

Defender Capital Management
Q4 2025 Report
December 31, 2025

Executive Summary

Performance.

DCM began Q4 2025 with a portfolio value of \$1,490,539.05 and ended at \$1,493,510.84, resulting in a total return of 0.2% for the quarter. The market as a whole remained relatively flat during the quarter; however, DCM did underperform our benchmark (S&P 500), which returned 2.7% in the same quarter. Despite the portfolio remaining flat, many of our holdings made large moves. AMD led our holdings returning 32.28% followed by GOOG which returned 28.84% and RIO which was up 21.24%. AMD and GOOG were up due to continued growth in AI, and RIO has been benefiting from the need for more critical metals and minerals. On the downside in our portfolio, PYPL returned -12.94%, and one of our new purchases, SMR returned -59.04% as of year-end. Additionally, during the quarter we bought and sold Fiserv, a fintech company which returned -51%.

Cash.

We entered the quarter with \$120,368.18 in cash. Over the quarter, we received \$4,318.08 in net dividend income and \$5.98 in interest. With the purchases of Fiserv (FI), Lifetime Fitness (LTH), NuScale Power (SMR), and Chevron (CVX), and sales in EPD, NICE, BABA, and FI we had a net outflow of cash of \$64,321.32. The quarter ended with a cash balance of \$60,370.78.

Club Notes.

The past quarter for DCM had some highlights and some lows that provided us with learning opportunities. Soon after our purchase of Fiserv, the stock plummeted in price after a poor earnings report that went back on many of our buy thesis's and gave us reason to believe that what we had made our buy decisions on was not fully accurate information. As a result we decided that we did not want to own a company that was likely misleading investors and we had a clear learning experience of the significant risks that come along with investing. A highlight from the semester was having a team from our club compete in the Georgia State University Business Valuation Competition where our club placed 2nd nationally. Moving into 2026, we are looking forward to finding new ways to consolidate our portfolio into the highest quality batch of investments that will allow us to beat our benchmark, the S&P 500. We appreciate the continued support of the DCM board and all members who contribute to the fund's success. Thank you!

In His service,



Caleb Smit
President



Caden Koole
Vice President

Gerrit Hedman
Accountant

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I. Q1 Performance

Table 1. Change in Portfolio Value from September 30, 2025 – December 31, 2025

Change in Portfolio Value	
Portfolio Value on 9-30-25	\$ 1,490,539.05
Contributions	
Withdrawals	
Realized Gains*	\$ (19,998.27)
Trading Fees	
Change in Unrealized Gains	\$ 18,646.00
Interest	\$ 5.98
Dividends (Net of Foreign Tax)	\$ 4,318.08
Change in Portfolio Value	\$ 22,970.06
Portfolio Value on 12-31-25	\$ 1,493,510.84

During the second quarter ended September 30, 2025, DCM reported a total return of 0.20%. The S&P 500 returned 2.7% over the same period, outperforming our portfolio. The market was cautious on the future of AI growth, and this was clear as tech remained relatively flat while other blue-chip stock performed well.

Table 2. Returns

Fourth Quarter Returns	
Beginning Invested Value	\$ 1,490,539.05
Ending Invested Value	\$ 1,493,510.84
Risk Weighted IRR	0.20%
Total Period Return	0.20%
S & P 500	2.7%

