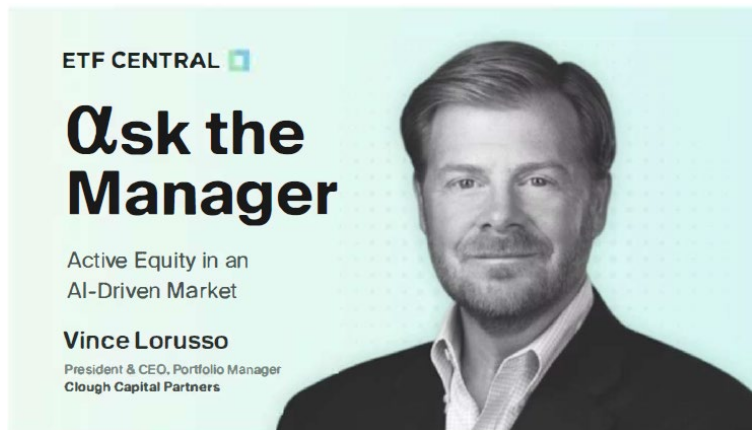


# Ask the Manager: Vince Lorusso on Active Equity in an AI-Driven Market

Clough Capital's CEO Vince Lorusso explains why rising dispersion and AI-led disruption may be creating fertile ground for active equity strategies.



In this edition of *Ask the Manager*, we sit down with Vince Lorusso, CEO and Portfolio Manager at Clough Capital Partners, to unpack why today's market backdrop may be particularly well-suited to active equity investing. With index valuations reflecting much of the optimism around growth and innovation, Lorusso highlights the growing dispersion beneath the surface-driven in large part by the rapid build-out of AI and digital infrastructure-as fertile ground for selective, research-driven

strategies. From navigating macro uncertainty to identifying structural winners and losers, he shares how Clough is positioning its actively managed ETFs seek to capture opportunity while managing risk in an increasingly complex market environment.

## How would you describe the backdrop for active equity investing right now?

We think this is an unusually attractive environment for active managers. Index levels and valuations already discount a lot of good news, but the dispersion beneath the surface is enormous. The AI and digital infrastructure build-out is creating clear winners and clear losers, which is exactly when a research driven, selective approach can add value versus simply owning the market.

## What role do you see AI and other secular themes playing in portfolios over the next few years?

We view AI less as a buzzword and more as a multi-year capital investment cycle touching semiconductors, networking, software, and parts of industrials and services. Our focus is on companies that either enable this build-out or can harness productivity gains to improve margins and returns on capital. At the same time, we're very aware that many business models will be pressured by these same forces, which informs both our long and short ideas.

## How do you balance near-term macro uncertainty with those longer term themes?

We don't try to forecast every data print or central bank move. Instead, we anchor on structural forces-technology adoption, demographic trends, and capital spending cycles-and then assess how macro conditions may accelerate or delay them at the margin. That allows us to stay invested in high-conviction themes while using position sizing, hedging, and the short book where appropriate to manage volatility for clients.

## **Where do you see the biggest opportunities and risks for equity investors today?**

On the opportunity side, we see persistent "shortages" in areas like advanced compute, bandwidth, and certain specialized industrial assets, where demand visibility and pricing power are strong. On the risk side, we're cautious on companies that have benefited from unusually favorable conditions-whether it's cheap capital, temporarily elevated margins, or legacy market share-that may not be sustainable as technology and policy evolve.

## **Why has Clough chosen the active ETF structure for these strategies?**

Active ETFs let us deliver institutional-style research and portfolio management in a liquid, tax-efficient, and transparent vehicle. For investors, that means access to our best ideas and risk management in a format that trades intraday on an exchange, sits easily in a broader asset allocation, and avoids some of the constraints of traditional mutual funds or private vehicles.

## **Can you briefly describe the Clough Select Equity:ETF (CBSE) and its role in a portfolio?**

CBSE is our high-conviction, long-only equity ETF that seeks capital appreciation with lower volatility than the broader market. We build a focused portfolio of companies we believe have above-average financial characteristics and attractive thematic tailwinds, and we aim for it to serve as a core equity allocation for investors who want active stock selection rather than pure index exposure.

## **How does the Clough Hedged Equity: ETF (CBLS) differ, and who is it for?**

CBLS is an actively managed, net-long hedged equity ETF that combines a long book of our best ideas with a targeted short book and other tools to help manage downside risk. It's designed for investors who want to participate in equity upside but are sensitive to volatility and drawdowns-particularly in environments where headline risk, dispersion, and factor rotations are elevated.

## **About Vince Lorusso**

Vince Lorusso is the CEO and a Portfolio Manager at Clough Capital Partners, responsible for the firm's actively managed ETF strategies, including the Clough Select Equity ETF (CBSE) and the Clough Hedged Equity ETF (CBLS) Clough Capital is a Boston-based, research-driven investment firm with more than two decades of experience investing across sectors, geographies, and market cycles.

*Please note this article is for information purposes only and does not in any way constitute investment advice. It is essential that you seek advice from a registered financial professional prior to making any investment decision.*

Source: "ETF Central"

Investors should consider the investment objectives, risks, charges and expenses of the Clough Hedged Equity ETF and Clough Select Equity ETF (each an "ETF" and collectively, the "Clough Capital ETFs" or the "ETFs"), which are managed by Clough Capital Partners L.P. ("Clough Capital"), carefully before investing. This and other information are contained in the ETFs' prospectuses, which may be obtained by clicking visiting [cloughcapital.com/etfs](http://cloughcapital.com/etfs). Please read the prospectus carefully before you invest.

Investing involves risk, including possible loss of principal. Equity securities may experience sudden or prolonged declines due to market-wide or issuer-specific factors. Short selling involves significant risk, including potentially unlimited losses if a security's price rises, ongoing expenses, and counterparty risk. The ETFs' use of options for hedging or income may not be effective, may not fully protect against losses, and may result in additional costs or exposure to loss.

The ETFs are distributed by Paralel Distributors LLC. Paralel Distributors LLC and Clough Capital are not affiliated.

BOND139