 3000	22.10%
S&P 500	21.95%
Dow Jones Industrial Avg	16.08%
NASDAQ	33.01%

* The TAMID portfolio benchmarks its performance against the Russell 3000 index. The Russell 3000 comprises 3,000 of the largest U.S. companies, representing 96% of U.S. listed companies. This broad-based index provides a comprehensive view of overall market performance, including a wide range of mid and small-cap stocks. By choosing the Russell 3000 as a benchmark, TAMID focuses on differentiation, seeking opportunities in smaller and mid-sized companies rather than solely those in the Fortune 500. In theory, this approach allows the fund to uncover unique investments that may be mispriced by the market due to a lack of analyst coverage or investor awareness

Markets Surge despite Policy Uncertainty and High Valuations

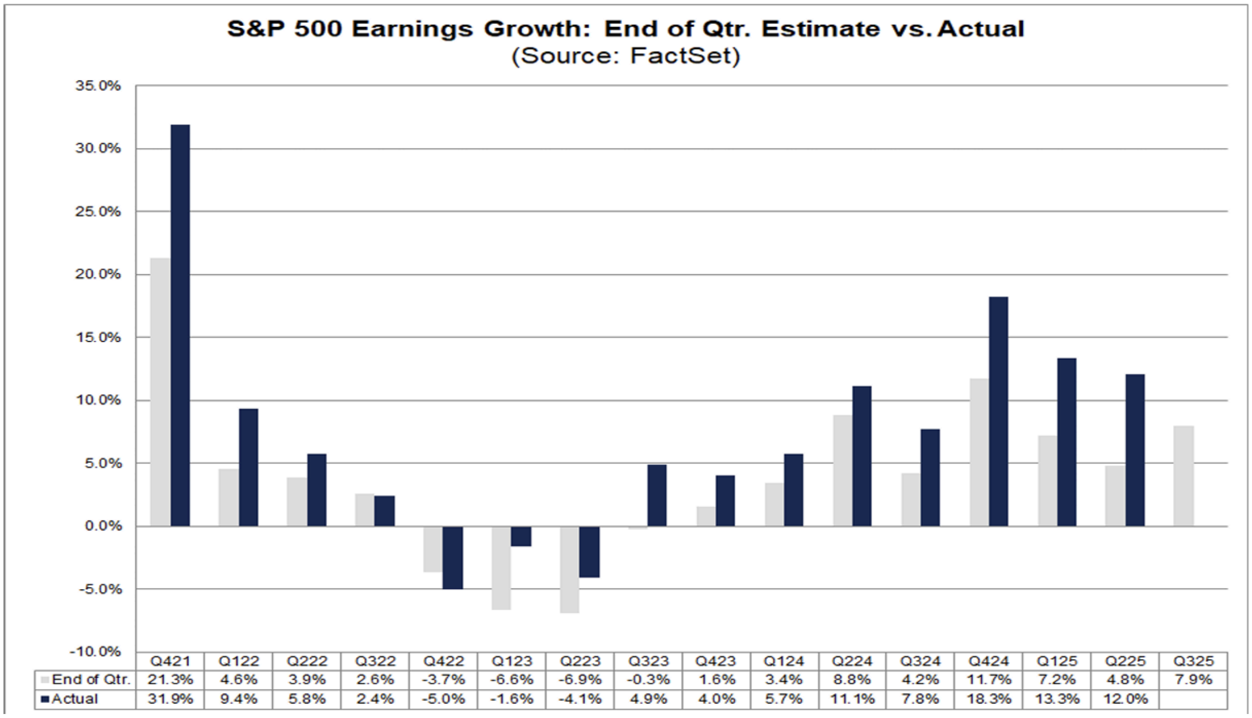
Last time we wrote this report, the market was down significantly, with the S&P 500 down over 6% in March as Trump began to implement his tariff policy. The market was on edge, waiting for Trump's April 2nd Liberation Day announcement.

If I were to tell you that, since then, despite even more policy uncertainty, tariffs changing every other day, Trump threatening Fed Chair Powell, growing geopolitical headlines, and new questions about the labor market in the age of AI, the S&P 500 is up 21.95% since May 1st, you probably wouldn't believe me. But that's exactly the type of environment we're in.

So what's driven this kind of performance in the face of all these headwinds? It's a slew of things. Firstly, the US Dollar has weakened, making it cheaper for foreign buyers to purchase US goods. The promise of lower rates, with Goldman Sachs now expecting three more rate cuts in 2025 and two in 2026, is a benefit for not only the labor market but also asset prices. The tailwinds from the extension of the tax cuts in the "Big Beautiful Bill" and an improved housing market, with rates beginning to fall, and more supply coming to market. Most important of all, though, relates to the AI revolution, lifting not just the Nvidia's and Palantir's of the world, but also names like Seagate - an old hard drive manufacturer - and Caterpillar, the maker of construction equipment.