II. Statement of Positions

Table 3. Statement of Position

Security	Shares Owned	Purchase Price	Total Cost*	Current Price	Market Value	Gain / (Loss)	Percent Change	Percent of Portfolio	Ending Beta	Weighted Beta	Last Period Price	Current Period Return
AAPL	512	\$ 16.56	\$ 8,476.95	\$ 271.86	\$ 139,192.32	\$ 130,715.37	1542.01%	9.32%	1.09	0.102	\$ 254.63	6.77%
AMD	235	169.70	39,879.50	214.16	50,327.60	10,448.10	26.20%	3.37%	1.95	0.066	161.90	32.28%
ADBE	100	405.82	40,581.95	349.99	34,999.00	(5,582.95)	-13.76%	2.34%	1.53	0.036	352.75	-0.78%
AMZN	340	42.46	14,437.24	230.82	78,478.80	64,041.56	443.59%	5.25%	1.38	0.073	219.57	5.12%
BLK	50	789.35	39,467.50	1,070.34	53,517.00	14,049.50	35.60%	3.58%	1.48	0.053	1,165.87	-8.19%
CARR	546	35.69	19,489.36	52.84	28,850.64	9,361.28	48.03%	1.93%	1.31	0.025	59.70	-11.49%
CBRE	231	56.27	12,997.22	160.79	37,142.49	24,145.27	185.77%	2.49%	1.35	0.034	157.56	2.05%
CROX	351	84.58	29,687.44	85.52	30,017.52	330.08	1.11%	2.01%	1.53	0.031	83.55	2.36%
CSCO	662	29.19	19,322.27	77.03	50,993.86	31,671.59	163.91%	3.41%	0.86	0.029	68.42	12.58%
CVX	302	83.52	38,729.44	152.41	46,027.82	7,298.38	18.84%	3.08%	0.69	0.021	155.29	-1.85%
DE	110	364.69	40,115.90	465.57	51,212.70	11,096.80	27.66%	3.43%	1.01	0.035	457.26	1.82%
DIS	199	143.33	28,521.97	113.77	22,640.23	(5,881.74)	-20.62%	1.52%	1.44	0.022	114.50	-0.64%
DLR	235	106.14	24,942.67	154.71	36,356.85	11,414.18	45.76%	2.43%	1.12	0.027	172.88	-10.51%
DG	415	72.56	30,112.40	132.77	55,099.55	24,987.15	82.98%	3.69%	0.26	0.010	114.38	16.08%
ELV	79	91.05	7,192.59	350.55	27,693.45	20,500.86	285.03%	1.85%	0.52	0.010	323.12	8.49%
EXC	884	26.27	33,474.03	43.59	38,533.56	5,059.53	15.11%	2.58%	0.56	0.014	45.01	-3.15%
LTH	1800	26.58	49,686.30	26.58	47,844.00	(1,842.30)	-3.71%	3.20%	1.68	0.054		
GOOG	300	31.53	31,180.96	313.80	94,140.00	62,959.04	201.92%	6.30%	1.09	0.069	243.55	28.84%
MA	86	175.16	15,063.36	570.88	49,095.68	34,032.32	225.93%	3.29%	0.86	0.028	568.81	0.36%
MSFT	90	336.57	30,291.16	483.62	43,525.80	13,234.64	43.69%	2.91%	1.07	0.031	517.95	-6.63%
NKE	352	84.87	29,874.19	63.71	22,425.92	(7,448.27)	-24.93%	1.50%	1.28	0.019	69.73	-8.63%
SMR	960	41.28	39,624.00	14.17	13,603.20	(26,020.80)	-65.67%	0.91%	2.13	0.019		
PFE	1360	29.40	39,982.88	24.90	33,864.00	(6,118.88)	-15.30%	2.27%	0.43	0.010	25.48	-2.28%
PG	165	60.77	10,027.64	143.31	23,646.15	13,618.51	135.81%	1.58%	0.39	0.006	153.65	-6.73%
PYPL	409	73.31	29,983.75	58.38	23,877.42	(6,106.33)	-20.37%	1.60%	1.43	0.023	67.06	-12.94%
QCOM	350	76.94	26,929.61	171.05	59,867.50	32,937.89	122.31%	4.01%	1.21	0.049	166.36	2.82%
RIO	470	38.97	18,315.56	80.03	37,614.10	19,298.54	105.37%	2.52%	0.58	0.015	66.01	21.24%
RTX	209	65.96	13,785.25	183.40	38,330.60	24,545.35	178.06%	2.57%	0.44	0.011	167.33	9.60%
SYK	90	55.58	5,002.00	351.47	31,632.30	26,630.30	532.39%	2.12%	0.90	0.019	369.67	-4.92%
TSM	176	187.45	32,991.18	303.89	53,484.64	20,493.46	62.12%	3.58%	1.27	0.045	279.29	8.81%
T	934	23.52	21,970.04	24.84	23,200.56	1,230.52	5.60%	1.55%	0.60	0.009	28.24	-12.04%
USB	370	30.07	11,124.58	53.36	19,743.20	8,618.62	77.47%	1.32%	1.09	0.014	48.33	10.41%
WFC	388	45.06	17,481.80	93.20	36,161.60	18,679.80	106.85%	2.42%	1.09	0.026	83.82	11.19%
		\$ 850,742.69			\$ 1,433,140.06	\$ 582,397.37		95.96%		0.993		
		cash			\$ 60,370.78			4.04%				
					\$ 1,493,510.84			100.00%				

