

CROMWELL TRAN SUSTAINABLE FOCUS FUND

Portfolio Managers Quoc Tran and Michael Im, CFA, provide their perspective on the direction of the market given the recent interest rate cuts, opportunities they're finding, and their thoughts on the semi-conductor industry.

► Would you please provide your perspective on the market's direction given the expected rate cuts over the next year?

We believe stocks are at an inflection point because of the direction of interest rates and the broadening out of market performance.

Over the past two years, rate increases led to multiple contractions in the market, and now the reverse may be taking place. In September, the Federal Reserve cut rates by 50 basis points. The Fed also signaled that it expects to cut the rate by another half a percentage point this year with four more cuts in 2025 and two in 2026. We believe these rate cuts over the next 18 months should be supportive of equity markets.

In addition, market performance should broaden out. Over the past year, market returns were dominated by a few large-cap technology companies. However, in the third quarter the S&P Equal Weight Index, an equal-weight version of the S&P 500, outperformed the overall S&P 500 by 370 basis points, indicating that positive returns have not been concentrated only in a narrow group of mega-cap stocks but rather a wider range of companies.

► Where have you been finding opportunities in the market?

The Fund seeks exceptionally managed, well-run companies that offer attractive share prices with significant growth potential. Many of these companies have not participated in the market's performance in recent months or have not been recognized.

As an example, we purchased Veeva Systems, a leading life sciences software company with a large market share in the pharmaceutical industry. Veeva's software helps pharmaceutical companies manage customer databases, track drug developments, and organize clinical trials. The company's growth has been fueled by the increasing use of cloud-based technologies in the pharmaceutical industry.

As interest rates rose and spending in the biopharmaceutical and biotechnology sectors declined, the stock price suffered. We saw this as an opportunity to invest in a high-quality company at an attractive price at a time when rates are declining.



CLASS	INCEPTION	TICKER
Investor	9/6/07	LIMAX
Institutional	9/6/07	LIMIX

Fund Facts

Asset Class: **Large Growth**

Net Assets: **\$31.5 million**

Benchmark: **S&P 500 Index**

Active Share: **76%**

Holdings: **29**

Sub-Advisor



Tran Capital Management is a research-driven, growth-oriented asset management firm with an ESG orientation. Founded in 1974, Lateef Investment Management, L.P., was the predecessor firm before Chief Investment Officer Quoc Tran and President Eric Winterhalter led a buyout.

PORTFOLIO MANAGERS



Quoc Tran
Chairman and Chief
Investment Officer



Michael Im, CFA
Co-Portfolio
Manager and Director
of Research

► What are your thoughts on the semi-conductor industry?

We remain bullish on our semiconductor holdings primarily because we believe we are in the early stages of a third technology wave. The first wave was the introduction of personal computers followed by a decade of growth. The second wave of technology was dominated by smartphones and tablets, which enabled the success of new businesses including Uber and Airbnb.

Now we believe we are at the beginning of a new artificial intelligence wave, with companies such as Amazon, Microsoft and NVIDIA potentially benefiting over the long term. With that said, during each of these waves, pullbacks are to be expected but we see them as an opportunity to purchase more shares.

Given our favorable opinion around AI, nearly 50% of our portfolio holdings as of the end of the third quarter 2024 are focused on AI-related investments and the development of new AI applications as of the end of the third quarter 2024.

About Cromwell Funds

Headquartered in Baltimore, MD, the Cromwell Funds provide Financial Advisors with high-quality, differentiated and actively managed strategies in a mutual fund format. The Funds are sub-advised by asset managers who have built a national reputation managing their investment strategies.

Cromwell Funds' Sub-Advisors:

- » Aristotle Pacific Capital
- » CenterSquare Investment Management
- » Corbyn Investment Management
- » Foresight Group
- » Mutual of America Capital Management
- » Tran Capital Management

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Investors should carefully consider the Fund's investment objectives, risks, charges and expenses before investing. For this and other information, please call 855.625.7333 or visit thecromwellfunds.com for a prospectus. Read it carefully before investing or sending money.

Past performance is no guarantee of future results. Index performance is not indicative of fund performance. For current standardized performance of the Fund, please call 855.625.7333 or visit thecromwellfunds.com.

Mutual fund investing involves risk. Principal loss is possible. The Fund normally invests its assets in the common stocks of approximately 15 to 25 mid- and large-cap companies with a sustainable competitive advantage. In addition, the Fund may from time to time purchase a common stock that does not meet this criteria if, in the investment advisor's opinion, the stock represents a particularly attractive investment opportunity. While most assets will be invested in U.S. common stocks, other securities may also be purchased in keeping with the Fund's investment objectives. The Fund is non-diversified, which means that a significant portion of the Fund's assets may be invested in the securities of a single or small number of companies and/or in a more limited number of sectors than a diversified mutual fund. The Fund is subject to greater risk and could fluctuate in value more than other mutual funds diversified across a greater number of securities and industries. The Sub-Adviser's use of its ESG framework could cause it to perform differently compared to funds that do not have such a policy. The criteria related to this ESG framework may result in the Fund forgoing opportunities to buy certain securities when it might otherwise be advantageous to do so, or selling securities for ESG reasons when it might be otherwise disadvantageous for it to do so.

Active Share measures the percentage of stock holdings in a fund that differ from a benchmark. Basis points is one hundredth of one percent. Earnings per Share is the portion of a company's profit for each outstanding share and is an indicator of a company's profitability. ESG refers to environmental, social and corporate governance. Forward price-to-earnings values a company's current share price relative to its forecasted earnings per share. Return on equity is a measure of a company's financial performance. It is calculated by dividing net income by shareholders' equity. Sales growth rate measures a company's ability to generate revenue through sales over a period of time. The S&P 500 Index is a capitalization-weighted index of 500 stocks. An investment cannot be made directly into an index.

Holdings can be found [here](#). Fund holdings are subject to change and should not be considered recommendations to buy or sell any security. Current and future holdings are subject to risk.

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