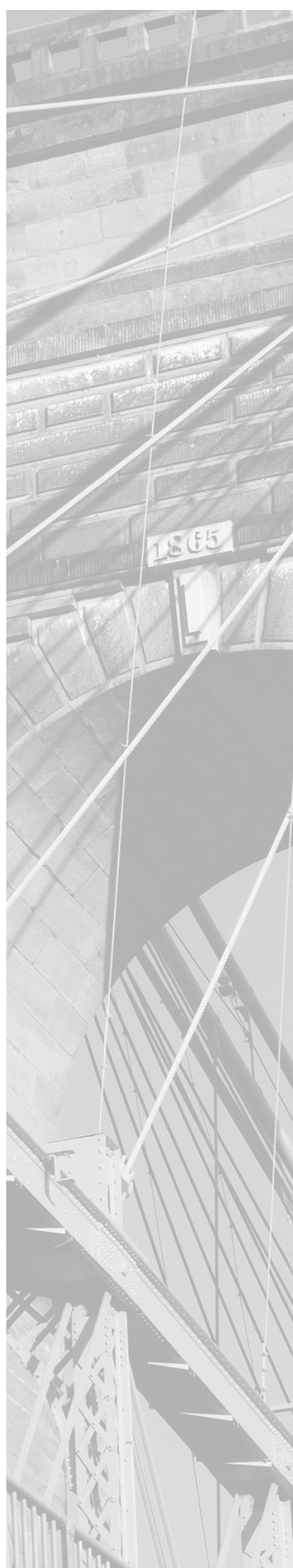


Large Cap Growth

Intra-Quarter Commentary—August 2026



U.S. equities delivered solid returns in August, with the S&P 500 returning +2.7% while reaching new all-time highs. However, August was not without drama, as the market tried to ascertain the potential fallout from the Situational Awareness hedge fund implosion at the end of July. Somewhat predictably, we saw a rotation out of AI-related stocks and back into the Magnificent 7 stocks, which rose +4.4% in August, driving much of the stock market's return. In addition, U.S. stocks also benefited from continued solid economic data and a strong earnings season, with S&P 500 companies producing revenue growth of nearly 16% and earnings growth of almost 55% in the second quarter (*Source: FactSet*). Conversely, August was a difficult month for the bond markets, which continue to sell off, caused by the stubborn rise in longer-dated yields, with yields reaching multi-year highs in many of the world's largest economies. In the U.S., despite an intervention by Treasury Secretary Scott Bessent, the 30-year U.S. Treasury yield hit 5.3%, its highest level since 2007, and the 10-year U.S. Treasury yield hit 4.75%, its highest level since January 2025.

While the Federal Reserve did not meet in August, Chairman Kevin Warsh did give his first major speech at the Jackson Hole Economic Policy Symposium, and there were some surprises, with Chairman Warsh reiterating his views on inflation expectations with a decidedly hawkish tilt. With core-CPI data recently showing a reacceleration in inflation, driven in large part by higher oil prices, the Fed is now relying on upcoming economic data to determine whether inflation is either transitory or manageable in order to avoid a 25 bps rate hike in September.

Looking ahead, September has historically been the worst performing month for the stock market, especially in midterm election years. From a macro-perspective, there are several headwinds

SECTOR WEIGHTS & PORTFOLIO CHANGES ⁽¹⁾

Sector	Ending Weight ⁽²⁾	Change from 7/31/2026	Large Cap Growth Additions & (Large Cap Growth Deletions) ⁽³⁾
Information Technology	36.8%	3.7%	NetApp
Industrials	16.1%	-1.4%	
Health Care	12.8%	1.4%	Eli Lilly
Consumer Discretionary	9.5%	-3.1%	(The Lowe's Companies)
Financials	9.3%	0.1%	
Communication Services	6.7%	-1.1%	(AppLovin)
Consumer Staples	3.4%	0.0%	
Real Estate	2.1%	0.1%	
Energy	1.9%	1.9%	Technip FMC
Cash	1.3%	-0.4%	
Materials	0.0%	0.0%	
Utilities	0.0%	-1.4%	(NRG Energy)

⁽¹⁾ Based on a representative account of the strategy discussed. Portfolio characteristics (e.g., sector weights, valuation, growth rate) are based on a representative account that we believe is illustrative of the strategy. All accounts in the strategy are invested identically in the same securities unless a client has imposed restrictions. Characteristics and/or holdings on a given date may vary due to pending trades.

⁽²⁾ Weights as of the end of the presentation period. Cumulative total weighting may not add up to 100% due to rounding of percentages to the nearest decimal place.

⁽³⁾ Any securities referenced should not be considered a recommendation to purchase or sell a particular security. These securities represent a portion of the companies held in a representative account in this strategy as of the date stated and are intended for informational purposes only. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold, or recommended for this strategy. To request a complete list of holdings recommendations for this strategy over the past year or a list showing the contribution of every holding to the performance of the representative account for the time period stated, please contact Renaissance at compliance@reninv.com.