*Positions sold for the quarter are hidden

Performance.

DCM's portfolio returned 0.2% in Q4, compared with a 2.7% move in the S&P 500 over the same period. Performance was driven by continued strength in large-cap technology and a rebound in select cyclicals, partially offset by weakness in a few high-conviction growth names.

Key contributors

Advanced Micro Devices (AMD) was one of the strongest performers in the portfolio, returning 32.38% in the quarter. The stock benefited from growing optimism around its data center and AI roadmap, with analysts highlighting that AMD is largely sold out of server CPUs through 2026 and projecting AI-specific revenue of \$14–15 billion in 2026, driven by the MI300/MI400-series accelerators. This reinforced the market's view that AMD is emerging as a key alternative to Nvidia in the AI-chip race, supporting multiple expansion and strong price momentum.

Alphabet (GOOG) also delivered robust gains, returning 28.84% in Q4 as investors rewarded the company's accelerating AI and cloud execution. Google Cloud remained a key growth engine, with management and investors pointing to rising AI workloads, increased AI token processing, and a growing backlog of enterprise cloud contracts tied to Gemini and TPU-based infrastructure. Alphabet's shares were further supported by the company surpassing \$100 billion in quarterly revenue in 2025, underscoring the scale of its core advertising and cloud franchises.

Rio Tinto (RIO) contributed positively as well, returning 21.24% during the quarter. The stock responded to operational strength, as the company reported a 7% year-over-year increase in Q4 iron ore shipments from its Pilbara operations, supported by strong Chinese steel demand and record production levels. Copper output also rose 5% in the quarter and 11% for the full year, reinforcing Rio's leverage to both traditional steel markets and long-term electrification and AI-related copper demand.

Detractors

During the quarter, the club initiated and subsequently exited a position in Fiserv (FI), realizing a loss of approximately 51%. The sale reflected a reassessment of the risk-reward profile after the position moved against us, as Fiserv had an extremely poor earnings report where they discussed management restructuring and slashed expectations that had not been properly set before. This was a good learning experience for our club as we were able to discuss the risks that come along with investing and had to hold a meeting where we decided to sell the company.

SMR declined roughly 60% from its peak in Q4 and now trades about 50% below our cost basis. The stock has been pressured by risk-off sentiment toward early-stage nuclear and clean-energy names, along with continued uncertainty around project timelines and regulatory milestones. Despite the drawdown, the club is maintaining its position as a long-term investment, given SMR's potential to benefit from growing demand for reliable, zero-carbon baseload power over the next decade as data centers, AI workloads, and industrial electrification expand

Sales.