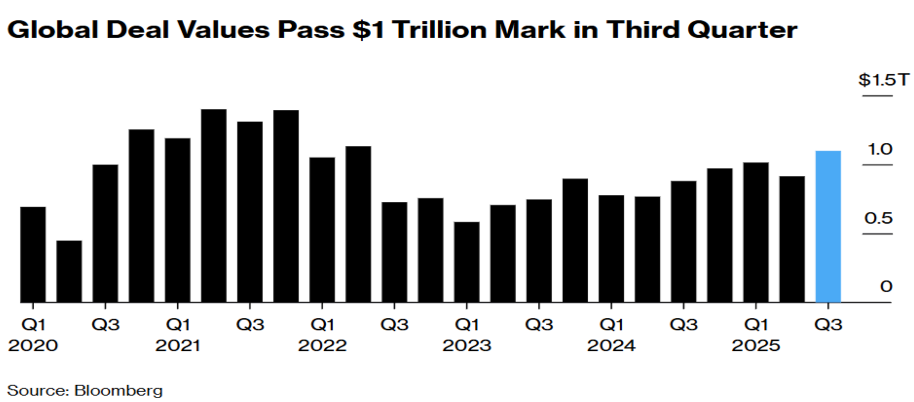
At the same time, earnings have continued to defy expectations, with eight straight quarters of S&P 500 companies beating expectations.

Figure 1.2– S&P 500 Earnings Growth Chart vs Estimates (Factset)



M&A activity, which started the year sluggishly, has reopened with force, which is great news for all of us interested in investment banking. We've seen major deals like Union Pacific's acquisition of Norfolk Southern to create an unmatched Transcontinental Railroad Network, and even the largest LBO ever with EA and Silver Lake. All pointing to business optimism to do deals.

Figure 1.3– Global M&A Deal Program per Quarter (Bloomberg)



TAMID GROUP
EXPERIENTIAL LEARNING THROUGH BUSINESS IN ISRAEL

The IPO market has also come back to life, as companies look to take advantage of renewed risk appetites and allow liquidity for employees, investors, and founders to exit. CoreWeave and Circle have been among the standout winners. Going forward, there is also the potential for more IPOs from the likes of Datadog, Stripe, and Discord.

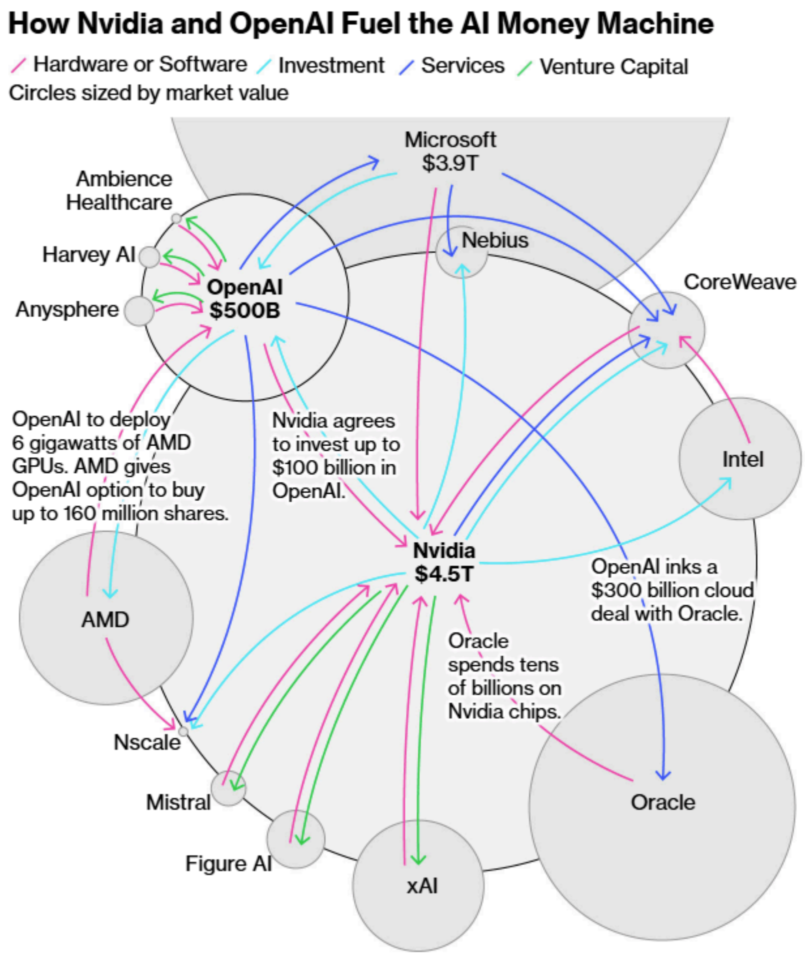
Circle's success also ties into renewed demand for non-cash flow-producing assets like crypto—note that some cryptos allow staking, which could be considered a form of cash flow—gold, and silver. With rates expected to drop, the opportunity cost of holding these assets falls as rates on less risky assets decline, making riskier opportunities more attractive. Add to that rising global demand for diversification against the U.S dollar, and you get gold up 24.9% since May 1st, Bitcoin up 17%, and Ethereum more than doubling, fueled by excitement around stablecoins and broader crypto adoption.

