# D'ARTAGNAN CAPITAL FUND

**Semi-Annual**
**Performance Report**
April 1, 2023 - September 30, 2023

Xavier University
Williams College of Business
3800 Victory Parkway
Cincinnati, OH 45207

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D'Artagnan Capital Fund Family and Friends:

On behalf of the entirety of the D'Artagnan Capital Fund, I would like to express my gratitude to every person that takes a keen interest in reviewing the semi-annual report, covering April 1, 2023, to September 30, 2023. We all deeply appreciate the consistent backing we have received from the Board of Executive Directors, distinguished finance department faculty, and robust alumni networks. With your continued support, all members of the D'Artagnan Capital Fund are able to continually work together and achieve academic aspirations including gaining invaluable experience with financial tools such as Bloomberg and Capital IQ, outperforming in other classes, especially presentations, because of valuable lessons learned in the DCF, and getting opportunities that help us land our dreams jobs.

In 2023, we witnessed another year marked by significant financial flux, where the impact of global economic instability was felt not only in the DCF classroom which was seen in our valuation metric reporting and volatility of stock prices, but worldwide. Examples include the surge in energy, food, and commodity prices along with inflationary pressures, rate hikes and tense financial markets. This semester especially, we felt the banking crisis and the FOMC meetings made big impacts on our portfolio.

On a positive note, our portfolio is standing around $5.4 million dollars. During this period, our team boasted an impressive roster of 10 managers, most of whom held C-Suite positions, complemented by the expertise of 28 talented analysts. We recognized the unique advantage that our team size afforded us. This setup opened doors to a wealth of opportunities, including a heightened capacity for conducting valuations and fostering a diverse spectrum of perspectives, which in-turn, translated into captivating and thought-provoking classroom discussions. Notably, this also shows us how the DCF participation has increased after the dip in the COVID years. After a few years of smaller class sizes, we all loved having a bigger class as it created such a fun and inviting culture! We hope to continue to see this trend of participation in the future.

On the other hand, during this semi-annual period, we saw big impacts on our portfolio. One very notable trade the Fund made was buying First Republic Bank in March (then completely selling out in May). The Fund believed that First Republic was an opportunity for investment as the fundamentals of the company were secure, tier one and tier two liquidity within the bank exceeded requirements and their revenue growth was extremely strong before the crisis hit. However, what we thought did not play out in our favor. Our portfolio lost just over two percent of our excess returns; however, the learning and growth that occurred from this is invaluable.

We took a chance based on our buying discipline. To reiterate, we seek to invest in undervalued stocks utilizing a bottom-up approach on a risk-adjusted basis. This is what we did. We looked at the fundamentals, looked at where we thought the market went wrong, considered the risks and invested. We stuck to our valuation process; but, this time, it just did not work out in our favor. We learned from this and continue to learn from the trades we make every day.

The second notable impact on our portfolio was the fallout from the September FOMC meeting. At this meeting, the Federal Reserve announced its decision to maintain the current interest rate and even hinted at a potential rate hike before the year's end. Overall, the market had a knee-jerk reaction after the announcement. Even with the positive reporting from the Fed raising the GDP forecast for 2023 to 2.10 percent from an earlier one percent, our portfolio decreased approximately $230,000 within a two-week period. The Fund believed that this decrease was not due to our holdings but the general market fluctuations. While we refrain from timing the market due to our bottom-up approach, we will always still be students of the market - this means it remains crucial to stay informed about market developments and understand how it may affect our portfolio.

As these events unfolded, the D'Artagnan Capital Fund came together, untied by our principles and mission, to continually build our capabilities through our investment process. I remain proud of our resiliency and determination throughout this period and what the D'Artagnan Capital Fund members achieved, collectively and individually. Even with the many challenges we faced, we never stopped serving the Xavier community and our client.

I wholeheartedly believe that the efforts we put into this class carry real weight. Student-led funds play a pivotal role in education, benefiting the community and Xavier, fostering diversity in problem-solving, inclusion of mindsets, but most importantly, maintaining a legacy of financial education and responsible investing. We have debated and disagreed throughout our class, but have always been united behind a common purpose to continue the legacy of the Fund and champion equity. We have proven that even as students, we have the power to drive change.

