

# Vitruvian Capital Management



In January 2018, the equity team from HighMark Capital formed Vitruvian Capital Management to further and expand the investment capabilities they developed in the domestic and international core equity market. The team is built around a combination of over 50 years of experience in quantitative equity research, portfolio construction and risk management.

At HighMark, the team managed over \$2 billion in large, small and micro capitalization assets. The team uses a systematic stock selection process focused on 'insight investing': analyzing idiosyncratic stock characteristics that predict changes in expectations for a given company. The team integrates this process within an in-depth fundamental analysis as well as a comprehensive risk management and portfolio construction process to ensure that all risk is budgeted and allocated prudently.

The team retains their investment composites, and with the cooperation of a GIPS performance consultant, arranged for these track records to remain unbroken and fully compliant with GIPS performance standards. The team is also in possession of all intellectual property associated with their investment process.



**Derek Izuel,**  
CFA

- Over 22 years investment experience, 11 with team
- MBA – University of Michigan
- BA – Computer Science, University of California, Berkeley
- Chief Equity Officer, HighMark Capital – 2008-2018
- Lead Portfolio Manager, Invesco – 2000-2008, Global Equity and Domestic Long/Short Equity

- Ten-year transferable, uninterrupted **GIPS compliant track record** in small cap core US mandate. Performance would be the top equity-derived record in the Morningstar Small Blend category over the last 10 years.
- Ten-year track record in large cap core. Three-year track record in micro cap.
- Unique, systematic strategy founded on the principles of **machine learning and data science**
- **Turn-key, seasoned investment team** available to step in and assume portfolio management responsibilities
- Experienced in the management of all varieties of investment vehicles: separate accounts, mutual funds and model-based implementations
- Strategy can be applied effectively to long/short, international small cap and domestic small cap styles
- Team has constructed a powerful and flexible **ESG (Environmental, Social, Governance)** investment framework that can be **integrated into any mandate in either a custom or standardized form**



**Justin Sheetz,** CFA

- 18 years experience
- MS – Computational Finance and Risk Management, University of Washington
- Previous Firms: Blackrock, Barclays Global Investors – Scientific Active Equity, Matthews Asia



**Sven Wolf,** PhD

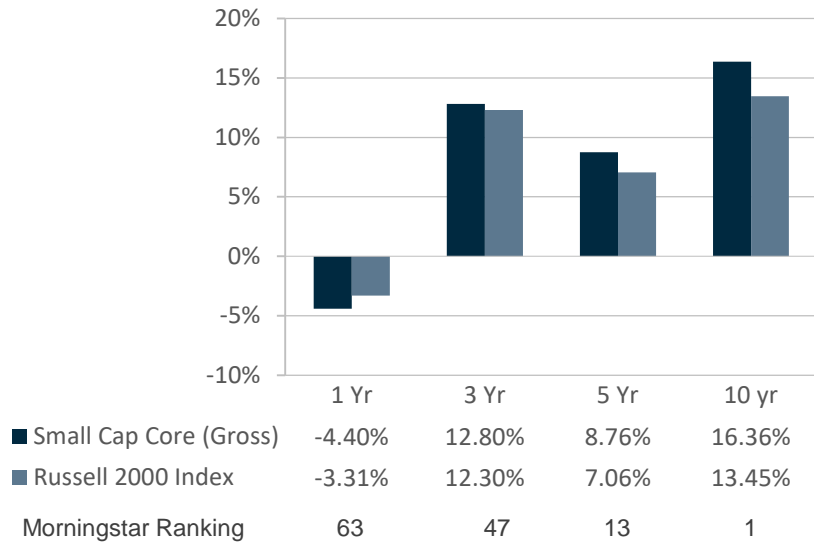
- 15 years experience
- PhD, Mathematics, Stanford University
- PhD, Applied Mathematics, California Institute of Technology
- Previous Firms: Blackrock, Barclays Global Investors, Axioma

## Investment Philosophy

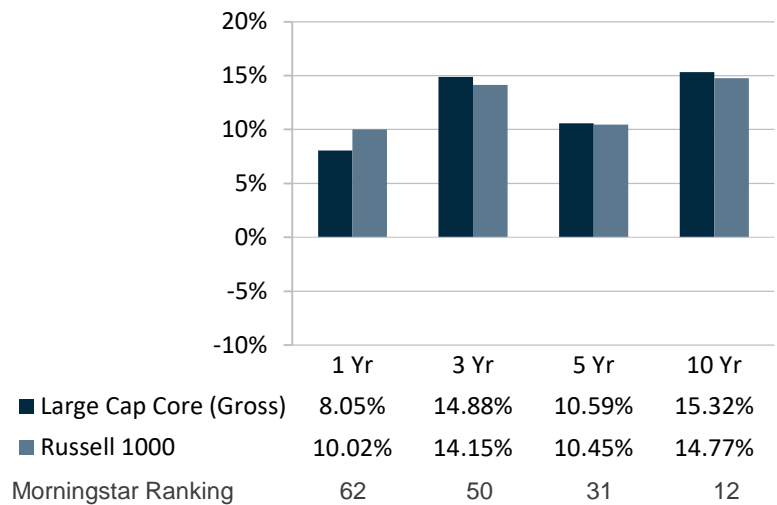
Insight Investing - The team uses the principles of data science and machine learning to find signals that bring with them a particular insight into the future performance of a firm.

- Key sources of information
  - Company management
  - Sell-side analysts
  - Other professional investors
- Focus on breadth – A critical feature of our methodology. Our signals collect information from diverse sources to ensure consistency over time and reduce the effect of large shifts in market sentiment.
- Portfolio Construction – Be conscious of where value can be added and where it can not. Controlling beta, not only to the market but to the forces that shift the market, protects alpha.

## Small Cap Core Performance – as of 06/30/2019



## Large Cap Core Performance – as of 06/30/2019



## VCM Small Cap Core - Rolling 5 Year Information Ratio