In the sections below, we'll take a closer look at some interesting stories, look at the potential of stablecoins, and examine how the TAMID portfolio has performed in this unique environment.

Continued Growth in AI Demand Despite Questions

The AI buildout is undeniably in full swing. In 2024, Amazon, Alphabet, Meta, and Microsoft collectively poured over $230 billion into capital expenditures, with plans to ramp that up to more than $320 billion in 2025. Demand is so strong that Amazon and Microsoft have both noted they're struggling to keep up, opening the door for new players like Oracle, CoreWeave, and Nebius to capture excess capacity — each signing multi-billion-dollar deals. Still, the question remains whether all this investment will ultimately pay off. There's also growing concern that much of the AI expansion is being funded internally, with Nvidia and OpenAI financing their customers, creating a self-reinforcing loop that's drawn comparisons to the internet buildout of 1999. For now, however, enthusiasm shows no signs of slowing as spending continues to accelerate.

Figure 1.4–AI Circular Spending Cycle (Bloomberg News reporting)



What's the Deal With the Labor Market?

The labor market is in an unusual position. On the surface, it looks solid — unemployment remains near all-time lows. Yet recent jobs reports have disappointed: additions have fallen short of expectations, and a major revision revealed that nearly one million fewer jobs were created over the 12 months ending in March than earlier estimates suggested. In August, the situation became more confusing when Trump dismissed the Bureau of Labor Statistics commissioner following a weaker-than-expected report, accusing her of manipulating the figures against him. At the end of the day, many agree economic data needs improvement. Meanwhile, the actual job market shows signs of softening as companies remain cautious, AI boosts productivity and reduces the need for certain roles, and more qualified college grads look to enter the labor force. Given that consumption makes up roughly 70% of GDP, the Fed is starting to worry more about the employment side of its dual mandate to promote maximum employment and keep prices stable.

Q3 Earnings Season to Kick Off

As Q4 is underway, we are entering the time of year when people send prayers before a stock either jumps or falls —otherwise known as earnings season, when we get to see how a company performed during the period. For the quarter, analysts expect S&P 500 companies to report 8% YoY earnings growth. However, given recent earnings-season beats, FactSet expects the quarter to deliver 13% earnings growth. Sectors like Information Technology and Utilities are expected to continue driving growth, while Energy remains a drag due to lower oil prices, especially on the heels of the great news out of the Middle East!

The Case for Stable Coins

One of the many fascinating areas of the finance industry is the rise of stablecoins. First invented in 2014, stablecoins are a type of digital cryptocurrency designed to maintain a stable value relative to a specific asset, often the U.S. dollar. Due to the speed and accessibility of stablecoins, which offer stability in prices without volatility, they truly have the potential to revolutionize global payments, enabling fast and low-cost transactions. Additionally, stablecoins are likely to expand global access to the U.S. dollar, allowing individuals in countries such as Venezuela or Syria to store value securely without needing a bank account. This will enable people living under inflationary regimes to protect their savings, transact globally, and improve their quality of life.

Global adoption will also further reinforce the dollar's dominance as the world's reserve currency. As demand for stablecoins increases, issuers will have to back them with reserves held in short-term U.S. Treasury bonds, thereby supporting the Treasury market and potentially lowering borrowing costs.

Stablecoins are also likely to have a huge impact on domestic transactions. The ability to transact instantly and at low cost, in many cases 90% or more lower than current methods, would revolutionize the entire ecosystem and thus open the door for more payments worldwide.