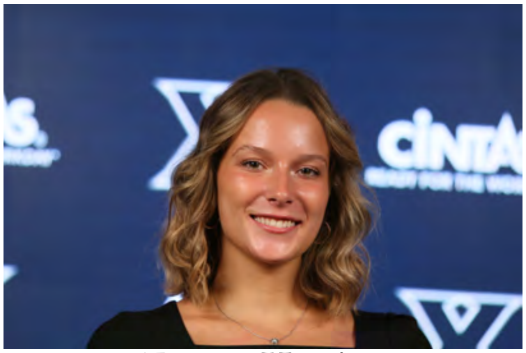
Looking ahead, we remain steadfast in our commitment to pushing the boundaries of what is possible, striving for continuous improvement, and embrace the ever-evolving landscape of finance. In closing, I want to express my deepest appreciation for the incredible teamwork, determination, and creativity that each team member of the Fund displayed, and I have been honored to lead this incredible team. Leading this class has been one of the biggest honors of my Xavier career. Together, we will continue to write the success story of the Fund, and I am excited to witness what we will collectively accomplish in the future.

Emma C. Harris, Chief Executive Officer

Vision Statement, Created Fall 2023: *"It is the Fund's vision to be a premier student-led equity fund across the nation, dedicated to serving the community and Xavier University. We deliver quality service to our client and assume great responsibility for the financial success of the Fund. Our goal is to continue the legacy that has been left and create long-term value that touches students' lives."*

The D'Artagnan Capital Fund (hereafter, "the DCF" or "the Fund") is an actively managed student investment fund with a distinct mandate to invest in undervalued equity securities, seeking to surpass the performance of its benchmark, the S&P 500 Total Return Index on a risk-adjusted basis. In compliance with our investment policy statement, the Fund invests in large-cap equities identified to be undervalued. Within this framework, sector managers meticulously scrutinize market opportunities via specific and comprehensive screening processes while also providing steadfast guidance to our analysts throughout valuation procedures. Sector Analysts conduct company specific research, construct models, and present on investment rationale. The Fund realizes investment objectives through consistent portfolio management derived from educated security selection. The D'Artagnan Capital Fund remains an authentic testament to an undergraduate student-run portfolio, diligently overseen by faculty and University guidance. As of September 30, 2023, the D'Artagnan Capital Fund manages $5.4 million for Xavier University's endowment. This allocation is reflected in a well-diversified portfolio comprising 32 holdings, each carefully chosen to align with our investment philosophy and objectives.

