



QUARTERLY MARKET REVIEW

It was a quiet quarter on the surface as the MSCI ACWI was up only marginally and the Bloomberg Barclays US Aggregate Bond Index was down only slightly. However, under the surface, there was considerable differentiation. U.S. stocks led the way globally, outperforming the ACWI while Australia, Canada and the UK were the only non-U.S. developed markets to outperform the ACWI during the quarter.

Higher oil prices provided some support for commodities and global energy stocks. The US Dollar outperformed major currencies handily on higher interest rates and expectations of solid economic growth in the U.S.

Style factors provided little drama overall but we did see a reversal of the Momentum factor during the quarter. Trading Activity continued its leadership from the first quarter while Size and Value both continued to lag.

For the second quarter of 2018, the small-mid cap Russell 2500 Growth[®] gained 5.53% while the Large-Cap Russell 1000 Growth[®] gained 5.76% and the Russell 3000 Growth[®] gained 5.87%. In the international equity markets, the MSCI ACWI ND[®] gained 0.53%.

STRATEGY REVIEW

For the second quarter of 2018 the SMID-Cap Growth Portfolio IS Share class outperformed its benchmark, the Russell 2500 Growth Index. While performance was largely driven by our stock exposure, on a sector level, consumer discretionary was the largest contributor and financials was the largest detractor from performance.

Contributors

ABIOMED, Inc., a leading provider of cardiology medical devices that provide circulatory support, was a contributor to performance in the period. The company reported FY 4Q18 revenue of \$174mm, an increase of 40% year-on-year. Additionally, for the full year, total revenues were up 33% over the prior year. 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.

TripAdvisor Holdings, Inc., a travel website providing travel advice and planning features, was a contributor to performance during the quarter. The company reported positive earnings on May 8, demonstrating a strong start to 2018 with its Hotel segment results ahead of expectations and accelerated growth in its Non-Hotel segment. Average monthly unique visitors on TripAdvisor branded websites and apps grew 12% year-on-year to 433mm. Additionally, in June, delivery.com and TripAdvisor announced the integration of delivery.com's network into TripAdvisor's website and mobile app. This integration will allow users to order food at the push of a button from the thousands of restaurant partners currently available through delivery.com. We believe TripAdvisor is an undervalued asset due to its ability to attract significant numbers of interested travelers and that the company is worth more than recognized at the current valuation.

Wix.com Ltd., a cloud-based web development platform, was a contributor to performance during the period. The stock has seen strong performance since the company announced earnings in May. 1Q18 revenues were up 49%, registered users 21% and Wix premium subscriptions 29% on a year-on-year basis. 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 400mm small and medium businesses, the majority of which have yet to obtain an online presence.

Detractors

LendingTree Inc., an online loan marketplace, was a detractor from performance during the quarter. The mortgage industry is under scrutiny from investors given the potential for a rising interest rate environment which will likely be an overhang on the stock. Nonetheless, 1Q revenues from mortgage products of \$73.5mm (17% increase year-on-year) were driven by strong growth in LendingTree's purchase and refinance segments. Additionally, the company reported record revenues from non-mortgage products of \$107.6mm, a 55% rise year-on-year, demonstrating the company's increasingly diversified revenue streams. We believe that LendingTree will not only continue to be a leader in online loan referrals, but will also strengthen its business model by successfully diversifying its product offerings.

Affiliated Managers Group Inc., an asset management company that owns stakes in a number of boutique investment managers, hedge fund and private equity firms, was a detractor from performance during the quarter. The company reported a mixed quarter, with earnings and AUM increasing despite modest outflows. Investors were concerned about two large institutional outflows, totaling approximately \$3bn that were in top-quartile emerging markets strategies. We believe flow activity can often be transitory and follow short term performance or market trends, and therefore we are not overly concerned. Furthermore, there is a growing need for risk management and alternative investment solutions within the financial services industry, all of which should benefit AMG and position the company for continued growth going forward.

Paycom Software, Inc., an online payroll and human resource technology company, was a detractor from performance during the period. After strong performance during the first four months of 2018, the stock was volatile in the second half of 2Q. Nonetheless, the company has continued to take advantage of stock weakness to support its buyback program. Overall, we believe Paycom is a unique human resources software business with strong profitability that is taking share from legacy incumbents due to its SaaS platform and unique sales culture led by the company's founder.

MARKET OUTLOOK

After significant positive absolute returns in the equity market over the past several years, some measures of volatility emerged during the first quarter of 2018 and lingered into the second 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 second 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 and the upcoming fall mid-term elections bear close watch. 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 06/30/18	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**	5.52%	14.73%	28.49%	13.89%	15.01%	15.82%	11.56%	9/16/16	1.04%	0.98%
JS SMID-Cap Growth Fund Inv. Class**	5.42%	14.56%	28.08%	13.56%	14.70%	15.52%	11.28%	9/19/16	1.29%	1.23%
JS SMID-Cap Growth Fund IS Class	5.56%	14.77%	28.59%	13.97%	15.10%	15.93%	11.67%	12/1/03	0.94%	0.88%
Russell 2500® Growth Index	5.53%	8.04%	21.53%	10.86%	13.87%	11.38%	10.11%	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 02/28/19. 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
New York Times - Class A	Consumer Discretionary	6.01
j2 Global	Utilities	6.00
Equity Commonwealth - REIT	Financial Services	5.16
Dunkin' Brands Group	Consumer Discretionary	4.65
Cars.com	Consumer Discretionary	4.59
Bio-Techne	Health Care	4.44
ABIOMED	Health Care	3.93
Wix.com	Technology	3.90
Redfin	Financial Services	3.87
Paycom Software	Technology	3.80
Total Top Ten Holdings		46.35

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 06/30/18 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 06/30/18 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 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).

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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