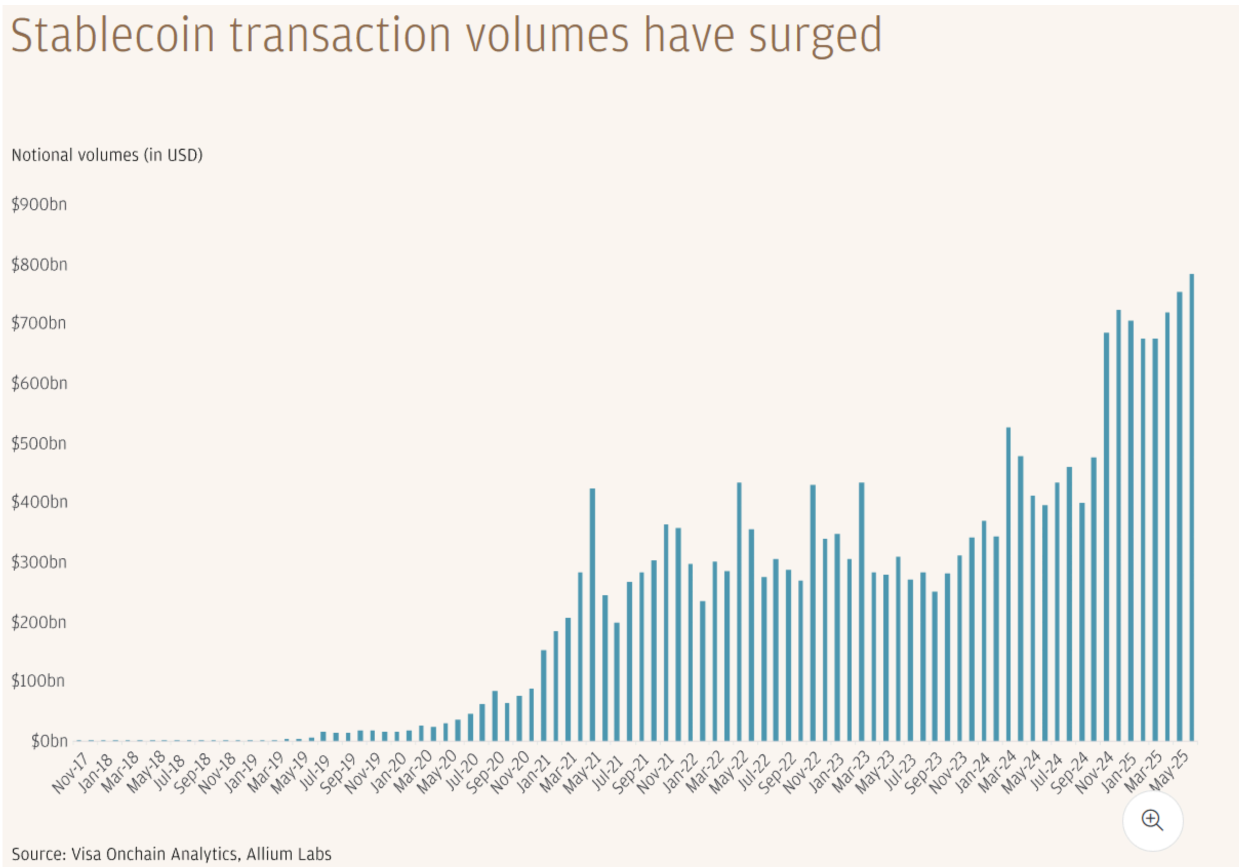
In terms of the biggest stablecoin players, Tether (USDT) and Circle (USDC) are the two most widely adopted. Worldwide, USDT holds a 60% market share; however, it has a lower share in the U.S. due to concerns over reserve transparency and a depegging from the dollar in 2023. In the U.S., USDC, created by Circle, has taken a more regulated path, disclosing reserves monthly and aligning with U.S. regulators. Circle also went public on June 5th and has since seen its shares appreciate by over 300%, showcasing the euphoria regarding the potential of stablecoins.

Additionally, the Genius Act, one of many crypto-related bills, was recently signed into law. It establishes a framework requiring issuers to hold 1:1 cash or Treasury reserves, undergo audits, and meet strict regulatory standards. The act also removes regulatory ambiguity by placing stablecoins under the jurisdiction of banking regulators, rather than the SEC or CFTC. This legal clarity will allow banks, fintechs, and retailers to adopt stablecoins with less legal risk.

Despite the excitement surrounding the industry, there are certainly risks. Two of the biggest are regulatory oversight not being enforced, and the fact that much of the public doesn't understand the difference between stablecoins and crypto more broadly.

In conclusion, stablecoins stand at the intersection of innovation and regulation, poised to reshape the future of global payments and financial inclusion.

Figure 1.5–Stablecoin Transaction Volumes per Month (Visa Onchain Analytics, Allium Labs)



TAMID Fund Performs in line with the Market

Over the summer (05/25), the TAMID portfolio performed in line with the market and our benchmark, the Russell 3000. In the final PMC meeting of the year, Adam Nathan advised us to take a step back from our sector allocations and try to identify themes that would drive return over our summer "hands-off" months. As a committee, we deemed AI Capex Spend and the picks and shovels of AI to be themes set to benefit most. Below is a snapshot of our portfolio and the performance of our investments over time for a better idea of our positioning.