## *Fund Members: C-Suite & Managers*



**Emma Harris**

*Chief Executive Officer*

**Evan Maushart**

*Chief Financial Officer*

Consumer Discretionary Sector Manager

**Alex Perkins**

*Chief Investment Officer*

Communication Services Sector Manager

**Clayton Stumler**

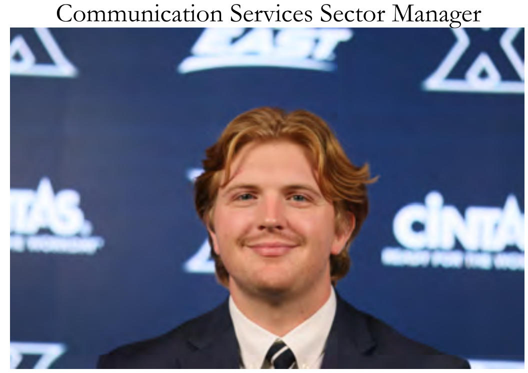
*Chief Compliance Officer*

Financials Sector Manager

**Jack Burke**

*Chief Operating Officer*

Consumer Staples Sector Manager



**Henry Nebesky**

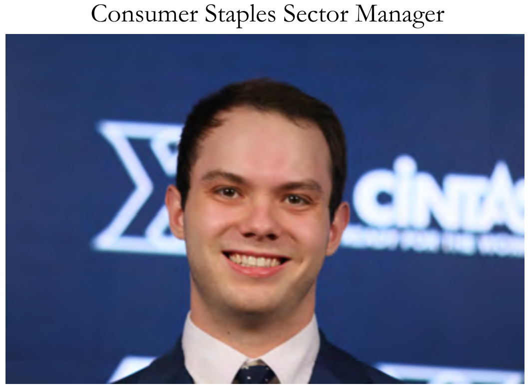
*Chief Economist*

Industrials and Materials Sector Manager

**Ethan Biacsi**

*Internal Relations Director*

Real Estate Sector Manager



**Jimmy Racher**

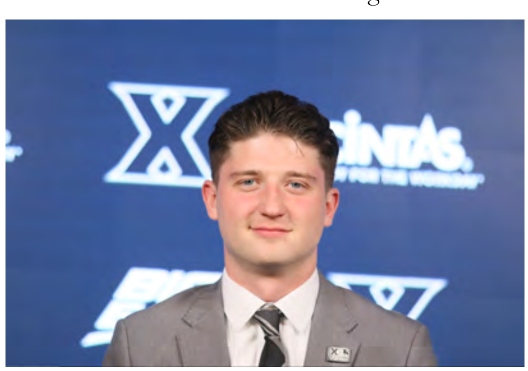
*Controller*

Healthcare Sector Manager

**Mike Andes**

*External Relations Director*

IT Sector Manager



**Aidan Cusumano**

Energy and Utilities Sector Manager

# *Fund Members: Analysts*

**Braden Hall**
IT Sector Analyst

**Avery St. Pierre**
Communication Services Sector Analyst

**Andrew Normington**
Utilities Sector Analyst

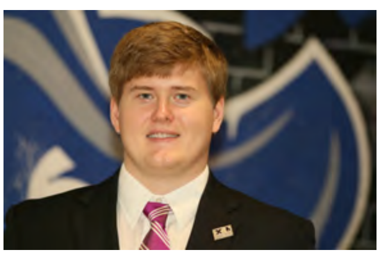
**Ben Coyle**
Industrials Sector Analyst

**Audrey Wagner**
IT Sector Analyst

**Connor Bailey**
Materials Sector Analyst

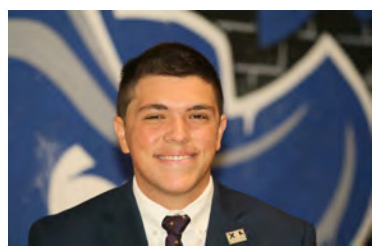
**Blake Manthei**
Real Estate Sector Analyst

**Billy Hennessy**
Energy Sector Analyst

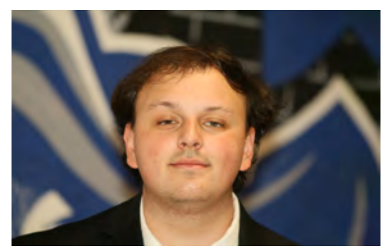


**Dylan Bank**
Real Estate Sector Analyst

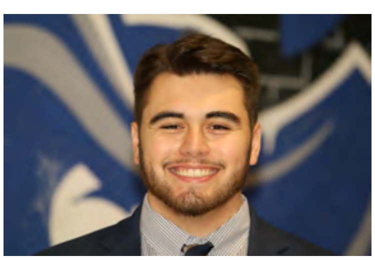
**Michael Mvundura**
Consumer Discretionary Sector Analyst



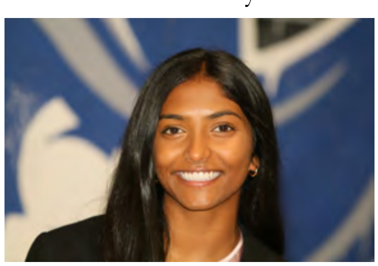
**James Capetanakis**
Communication Services Sector Analyst