Source: Renaissance Research, FactSet

Large Cap Growth

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CONTRIBUTORS TO RETURN⁽¹⁾⁽²⁾

Ticker	Company Name	Average Weight ⁽³⁾	Contribution to Return
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TOP FIVE CONTRIBUTORS—LARGE CAP GROWTH

HALO	Halozyne Therapeutics	2.31%	0.58%
DT	Dynatrace	1.66%	0.33%
CRM	Salesforce	0.91%	0.33%
MSFT	Microsoft	2.86%	0.25%
MU	Micron Technology	1.65%	0.24%

BOTTOM FIVE CONTRIBUTORS—LARGE CAP GROWTH

TPR	Tapestry	1.65%	-0.33%
TJX	TJX Companies	1.60%	-0.24%
CCL	Carnival	1.67%	-0.23%
APP	AppLovin	0.36%	-0.23%
ROK	Rockwell Automation	1.68%	-0.20%

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⁽³⁾ Average weights over the presentation period.

Sources: Renaissance Research, FactSet

that concern us, including interest rates around the world rising to multi-year highs and the price of oil returning to cycle highs as tensions in the war with Iran intensify. In this environment, we must remain vigilant in trying to identify good long-term investment opportunities at reasonable valuations.

For the month of August, the S&P 500 gained 2.7% and the Russell 1000 Growth gained 3.7%. Large-cap stocks outperformed small- and mid-cap stocks, while Growth outperformed Value. With the market performance narrowing back to the mega-cap companies, there were notably large divergences in performance across sectors in the Russell 1000 Growth. The Information Technology and Consumer Discretionary sectors were the largest contributors to performance, while the Industrial and Communication Services sectors served as the largest detractors from performance. For the month, we underperformed both the S&P 500 and the Russell 1000 Growth benchmarks.

We made several changes to the portfolio in August, adding a new position in the Information Technology sector with **NetApp** (NTAP), one of the largest data storage companies in the world, with a focus on offering hybrid, all-flash cloud storage solutions. We believe NetApp is well positioned to benefit as enterprises begin to incorporate artificial intelligence into their workflows, merging large language models with their internal corporate data. NetApp's single architecture operating system acts as the bridge, linking unstructured corporate data to Hyperscaler AI platforms, and is currently embedded in all the largest Hyperscalers (e.g., AWS, Google Cloud, Microsoft Azure). We also added a new position in the Healthcare sector with **Eli Lilly** (LLY), a global pharmaceutical leader specializing in cardiometabolic health, oncology, and immunology. The company's obesity franchise is the largest provider of weight loss GLP-1 drugs in the world, and we believe GLP-1 drugs are still in early stages of growth as obesity is the number one cause of hypertension, which is the leading

Large Cap Growth Intra-Quarter Commentary—August 2026



cause of heart disease. Looking ahead, we anticipate the use case for these drugs will grow from both improved patient accessibility, and with an expanding addressable market as they show effectiveness against other co-morbidities, like sleep apnea, hypertension, and chronic cardiovascular diseases. Longer term, we like the company's investment in artificial intelligence, and we see Eli Lilly as a leader in AI drug development with the best AI models.

Conversely, we sold our position in **Applovin** (APP) following a deterioration in our fundamental factors. After a qualitative review, we concluded that the company is beginning to see real competition in its core gaming advertising platform. In the second quarter, the company uncharacteristically missed revenue expectations, while its largest competitor saw their growth accelerate, indicating that Applovin is likely losing market share. Looking ahead, we believe the company will likely face decelerating revenue growth, margin compression, and negative earnings revisions. Notably, since we initially purchased Applovin two years ago, the stock has tripled in price and at this time, we believe our original investment thesis has mostly played out. We also sold our position in **Lowe's** (LOW) as the stock's fundamental factors continue to deteriorate. A qualitative review of our original investment thesis showed we are not seeing either the reacceleration in revenue growth or the margin expansion that we initially expected. While higher interest rates have been a major headwind, we do not profess to have any insight into the future of interest rate movements. Looking ahead, our fundamental work suggests we may be entering a period where both same-store sales and new unit growth begin to decelerate, leaving fewer catalysts for positive earnings revisions.

Halozyne Therapeutics (HALO) was our best performing stock in August. Halozyne reported robust second quarter operating results driven by strong royalties from demand for their subcutaneous therapies, with recent product launches starting to scale. We expect revenue momentum to continue with additional product launches, market expansion opportunities, and potential acquisitions in upcoming quarters. Another high performer for the month was **Dynatrace** (DT). The company also reported solid quarterly operating results, driven by demand for their enterprise network observability platform. With companies beginning to adopt artificial intelligence in their workflows, observability serves as a key control point for monitoring logs and access functions. Looking ahead, we see Dynatrace benefiting from continued growth in AI infrastructure capex as automation and complexity increase with the growth of agentic AI.

Conversely, **Tapestry** (TPR) was the worst performer in August despite reporting operating results that exceeded expectations with continued demand from Coach and international markets. However, the stock reacted negatively after the company gave initial fiscal-year 2027 guidance that was slightly below expectations. Looking ahead, revenue growth appears to be decelerating and margins have likely peaked. We are currently revisiting our fundamental thesis for owning the stock. Another underperformer in August was **TJX Companies** (TJX). The company also reported solid second quarter results that surpassed expectations. Unfortunately, traffic growth moderated more than we expected, as high gasoline prices likely caused a slowdown in the lower-end consumer, a phenomenon we saw across the retail sector. Additionally, TJX's U.S. segment experienced a larger than expected deceleration, potentially signaling near-term market share losses.

Large Cap Growth Intra-Quarter Commentary—August 2026



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The opinions stated in this presentation are those of Renaissance as of August 31, 2026 and are subject to change at any time due to changes in market or economic conditions.

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S&P 500 Index—The S&P 500 Stock Index is a market capitalization weighted index and consists of 500 stocks chosen for market size, liquidity and industry group representation.

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