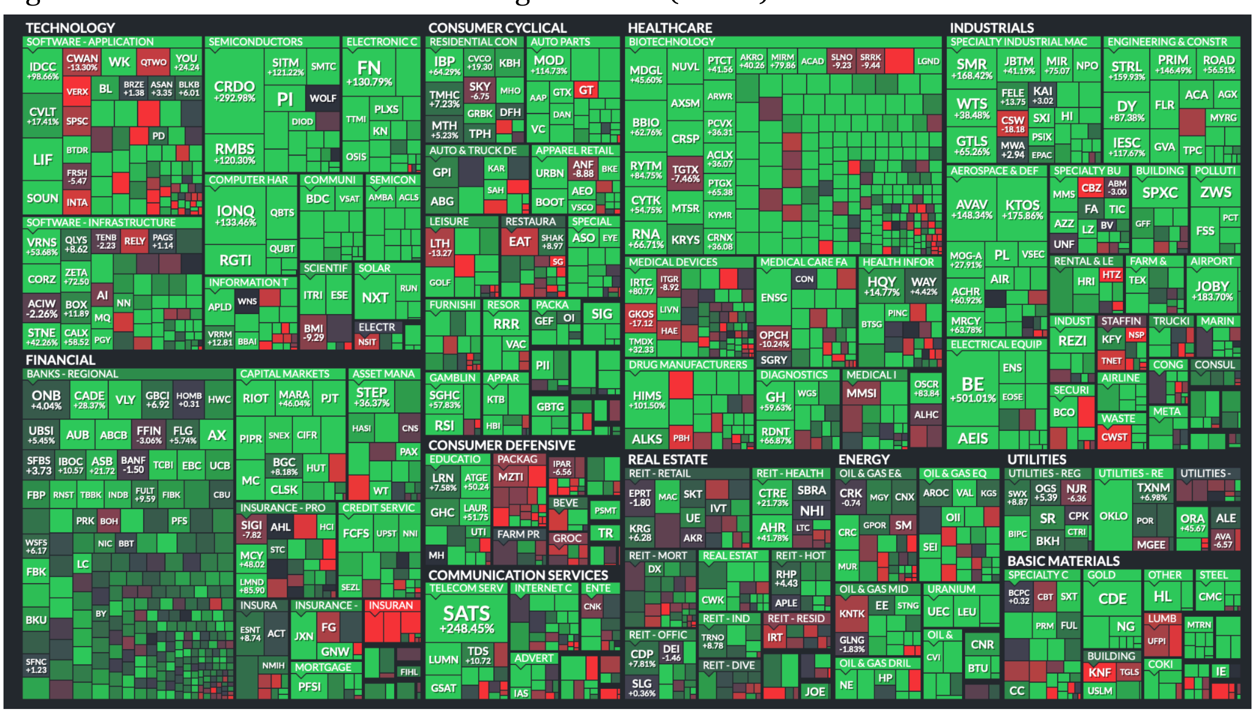
Figure 1.6–TAMID Portfolio as of 10/21/25 (Fidelity)

