



QUARTERLY MARKET REVIEW

Despite modestly negative returns for developed market indices, the first quarter of 2018 was a good one for risk assets as the weaker dollar supported commodities, which in turn benefitted emerging market debt and equity. Amongst economic sectors, technology continued to lead both locally and globally, as most sectors were flat to negative for the quarter. Outperformance of risk assets was also indicated in US Fixed Income as High Yield outperformed the Bloomberg Barclays US Aggregate despite a rising rate environment and negative returns. Statistical factors continued recent trends with Momentum and Growth leading the pack while Value trailed. The Volatility factor also had weak returns as volatility increased dramatically in Q1 from historically low levels. In the U.S. for the first quarter of 2018, the small-mid cap Russell 2500 Growth[®] gained 2.38% while the Large-Cap Russell 1000 Growth[®] gained 1.42% and the Russell 3000 Growth[®] gained 1.48%. In the international equity markets, the MSCI ACWI ND[®] lost -1.03%.

STRATEGY REVIEW

For the first quarter of 2018 the SMID-Cap Growth Fund outperformed its benchmark, the Russell 2500 Growth[®] Index. While performance was largely driven by our stock exposure, on a sector level, health care was the largest contributor and financials were the largest detractor to performance.

Contributors

Bioverativ Inc., a biotech company, specializing in the discovery, development, and delivery of therapies for the treatment of hemophilia, was a contributor to performance in the first quarter. Sanofi, a global pharmaceutical company based in France, agreed to buy Bioverativ for \$11.6bn, representing a 64% premium to the previous day's closing. As a leader in specialty care, Sanofi intends to leverage Bioverativ's clinical expertise and portfolio in rare blood disorders. Overall, we were pleased with the premium offered.

ABIOMED, Inc., a leading provider of cardiology medical devices that provides circulatory support, was a contributor to performance in the period. The company reported unaudited F3Q18 revenue of \$154mm, an increase of 34% year-over-year (YOY). Management remains confident in the clinical interest in the Impella device and believes there is significant room for further market penetration. We likewise believe the increased usage of the company's heart pump through additional indications and geographical expansion should further enhance the company's ability to grow and increase shareholder value.

Wix.com Ltd., a cloud-based web development platform, was a contributor to performance during the period. The company reported a better than expected 4Q17, beating on both revenue and collections. The company reported 2017 free cash flow of \$70.7mm, up 95% year-over-year. We believe Wix is well positioned to capture incremental user growth at the expense of its competitors due to its superior search engine optimization and third-party reviews. Longer-term, we believe the growth opportunity for the company remains attractive, due in part to the fact that there are over 400 million small and medium businesses, the majority of which have yet to obtain an online presence.

Detractors

Element Fleet Management Corporation, the largest North American corporate fleet manager, was a detractor from performance in the quarter. In recent months, the company has been under pressure from activist investors urging the company to explore a sale after disappointing earnings. However, a sale is complicated by how much additional leverage can be added to its fleet leasing business. In addition, management made a series of puzzling decisions to address its challenges which were different than originally planned. We exited the stock given the increased fundamental risk.

OUTFRONT Media, leases advertising space on out-of-home advertising structures and sites, such as billboards. During the quarter, the stock was relatively weak given some changes at the senior management level. In addition, investors have gotten more concerned about the valuations of companies with large dividend yields given the current interest rate increase trends. We currently have the stock appropriately weighted in the bottom third of the portfolio to account for the risk of changing investor sentiment and advertising cyclicality.

Redfin, the web-based real estate database and brokerage service, was a detractor from performance in the quarter. The company went public in 2017 and just passed the six month lock-up for insiders. The stock traded down, due to the uncertainty around potential insider selling. While there was not a huge sell-off, we did take advantage of the added liquidity to build our position. While historically viewed as a buyer's research tool, the company is now beginning to gain critical mass on the sell-side. We believe there is ample opportunity for the company to gain market share as it disrupts the real estate brokerage market by streamlining the home buying and selling process and emphasizing pricing and inventory transparency.

MARKET OUTLOOK

After significant positive absolute returns in the equity market over the past several years, some measures of volatility emerged during the quarter. The volatility appeared to be both technical and fundamental, leaving investors continuing to struggle with accurately predicting the pace of global economic recovery and assessing external factors that threaten economic fundamentals, such as central bank actions and fiscal policy debates across the globe. In any given period, including the first quarter, the markets oscillate quickly from sector rotations to stock differentiation and then back again. The result can sometimes be investor focus on equities as an asset class as opposed to a focus on company-specific fundamentals.

President's Trump's unconventional style as a head of state and current questions and investigations surrounding his administration may hamper significant policy change. In the short term, we are mindful of the potential macroeconomic implications of Trump policy shifts, e.g. economic growth, higher corporate and personal incomes from lower tax rates, etc. More recently, President Trump's comments and public positioning on global trade has created more investor concerns about how a potential global trade war might impact the pace of economic growth. We believe it is too early to determine the long term magnitude of such outcomes but we will closely monitor President Trump's tenure with a keen eye on the execution of significant policy shifts.

Nonetheless, regardless of policy outcomes, we remain consistent in our long-term investment philosophy:

We want to own what we view as strong secular-growth companies with solid business models and competitive positions that we believe can grow market share and have the potential to deliver shareholder value in a variety of market environments.

