

# Stand With Israel<sup>1</sup>

Commentary | Quarterly update: 2Q25

Separately managed account



**Ryan Caylor, CFA** Portfolio Manager – Head of Research

Top 10 holdings (%)	
NVIDIA Corporation	7.56
Microsoft Corporation	7.34
Apple Inc.	5.82
Amazon.com, Inc.	4.34
Alphabet Inc. Class A	3.69
Meta Platforms Inc Class A	3.29
Berkshire Hathaway Inc. Class B	2.72
Broadcom Inc.	2.62
JPMorgan Chase & Co.	2.42
Visa Inc. Class A	1.91
<b>Total % of portfolio</b>	<b>41.72</b>

## Markets and performance

For the three months ended June 30, 2025, Stand With Israel composite returned 12.09%, outperforming the S&P 500 Index (10.94%) by 115 basis points (bps). The outperformance was primarily driven by positive sector allocation as well as positive stock selection. Year-to-date through June 30, 2025, the composite outperformed the S&P 500 by 80 bps, as the strong performance in Q2 more than made up for Q1 underperformance.

We target a range between +/- 140-180 bps of estimated tracking error (also called “active risk”) relative to the benchmark on an annual basis. As of June 30, 2025, the composite portfolio was sitting at +/- 140 bps of active risk relative to the benchmark, which is practically unchanged relative to last quarter.

## Attribution and positioning

Sectors contributing the most to relative quarterly performance against the benchmark were information technology (due mainly to overweight sector allocation effect), health care (due to stock selection), and energy (mainly due to underweight sector allocation effect). Sectors detracting most from relative quarterly performance were communication services (due to stock selection), consumer discretionary (due to stock selection), and consumer discretionary (due to overweight sector allocation effect modestly offset by positive stock selection effect).

Equity holdings contributing the most to relative quarterly performance were Palantir Technologies (PLTR), Goldman Sachs (GS), and GE Vernova (GEV). Equity holdings detracting the most from relative performance were Chevron (CVX), Berkshire Hathaway (BRK.B), and Aflac (AFL).

Common quantitative risk factors contributing most to relative performance this quarter were momentum, mid-capitalization, and beta; factors detracting the most were liquidity, long-term reversal, and value.

Toward the end of 2Q25, we made several changes to the composite for portfolio construction purposes, selling out of five names: Booking, SanDisk, Invesco, T. Rowe Price, and Millrose Properties. The most difficult of these decisions was the sale of Booking, which continues to have strong ties and engagement with Israel; however, its high stock price (BKNG ended the quarter at \$5,730.73/share) was causing dislocations between its weight within the Stand With Israel composite and underlying accounts. As such, we decided to take profits while the stock was trading near all-time highs.

Relative to the benchmark, we continue to be most overweight tech, financials, and consumer staples sectors; most underweight utilities, industrials, and energy sectors.

Crossmark uses a model account to manage the individual client accounts that have selected this investment strategy. The portfolio characteristics shown are based on the model account. The characteristics of any individual account may differ from those of the model account. All performance information shown is composite performance derived from the aggregate of all accounts included in the composite.

<sup>1</sup> As of June 30, 2025, Crossmark Israel Impact strategy changed its name to Crossmark Stand With Israel.

Composite performance (%)	Quarter	YTD	1-year	3-year	5-year	Since inception
Israel Impact (Wrap) – Gross	12.09	7.00	17.43	21.33	17.35	15.33
Israel Impact (Wrap) – Net <sup>1</sup>	11.30	5.44	14.04	17.77	13.89	11.91
S&P 500 Index	10.94	6.20	15.16	19.69	16.63	14.68

1 Net performance was calculated using the hypothetical highest annual all-inclusive wrap fee of 3.00%, with a deduction of 0.25% from each month's return. Gross performance is shown as supplemental information and represents pure gross returns, as they have not been reduced by transaction costs or fees. Wrap fees include Crossmark's portfolio management fee, trading costs, custody, and other administrative fees. Due to the effect of compounding, annual returns shown net of fees may be lower than the return that would be shown if the fee were deducted from the gross return at a single point in time.

## Our firm

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**All Investments are subject to risks, including the possible loss of principal. Past performance does not guarantee future results.** The Israel Impact strategy may not achieve its objective if the managers' expectations regarding particular securities or markets are not met. Equity investments generally involve two principal risks—market risk and selection risk. The value of equity securities will rise and fall in response to general market and/or economic conditions (equity market risk). The value of any individual equity security will rise and fall in response to the market's perception of the issuer's revenues, earnings, balance sheet, credit worthiness, business plan, and overall perception of the viability of the issuer's business (selection risk).

The strategy's values-based screening policies which exclude certain securities issuers from the universe of otherwise available investments. As a result, the strategy may not achieve the same level of performance as it otherwise would have in the absence of the screening process. If the strategy has invested in a company that is later discovered to be in violation of one or more screening criteria and liquidation of an investment in that company is required, selling the securities at issue could result in a loss to the strategy. Further, the strategy's values-based screening policies may prevent the strategy from participating in an otherwise suitable investment opportunity. With respect to Equity Market Neutral, the values-based screening policies apply only to long positions.

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Crossmark claims compliance with the Global Investment Performance Standards (GIPS®). Prospective clients can obtain a GIPS Composite Report by sending a request to: [advisorsolutions@crossmarkglobal.com](mailto:advisorsolutions@crossmarkglobal.com).

The U.S. Dollar is the currency used to express performance. The performance reflects the reinvestment of dividends and other earnings to the extent that client accounts included in the composite elected to reinvest dividends and earnings. Performance figures shown gross of fees do not reflect the payment of investment advisory fees.

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