**Forest Armstead**
IT Sector Analyst



**James Faust**
Consumer Staples Sector Analyst



**Isha Patel**
Consumer Staples Sector Analyst

**Joe Dailey**
Consumer Discretionary Sector Analyst

**Joey Baur**
IT Sector Analyst

## *Fund Members: Analysts*

**Luke Denecker**
Energy Sector Analyst

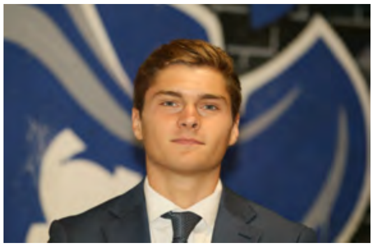
**Julia Thomas**
Healthcare Sector Analyst

**Josh Gonzalez**
Financials Sector Analyst

**Lauren King**
Consumer Discretionary Sector Analyst

**Nick Boyle**
Industrials Sector Analyst

**Nick Collins**
Healthcare Sector Analyst

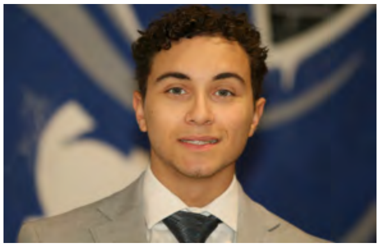


**Michael Becker**
IT Sector Analyst

**Kevin Randal**
Communication Services Sector Analyst

**Patrick Flynn**
Financials Sector Analyst

**Charlie Rooney**
Consumer Staples Sector Analyst



**Luke Perez**
Financials Sector Analyst

**Johanna Krelick**
Healthcare Sector Analyst

# *Operations Report*

At the onset of the semi-annual period, April 1st, this semester's manager class were serving as sector analysts. Because the analyst class size was 10 and the manager class size comprised 14 individuals, we had the opportunity to be the main sector analyst and had the primary focus of our sector managers. This one-on-one learning environment enriched our understanding of the DCF fundamentals, analysis of models and earnings reports, and led us to have a complete grasp on our respective sectors. With this experience, we felt prepared for our takeover in May 2023.

Upon assuming our responsibilities in May, we planned for the arrival of a new cohort of 28 analysts and for the operational management of the Fund. Our main operational goal and focus in the fall semester was better communication. This meant keeping constant reporting about trade and re-balance decisions, potential investment opportunities, tackling pressing business, and more. Specifically in the fall, the managing class stressed synergy through manager-analyst collaboration, continual updates on investment decisions, offering guidance and advice for models and research methodologies, and any other general thoughts that cultivated well-rounded analysts.

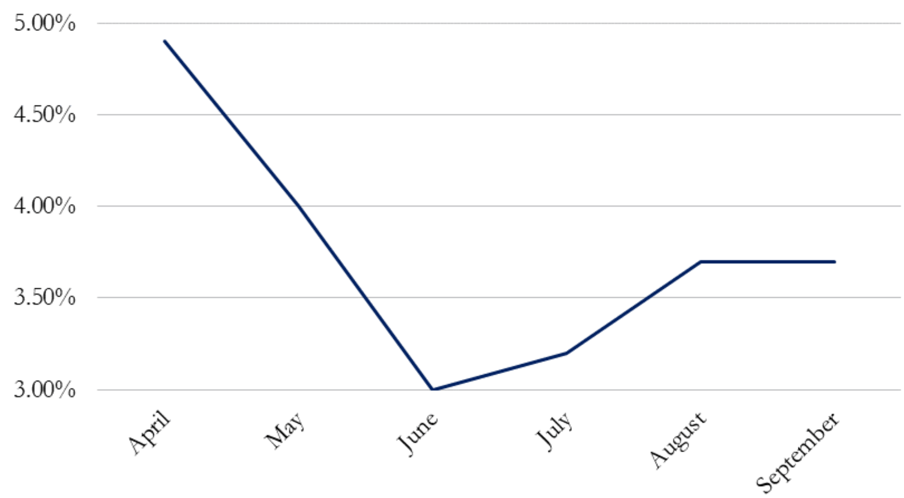
In the fall, the managing class of 10 effectively balanced their dual-roles as sector managers along side their respective C-Suite role. Each manager had either two to five analysts which gave the Fund the opportunity to lead multiple valuations and, subsequently, investment opportunities, at the same time. Analysts were placed in sectors that they felt would be the best fit or had the most interest in as they will complete five valuations and presentations this semester. Each sector has been up to date in its sector weights and intrinsic prices in accordance with our compliance and our benchmark, the S&P500.