Symbol	Last price	Last price c...	Today's gain...	Today's gain/l...	Total gain/los...	Total gain/los...	Current value	% of acco...	Quantity	Average cost...	Cost basis to...	52-week range
Corporation Z48752890												
Cash HELD IN MONEY MARKET							$2,129.25	6.53%				
TSM TAIWAN SEMICONDUCTOR MANUFA...	$295.36	-$2.34	-$18.72	-0.79%	+$1,723.24	+269.40%	$2,362.88	7.24%	8	$79.96	$639.64	$134.25 $311.37
ALLT ALLOT LTD COM ILS0.10	$9.7715	-$0.0485	-$6.60	-0.50%	+$676.22	+103.60%	$1,328.92	4.07%	136	$4.80	$652.70	$3.35 $11.42
COST COSTCO WHOLESALE CORP COM	$941.8323	+$5.7223	+$11.44	+0.61%	+$871.61	+86.12%	$1,883.66	5.77%	2	$506.03	$1,012.05	$867.34$1,078.24
CPRI CAPRI HOLDINGS LTD COM NPV	$22.29	+$0.86	+$73.10	+4.01%	+$699.56	+58.53%	$1,894.65	5.81%	85	$14.06	$1,195.09	$11.86 $42.33
CEG CONSTELLATION ENERGY CORP COM	$359.645	-$10.355	-$56.96	-2.80%	+$710.63	+56.07%	$1,978.04	6.06%	5.5	$230.44	$1,267.41	$161.35 $412.70
EXAS EXACT SCIENCES CORP	$63.9934	+$1.2634	+$41.69	+2.01%	+$691.40	+48.67%	$2,111.78	6.47%	33	$43.04	$1,420.38	$38.81 $72.83
INTC INTEL CORP COM USD0.001	$37.88	-$0.22	-$12.76	-0.58%	+$702.96	+47.04%	$2,197.04	6.73%	58	$25.76	$1,494.08	$17.67 $39.65
BLK BLACKROCK INC COM	$1,150.00	-$10.00	-$20.00	-0.87%	+$704.35	+44.14%	$2,300.00	7.05%	2	$797.83	$1,595.65	$773.74$1,219.94
FSLR FIRST SOLAR INC	$225.77	-$3.23	-$25.84	-1.42%	+$460.12	+34.18%	$1,806.16	5.54%	8	$168.26	$1,346.04	$116.56 $248.04
LNG CHENIERE ENERGY INC COM USD0....	$222.8601	+$1.5401	+$6.93	+0.69%	+$231.48	+30.00%	$1,002.87	3.07%	4.5	$171.42	$771.39	$180.62 $257.65
IWV ISHARES RUSSELL 3000 ETF	$382.02	+$0.20	+$1.00	+0.05%	+$428.98	+28.96%	$1,910.10	5.85%	5	$296.22	$1,481.12	$273.60 $383.30
HII HUNTINGTON INGALLS INDUSTRIES ...	$289.705	+$3.935	+$11.80	+1.37%	+$191.62	+28.28%	$869.11	2.66%	3	$225.83	$677.49	$158.88 $296.03
ENVA ENOVA INTERNATIONAL INC	$110.64	+$1.17	+$17.55	+1.06%	+$157.74	+10.50%	$1,659.60	5.09%	15	$100.12	$1,501.86	$79.41 $130.34
MELI MERCADOLIBRE INC COM USD0.001	$2,154.835	+$52.725	+$39.54	+2.50%	+$119.00	+7.94%	$1,616.12	4.95%	0.75	$1,996.16	$1,497.12	$1,646.00$2,645.2
DLR DIGITAL REALTY TRUST INC	$170.31	-$2.61	-$10.44	-1.51%	+$1.02	+0.14%	$681.24	2.09%	4	$170.06	$680.22	$129.95 $198.00
SNPS SYNOPSYS INC	$453.665	+$0.315	+$0.63	+0.06%	-$214.82	-19.15%	$907.33	2.78%	2	$561.08	$1,122.15	$365.74 $651.73
PLAY DAVE &BUSTERS ENTMT INC COM	$18.55	+$0.81	+$38.88	+4.56%	-$309.66	-25.81%	$890.40	2.73%	48	$25.00	$1,200.06	$15.08 $43.73
IRDM IRIDIUM COMMUNICATIONS INC	$19.635	+$0.965	+$53.07	+5.16%	-$448.19	-29.33%	$1,079.92	3.31%	55	$27.78	$1,528.11	$17.08 $34.45
FCN FTI CONSULTING INC	$153.68	+$1.02	+$6.12	+0.66%	-$391.02	-29.78%	$922.08	2.83%	6	$218.85	$1,313.10	$149.31 $231.47
DXCM DEXCOM INC	$68.94	+$0.51	+$5.10	+0.74%	-$646.58	-48.40%	$689.40	2.11%	10	$133.60	$1,335.98	$57.52 $93.25
AMN AMN HEALTHCARE SVCS INC COM	$20.30	+$0.44	+$8.80	+2.21%	-$938.00	-69.80%	$406.00	1.24%	20	$67.20	$1,344.00	$14.87 $42.41
Account total			+$164.33	+0.51%	+$5,421.66	+21.62%	$32,626.55					

In reflection, the committee was and continues to be correct on this thesis and is reaping the returns on it. Being that we only have one Tech pitch a semester, we remain underweight in IT but make up for it with strong performers within the sector. On another positive note, within the consumer, an overweight category, we performed highly through investments in high-growth LatAm retailer Mercadolibre, Capri (who, as we foresaw, sold the Versace division to Prada), and Costco, which has continued their strong performance.

Below, we will highlight the performance of several key companies to detail companies driving and holding back our portfolio's performance.

Figure 1.6–Sector Performance - Trailing 6 Months (Finviz)



Summer Recap - Leaders and Laggers

Taiwan Semiconductor Manufacturing Company (NYSE: TSM): Leader
TSM has consistently been a strong performer, driving our portfolio. TSM outperformed as the AI up-cycle accelerated: record Q3'25 revenue (~$33B, +41% y/y) and net-profit growth of ~40% were powered by AI/high-performance computing (HPC) chips, which now account for a large portion of wafer-sales. A wafer is a thin, round slice of semiconductor material (usually silicon) on which many individual chips (dies) are fabricated before being sliced ("diced") into individual units. TSM's investment in leading process nodes (smaller node = more transistors, higher efficiency) and advanced packaging (the process of taking the chip die and assembling it into a usable packaged component) gave it an edge. With ~$38-42B capex slated and gross margins holding near ~59%, the operating leverage into the AI wave remains strong.

Constellation Energy Corp (NASDAQ: CEG): Leader
Meeting our second theme of the summer, Constellation is fuel feeding the AI fire. Constellation benefited from accelerating demand for power from data-centres: the company cited a ~45% increase in data-centre energy use and emphasized long-dated power-purchase deals anchored to its nuclear fleet. On the macro side: the grid operator PJM Interconnection forecasts ~32 GW of incremental peak load growth from 2025-2030, almost entirely driven by data-centers. To give that perspective, 1 GW can power roughly ~800,000–1,000,000 US homes, so 32 GW is equivalent to ~25–30 million homes' demand. This proposition has definitely impacted Constellation's ratios but excites us about its future potential.

