



Putnam U.S. Large Cap Growth Equity Concentrated SMA

Separately Managed Accounts

Growth
March 31, 2025

Product Commentary

Performance Review

- In a challenging quarter for equity markets, the portfolio underperformed its benchmark.

QUARTERLY KEY PERFORMANCE DRIVERS¹

	Stocks	Sectors
HELPED	Spotify	Communications services
	Waste Connections	Financials
	Mastercard	—
HURT	Broadcom	Information technology
	Costco (not held)	Health care
	Salesforce	—

- Both stock selection and sector allocations weighed on results. From a stock selection perspective, holdings in information technology and health care were weakest, while selections in communications services and financials offset some of the relative underperformance.
- Top individual contributors to relative performance included an overweight position in Spotify (communication services), out-of-benchmark exposure to Waste Connections (industrials), and an overweight position in Mastercard (financials).
- Top individual detractors included an overweight position in Broadcom (information technology), not owning Costco (consumer staples), and an overweight position in Salesforce (information technology).

Outlook & Strategy

- Given the current geopolitical and economic climate, we believe it's reasonable to expect additional multiple contraction from some higher-multiple stocks in the growth universe as new tariff policies are rolled out.
- The magnitude of disruption will differ by sector, but areas that could experience the greatest negative impact are overall household consumption (consumer discretionary) and enterprise spending (information technology).
- With the help of our analyst team, we consistently focus on identifying companies that can succeed in a variety of economic backdrops and that do not require an economic acceleration to succeed.
- We believe companies in our portfolio are typically not the first ones displaced during periods of heightened economic uncertainty.
- We continue to monitor all macroeconomic information and assess impacts on a stock-by-stock basis. It is important to remember that volatility can bring heightened risk but can also provide attractive opportunities for long-term fundamental investors.

Product Details²

Inception Date	03/31/2017
Benchmark	Russell 1000 Growth Index

Performance Data

Average Annual Total Returns (USD %)

	3 Mths	YTD	1 Year	3 Year	5 Year	Since Inception (03/31/2017)
Putnam U.S. Large Cap Growth Equity Concentrated SMA - GROSS	-10.44	-10.44	6.77	10.16	18.18	17.66
Putnam U.S. Large Cap Growth Equity Concentrated SMA - NET	-11.12	-11.12	3.67	6.96	14.77	14.27
Russell 1000 Growth Index	-9.97	-9.97	7.76	10.10	20.09	16.72

1. Representative Account Holdings Caveat

2. Information is based on Putnam U.S. Large Cap Growth Equity Concentrated SMA. A composite is an aggregation of one or more portfolios into a single group that represents a particular investment objective or strategy.

Calendar Year Returns (USD %)

	2024	2023	2022	2021	2020	2019	2018
Putnam U.S. Large Cap Growth Equity Concentrated SMA - GROSS	34.67	45.85	-31.06	24.07	37.60	40.10	6.82
Putnam U.S. Large Cap Growth Equity Concentrated SMA - NET	30.83	41.71	-33.15	20.51	33.68	36.12	3.71
Russell 1000 Growth Index	33.36	42.68	-29.14	27.60	38.49	36.39	-1.51

Past performance is not a guarantee of future results. An investment in this strategy can lose value.

Periods less than one year are not annualized. Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in U.S. dollars and assume reinvestment of any dividends, interest income, capital gains, or other earnings. The composite may include account(s) that are gross of fees and pure gross of fees. "Pure" gross-of-fee returns do not reflect the deduction of any expenses, including transaction costs. A traditional (or "true") gross-of-fee return reflects performance after the reduction of transaction costs but before the reduction of the investment advisory fee. The gross-of-fee return may include a blend of "true" gross-of-fee returns for non-wrap accounts and "pure" gross-of-fee returns for wrap accounts. Net-of-fee returns is reduced by a model "wrap fee" which includes trading expenses as well as investment management, administrative and custodial fees. The model wrap fee used represents the highest anticipated wrap fee applicable to the strategy. Actual fees and account minimums may vary.

The **Russell 1000 Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe. Source: FTSE.

Investment Team

Richard Bodzy

Years with Firm 16

Years Experience 17

Greg McCullough, CFA

Years with Firm 5

Years Experience 16

Important Information

The information contained in this piece is not a complete analysis of every material fact regarding the market and any industry, sector, security or portfolio. Statements of fact cited by the manager have been obtained from sources considered reliable but no representation is made as to their completeness or accuracy. Because market and economic conditions are subject to rapid change, opinions provided are valid only as of the date of the material, and are subject to change without notice. The manager's opinions are intended solely to provide insight into how the manager analyzes securities, may differ from that of other affiliated managers, and are not a recommendation or individual investment advice for any particular security, strategy or investment product. Any securities discussed may not represent an account's entire portfolio and in the aggregate may represent a small percentage of an account's portfolio holdings. There is no assurance that any such securities will remain in an account's portfolio, or that securities sold have not been repurchased. It should not be assumed that any securities transactions discussed were or will prove to be profitable. The information provided should not be considered a recommendation to purchase, sell or hold any particular security. All indexes are unmanaged and cannot accommodate direct investment. Investors should review their investment objectives, risk tolerance and liquidity needs before choosing a manager. There is no guarantee that investment strategies will work under all market conditions, and investors should evaluate their ability to invest for the long term, especially during periods of market downturns. Please refer to www.franklintempleton.com for more information about the portfolio, including objective, risks and investment process.

All investments involve risks, including possible loss of principal. The **investment style** may become out of favor, which may have a negative impact on performance. To the extent the portfolio invests in a **concentration of certain securities, regions or industries**, it is subject to increased volatility. **Dividends** may fluctuate and are not guaranteed, and a company may reduce or eliminate its dividend at any time. **Active management** does not ensure gains or protect against market declines. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated.

To obtain specific information on available products and services or a GIPS Report, contact your Franklin Templeton separately managed account sales team at (800) DIAL BEN/342-5236. Putnam Investments claims compliance with the Global Investment Performance Standards (GIPS®). 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.

Putnam Investments is a Franklin Templeton company.

CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute.

Indexes are unmanaged, and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

Important data provider notices and terms available at www.franklintempletondatasources.com.

These materials are being provided for illustrative and informational purposes only. The information contained herein is obtained from multiple sources that are believed to be reliable. However, such information has not been verified, and may be different from the information included in documents and materials created by the sponsor firm in whose investment program a client participates. Some sponsor firms may require that these materials be preceded or accompanied by investment profiles or other documents or materials prepared by such sponsor firms, which will be provided upon a client's request. For additional information, documents and/or materials, please speak to your Financial Professional or contact your sponsor firm.

Franklin Templeton (FT) is not undertaking to provide impartial advice. Nothing herein is intended to provide fiduciary advice. FT has a financial interest.



**FRANKLIN
TEMPLETON**

One Franklin Parkway
San Mateo, CA 94403-1906
(800) DIAL BEN/342-5236
franklintempleton.com