

Alger 25 Strategy

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(Class P as of 3/31/19)

Characteristics

Number of Equity Holdings	25
Top 5 Holdings (Total)	36.80%
Top 10 Holdings (Total)	59.38%
Active Share	84%
Average Market Cap	\$188.6 bil
Weighted Average Market Cap	\$300.2 bil

Top 5 Holdings (%)

Amazon.com, Inc.	9.27
Microsoft Corporation.	9.15
Visa Inc. Class A	7.16
Alphabet Inc. Class C	5.92
Salesforce.com, inc.	5.29

Key Facts

Information Technology	40.91
Consumer Discretionary	17.35
Financials	11.27
Communication Services	10.33
Industrials	7.52
Health Care	6.30
Real Estate	3.28
Materials	3.02
Energy	—
Consumer Staples	—
Utilities	—

Vehicles

Alger 25 Fund, Class P (ATFPX)
Alger 25 Fund, Class P-2 (ATFFX)
Alger 25 SMA
Institutional Separate Account
Sub-Advisory

Benchmark

S&P 500®

What Makes Alger 25 Different?

Alger 25 is a focused portfolio with generally 25 stocks that represent the **highest conviction investment ideas** by Alger's research team. There is a meaningful position in every holding, helping to drive high active share: generally above 80%. The portfolio manager has significant flexibility when selecting stocks, regardless of sector or market capitalization.

A Three-Pronged Investment Approach

1 New Economy Stocks

- Exciting and innovative products and solutions
- Disruptors in their sectors/ industries
- Longer-term time horizon (2-3 years)

2 Secular Stocks

- History of consistent growth
- Long-term performance in-line with or better than sector benchmarks
- Longer-term time horizon (3+ years)

3 Opportunistic Stocks

- Compelling risk/reward opportunity
- Influenced or affected by external factors
- Expectation to own these stocks for the short-term (less than one year)

Alger 25 Companies Have Common Characteristics

▶ Wide/Deep Moats

Businesses with wide/deep moats typically are growing their margins, have durable business models, and have strong defensible positions, which often leads to pricing power.

▶ Compounding Growth with Duration

The aggregate portfolio will ordinarily exhibit compounding double-digit revenue growth, which should generally result in similar earnings and free cash flow growth.

▶ Strong Management Teams

These are companies with CEOs and C-suite level executives that have a proven level of success.

▶ Unrecognized Growth Potential

These stocks may be missing one or more of the characteristics above; however, the portfolio manager believes these stocks are currently undervalued.

An Experienced Portfolio Manager

Dr. Ankur Crawford is Senior Vice President and Portfolio Manager of the well-known Alger Capital Appreciation, Alger Capital Appreciation Focus, and Alger Spectra strategies. She joined Alger in September 2004, beginning her career at Alger as a Research Associate. Over the next several years, Dr. Crawford was promoted to Associate Analyst, Analyst, and then ultimately to Senior Analyst. Dr. Crawford was previously portfolio manager of the Alger Mid Cap Growth strategies. Additionally, Dr. Crawford was Head of the Technology sector team from January 2013–April 2016. Prior to joining Alger, she earned a Ph.D. in Materials Science and Engineering from Stanford University and a B.S. in Mechanical Engineering and a B.S. in Materials Science and Engineering from the University of California, Berkeley.

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Active Share is a measure of the percentage of stock holdings in a portfolio that differs from the benchmark index. Equity Holdings for the referenced fund or composite represents individual securities held, where other securities including private placements, private equity, rights, warrants, options, other derivatives, cash or cash equivalents and securities where the total market value in the portfolio is less than one dollar are excluded from the count. A list of all holdings can be found at www.alger.com for the applicable fund or composite. Performance characteristics are sourced from FactSet, an independent source which we believe to be reliable. Fred Alger Management, Inc., however, makes no representation that it is complete or accurate. Market Caps (which are sourced from FactSet) are as of the current period.

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