Huntington Ingalls Industries Inc (NYSE: HII): Leader
Shares worked as defense budgets and contract flow stayed robust: Q2'25 brought $11.9B of awards and a record $56.9B backlog, with management reaffirming FY guidance. The company also expanded digital/AI partnerships (with C3 AI) to improve shipyard throughput - an incremental margin lever alongside scale. Backlog depth plus steady ops progress kept sentiment constructive through summer.

Costco Wholesale Corp (NYSE: COST): Leader
COST continued to execute on traffic and membership monetization: Net sales rose ~8% and membership fee income up double-digits y/y. Management also noted that extended store hours added ~1% to weekly U.S. sales - evidence of continued share gains with loyal members. The modest membership-fee step-up since late 2024 has held with limited churn.

We also noticed Costco's entry into the gold market, which we thought was particularly cool and shows the company's ability to identify unique consumer trends early and monetize them in unconventional ways. Since launching 1oz gold bar sales in mid-2023, Costco has become one of the largest retail gold sellers in the U.S., generating nearly $200 million per month in gold revenue. This move not only highlights Costco's unmatched brand trust and pricing power but also its knack for turning niche consumer interests into meaningful profit centers.

DexCom Inc (NASDAQ: DXCM): Lagger
Dexcom is a global leader in continuous glucose monitoring (CGM) technology used by people with diabetes to track blood sugar levels in real time through wearable sensors. Despite mid-teens revenue growth, the stock underperformed as med-tech valuation multiples compressed and investors grew wary of GLP-1-related disruptions. GLP-1s are reshaping the diabetes treatment landscape, creating uncertainty around long-term CGM device demand. Additionally, software fixes and a limited recall for the G7 platform raised concerns about product execution. Even so, Dexcom remains fundamentally strong, supported by global adoption of CGM devices, but near-term sentiment will hinge on GLP-1 utilization rates and insurer coverage trends through 2026.

AMN Healthcare Services Inc (NYSE: AMN): Lagger
AMN, a leading provider of healthcare staffing and workforce solutions (including travel-nurse staffing, contract staffing, physician & advanced-practice recruiting) is facing "post-pandemic normalization." In Q2'25, its travel-nurse staffing revenue fell ~25% y/y, and it trimmed guidance amid an uneven hospital demand recovery. The broader staffing market remains structurally supported (the global healthcare staffing market is projected to grow at ~7-8 % CAGR through 2034) but the industry is subject to cyclical softness.

Iridium Communications Inc (NASDAQ: IRDM): Lagger
IRDM underperformed as the direct-to-device narrative shifted toward Starlink/T-Mobile's "Direct-to-Cell" ramp and Apple's Globalstar-based SOS diluting investor enthusiasm for Iridium's smartphone path. The earlier termination of Qualcomm's Snapdragon Satellite deal (late 2023) remained an overhang through 2025 despite progress in government/tactical radios. Competitive positioning in consumer D2D remains the key debate.

Summer Winner - Yash and Allot

Allot Ltd (NASDAQ: ALLT):
We owe Yash a lot of credit for his introduction to Allot. Allot allowed us to further diversify internationally and also ride the AI wave. Allot has benefited from a strong push into its Security-as-a-Service (SECaaS) business, with first quarter 2025 SECaaS annual recurring revenue (ARR) up 54% year-over-year to $21.2m. Revenue overall rose ~6% y/y to $23.2m, operating cash flow turned positive and non-GAAP operating profit was $0.4m versus a loss a year ago.

On the macro side, telecom service providers are increasingly bundling cybersecurity services as part of connectivity offerings, which gives Allot a structural angle. With the stock up ~100% the market appears to be rewarding the narrative of recurring-revenue growth and improving profitability, though execution risk remains around scaling wins and converting large tier-1 deals into significant recurring streams.

Industry Diversification

TAMID's Fund includes a diverse variety of industries to represent a tailored snapshot of the market, with specific weightings towards sectors for which PMC has bullish expectations.