PERFORMANCE as of 03/31/18	Current quarter	YTD	1 year	3 year	5 year	10 year	Since inception	Inception date	Gross expense	Net expense*
JS SMID-Cap Growth Fund Inst. Class**	8.73%	8.73%	26.05%	12.71%	14.67%	14.92%	11.36%	9/16/16	1.04%	0.98%
JS SMID-Cap Growth Fund Inv. Class**	8.67%	8.67%	25.71%	12.40%	14.36%	14.62%	11.07%	9/19/16	1.29%	1.23%
JS SMID-Cap Growth Fund IS Class	8.73%	8.73%	26.10%	12.79%	14.76%	15.02%	11.46%	12/1/03	0.94%	0.88%
Russell 2500® Growth Index	2.38%	2.38%	19.92%	9.11%	13.37%	11.17%	9.89%	12/1/03		

The performance shown represents past performance. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. To obtain performance data current to the most recent month-end, call 844.577.3863. Performance reflects fee waivers in effect. In the absence of such waiver, returns would be reduced.

* The adviser has contractually agreed to reduce management fees and reimburse operating expenses until 2/28/19. Net expense is what the investor pays.

**Returns shown are for the IS Class shares of the Fund. Pursuant to an Agreement and Plan of Reorganization between Managed Portfolio Series, on behalf of the Fund, and Delaware Pooled Trust on behalf of The Large-Cap Growth Equity Portfolio (the "Predecessor Fund"), the Fund acquired all of the assets and liabilities of the Predecessor Fund in exchange for IS Class shares of the Fund on September 19, 2016 (the "Reorganization"). The IS Class of the Fund had no operations prior to the Reorganization. The Predecessor Fund was a series of Delaware Pooled Trust, a registered open-end investment company. As a result of the Reorganization, the Fund will be the accounting successor of the Predecessor Fund. Prior to September 19, 2016, the Adviser served as sub-adviser to the Predecessor Fund. The IS Class performance has not been restated to reflect any differences in expenses paid by the Predecessor Fund and those paid by the Fund. Performance shown for the periods prior to the inception of the Institutional Class and Investor Class is based on the performance of the IS Class shares, adjusted for the higher expenses applicable to that class.

TOP 10 HOLDINGS

		% of Total Net Assets
ABIOMED	Health Care	5.77
Bio-Techne	Health Care	5.25
Wix.com	Technology	5.19
New York Times - Class A	Consumer Discretionary	5.07
LendingTree	Financial Services	5.02
Cars.com	Consumer Discretionary	4.79
Equity Commonwealth - REIT	Financial Services	4.45
Paycom Software	Technology	4.35
Dunkin' Brands Group	Consumer Discretionary	3.90
Blackbaud	Technology	3.85
Total Top Ten Holdings		47.64

List excludes cash and cash equivalents.

IMPORTANT INFORMATION

Unless otherwise noted, the source of statistical information used in this document was FactSet.

The views expressed represent the Manager's assessment of the account and market environment as of 03/31/18 and should not be considered a recommendation to buy, hold, or sell any security, and should not be relied on as research or investment advice. Holdings are as of 03/31/18 and subject to change. Investments in small and/or medium-sized companies typically exhibit greater risk and higher volatility than larger, more established companies. Because this strategy expects to hold a concentrated portfolio of a limited number of securities, the portfolio's risk is increased because each investment has a greater effect on the strategy's overall performance.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contains this and other important information about the investment company and may be obtained by calling 844.577.3863, or by visiting www.jspfunds.com. Read the prospectus carefully before investing.

Mutual fund investing involves risk. Principal loss is possible. The Fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund. Small- and Mid-capitalization companies tend to have limited liquidity and greater price volatility than large-capitalization companies. The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater in emerging and frontier markets. Investments in Real Estate Investment Trusts (REITs) involve additional risks such as declines in the value of real estate and increased susceptibility to adverse economic or regulatory developments.

Earnings growth is not representative of the Fund's future performance.

The Russell 3000® Growth Index measures the growth segment of the U.S. equity universe. It includes those Russell 3000® Index companies with higher growth earning potential, as defined by Russell's leading style methodology. The Russell 2500® Growth Index measures the performance of the SMID-Cap Growth segment of the U.S. equity universe. It includes those Russell 2500® Growth companies with higher price-to-book ratios and higher forecasted growth values. Russell 1000® Growth Index is an unmanaged index that measures the performance of the large-cap growth segment of the U.S. equity universe. The MSCI All Country World Index is a free float-adjusted market capitalization weighted index designed to measure equity market performance across developed markets world-wide. Index "net" return reflects minimum possible dividend reinvestment, after deduction of withholding tax at the highest possible rate. For comparison purposes, the index is fully invested and includes the reinvestment of income. Index returns do not reflect management fees, transaction costs, or expenses. Indices are unmanaged, and one cannot invest directly in an index. Benchmark information contained herein has been obtained from third party sources believed to be reliable, but we cannot guarantee its accuracy or completeness. All third-party marks are the property of their respective owners. The index is unmanaged and one cannot invest directly in it. The Bloomberg Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency). Free cash flow (FCF) is a measure of a company's financial performance, calculated as operating cash flow minus capital expenditures. FCF represents the cash that a company is able to generate after spending the money required to maintain or expand its asset base.

Information regarding JSP's policies and procedures for calculating and reporting performance results is available upon request. A complete list and description of composites managed by Jackson Square Partners is available upon request. The above information is not intended and should not be construed as a presentation of information regarding any mutual fund.

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