Table 4. Sales

SALES						
Trade Date	Security	Quantity	Unit Price	Amount	Interest	Net Amount
10/21/25	EPD	690	\$ 30.54	\$ 21,073.50	\$ (0.11)	\$ 21,073.39
11/4/25	NICE	199	\$ 134.06	\$ 26,677.94	\$ (0.03)	\$ 26,677.91
11/20/25	BABA	208	\$ 159.05	\$ 33,075.17	\$ (0.04)	\$ 33,075.13
11/26/25	FISV	400	\$ 61.35	\$ 24,538.79	\$ (0.07)	\$ 24,538.72

Realizing a gain of approximately \$2,000, DCM sold EPD on October 21, 2025. This sale was primarily to consolidate our energy holdings as we have been able to trim our portfolio down a few stocks into the best possible holdings. We then sold NICE on November 4, 2025, realizing a loss of \$13,000. NICE has been struggling to set themselves apart in their industry as they have been lagging behind in AI and overall growth. As a result our club decided to exit the position with hopes to find other better opportunities, and since the stock has continued its decline.

On November 20, 2025 we sold our holding in BABA which resulted in a capital gain of \$18,000. The stock seemed to be trading near a high, and with uncertainty with being invested in a Chinese based company, we decided to exit an overall gainer. Finally, on November 26th, after an emergency meeting

we exited our position in Fiserv (FI) after the company announced that their growth projections had not been reported correctly and each of our buy theses were reversed.

Purchases.

Table 5. Purchases

PURCHASES				
Trade Date	Security	Quantity	Unit Price	Amount
10/3/25	FI	400	126.25	\$ (50,500.00)
10/3/25	LTH	1800	27.6035	\$ (49,686.30)
11/4/25	SMR	960	41.275	\$ (39,624.00)
11/19/25	CVX	196	152.43	\$ (29,876.28)

On October 3, 2025, we bought approximately \$50,000 of both FI and LTH. Fiserv presented an undervalued infotech opportunity that many analysts believed was near the bottom. However, after our purchase the stock went down significantly, and our buy thesis was reversed prompting us to sell. LTH, in the consumer discretionary is a company that will remain resilient in the markets cycles as it is a higher end gym that is growing across the country.

On November 4, 2025, DCM purchased \$40,000 of SMR, a nuclear energy company that builds small modular reactors. After securing some contracts and showing promise of being one of the first companies to successfully build these reactors the club voted to purchase the stock. The company has remained volatile which we expected when we bought as there is still some uncertainty with timelines, however DCM will plan to hold this position for the long-term as the future of nuclear energy will only continue to grow. On November 19, 2025, we purchased more CVX to blend well with holding SMR and to gain more dividend exposure. Since the stock has performed well.

III. Portfolio Diversification

Table 6. Portfolio to S&P Diversification

Industry	% of S&P 500	% of DCM Portfolio	Targeted Amount for Future Investments (%)	Targeted Amount for Future Investments (\$)
Consumer Discretionary	10.55%	11.97%	-1.42%	(\$21,200.85)
Consumer Staples	4.71%	5.27%	-0.56%	(\$8,401.34)
Energy	2.81%	3.99%	-1.18%	(\$17,663.37)
Financials	13.13%	12.21%	0.92%	\$13,703.07
Health Care	9.59%	6.24%	3.35%	\$50,037.94
Industrials	7.49%	7.93%	-0.44%	(\$6,529.98)
Information Tech	35.09%	28.95%	6.14%	\$91,682.23
Materials	1.65%	2.52%	-0.87%	(\$12,971.17)
Telecommunications	10.89%	9.37%	1.52%	\$22,662.54
Utilities	2.25%	2.58%	-0.33%	(\$4,929.57)
REIT	1.83%	4.92%	-3.09%	(\$46,168.09)
Totals	100.00%	95.96%		

At the end of Q4, DCM remains most overweight in Consumer Discretionary and REITs. Based on current allocations, we remain underweight in Information Technology, financials and Health Care—we will need to determine whether further additions align with our long-term allocation strategy.

We're also monitoring Energy and Real Estate, both of which have shown strong performance, areas we'll be evaluating for potential rebalancing in upcoming meetings.