Figure 1.4 – Portfolio Positions and Industry Mix

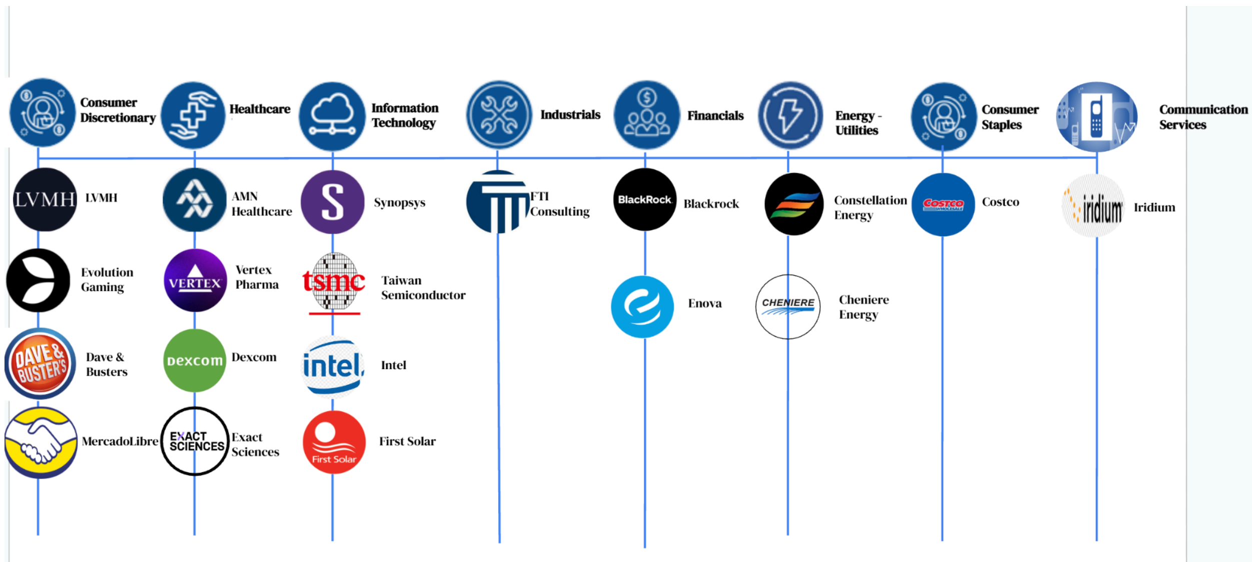
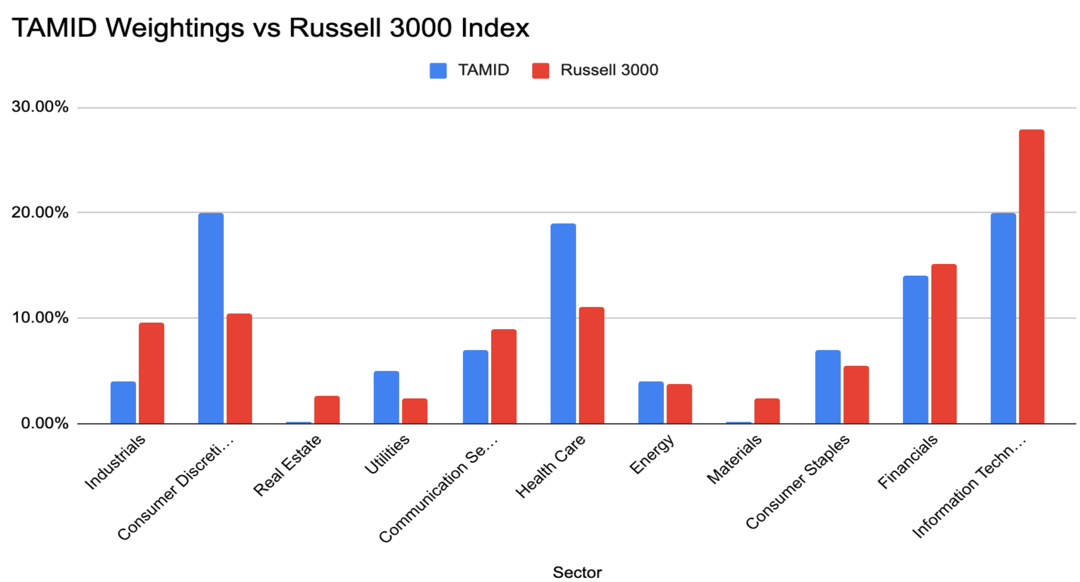


Figure 1.5 – TAMID Industry Mix vs Russell 3000



TAMID is significantly overweight in consumer discretionary and health care compared to the Russell 3000, while the portfolio is notably underweight industrials, materials, and information technology. With three pitches remaining (REGAL, Media and Communication Services, and Special Situations), the PMC committee will evaluate these opportunities while considering how to strategically allocate our portfolio moving forward.

Future Plans

The Portfolio Management Committee remains integral to the success of TAMID at Michigan's fund. We will continue to diligently evaluate our current holdings and proposed additions to the portfolio. Each new pitch will be analyzed based on its thesis, model, and fit within the overall needs of the portfolio. As we look ahead, we welcome any additional recommendations from members and alumni. If you have any questions or concerns, feel free to contact either of the names listed below:

Sincerely,
Ian Weinberg, PMC Research Analyst (ijw@umich.edu)
Noah Rubach, PMC Research Analyst (nrubach@umich.edu)
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