Table 6. Sector Returns

	This Quarter	Last Quarter	Change as % of Portfolio
Consumer Discretionary	\$ 178,766.24	\$ 165,700.65	0.38%
Consumer Staples	\$ 78,745.70	\$ 68,242.50	0.51%
Energy	\$ 59,631.02	\$ 38,037.04	1.38%
Financials	\$ 182,394.90	\$ 185,042.96	-0.78%
Health Care	\$ 93,189.75	\$ 93,449.58	-0.32%
Industrials	\$ 118,393.94	\$ 117,866.77	-0.34%
Information Tech	\$ 432,390.72	\$ 431,768.01	-1.34%
Materials	\$ 37,614.10	\$ 31,024.70	0.36%
Telecommunications	\$ 139,980.79	\$ 122,226.66	0.85%
Utilities	\$ 38,533.56	\$ 39,788.84	-0.22%
REIT	\$ 73,499.34	\$ 77,023.16	-0.49%

Balancing.

In Q4, 2025, the energy sector grew the most with our purchases of SMR and CVX. Materials and Telecommunications also saw meaningful growth due to our holdings of GOOG and RIO. The info tech sector struggled the most as our holdings in this area have struggled to keep up with the industry as a whole. Despite these shifts, overall sector weightings in the portfolio remained stable throughout the quarter. As we look ahead, we will continue to evaluate opportunities to strengthen our positioning—particularly within the Information Technology sector, where we remain underweight relative to the broader market and see potential for long-term growth.

IV. Quarterly Income

At the end of the quarter, our total dividend income came to \$4,348.46 before foreign taxes and fees, and \$4,318.08 after. PFE was the largest contributor with \$584.80 of dividends paid to the account and an annual yield of 6.74%. Other key names included Exelon, AT&T, Qualcomm, and Dollar General. These dividends were what helped our account remain positive for the quarter.

Table 7. Statement of Income

Date	Security	Amount
10/1/25	NKE	\$ 140.80
10/1/25	TSM	\$ 144.67
10/15/25	USB	\$ 192.40
10/21/25	DG	\$ 244.85
10/22/25	CSCO	\$ 271.42
10/31/25	SYK	\$ 75.60
11/3/25	T	\$ 259.19
11/7/25	MA	\$ 65.36
11/10/25	DE	\$ 178.20
11/13/25	AAPL	\$ 133.12
11/17/25	PG	\$ 174.37
11/18/25	CARR	\$ 122.85
12/1/25	PFE	\$ 584.80
12/1/25	WFC	\$ 174.60
12/10/25	CVX	\$ 181.26
12/10/25	PYPL	\$ 57.26
12/11/25	MSFT	\$ 81.90
12/11/25	RTX	\$ 142.12
12/15/25	GOOG	\$ 63.00
12/15/25	EXC	\$ 353.60
12/18/25	QCOM	\$ 311.50
12/19/25	ELV	\$ 135.01
12/23/25	BLK	\$ 260.58
Total Dividends		\$ 4,348.46
Foreign Tax		\$ (30.38)
Fees		\$ -
Total Income		\$ 4,318.08
Portfolio Annualized Yield		1.16%
Interest		\$ 5.98
Total Income w/ Int on cash		\$ 4,324.06

V. Club Expenses

Category	Amount
Transportation	\$ (3,848.10)
Meals and Lodging	\$ (1,287.34)
Supplies other	\$ (118.16)
Postage/Shipping	\$ (6.83)
Individual Gifts	\$ 5,500.00
Total	\$ 239.57

During Q4, 2025 DCM had total expenses of \$5,260.43. These expenses went towards a trip to Atlanta for a business valuation competition that our club entered this semester. As a result, Dordt placed 2nd nationally beating master's programs from Texas, Notre Dame, and Vanderbilt. We are grateful for gifts totaling \$5,500 that help offset these costs.