Furthermore, we saw the continuation and growth of our outreach program of teaching financial literacy at Alliance Charter Academy. Many of our members find great joy in sharing their time and talents with the grade school students and are eager to share their knowledge about how financial skills can positively effect their lives. We also look to teach these students skills in time management, budgeting, and how to be an upstanding character in their community.

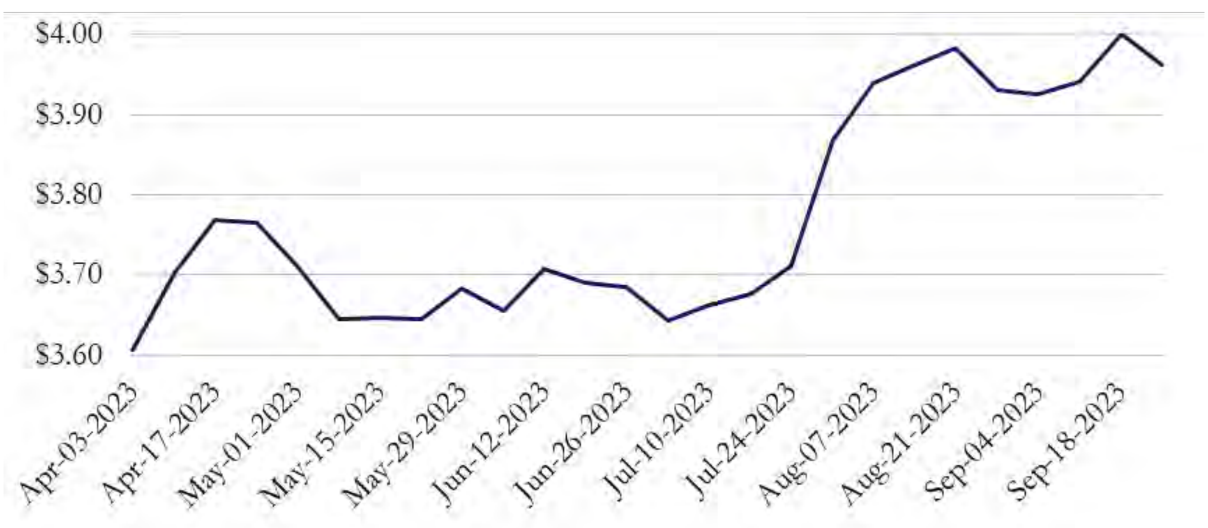
We have made a concentrated effort to increase the comradery within in the Fund as part of our theme of communication. As a result, we have had multiple fun social events to get to know each other better as well as continuing to have a positive learning environment throughout the week. Our management class wanted to ensure that the Fund cultivated a culture that added to one's learning, productivity and growth of any student if participating in the Fund. This was envisioned by both our mission and new vision statement that teaches us importance lessons about learning from each class and to always strive for excellence. This concept was repeated to all individuals before our econ report to start our day off strong and remember the importance of our role within the Fund structure. We are confident that the next class will be both prepared and tight-knit as they takeover leadership roles in the semester going forward.

**Inflation**

The monthly inflation rate, as shown below, has ranged from a low of 3.70 percent to a high of 4.90 percent over the semi-annual period. In April, the inflation rate was at a high of 4.90 percent and dropped to a low of 3.00 percent in June before leveling off at a 3.70 percent inflation rate in both August and September. With the Federal Reserve's decision to increase interest rates twice over the semi-annual period, from 5.00 percent to 5.50 percent,  it has been speculated that inflation has reached it's peak and will start to gradually decline.



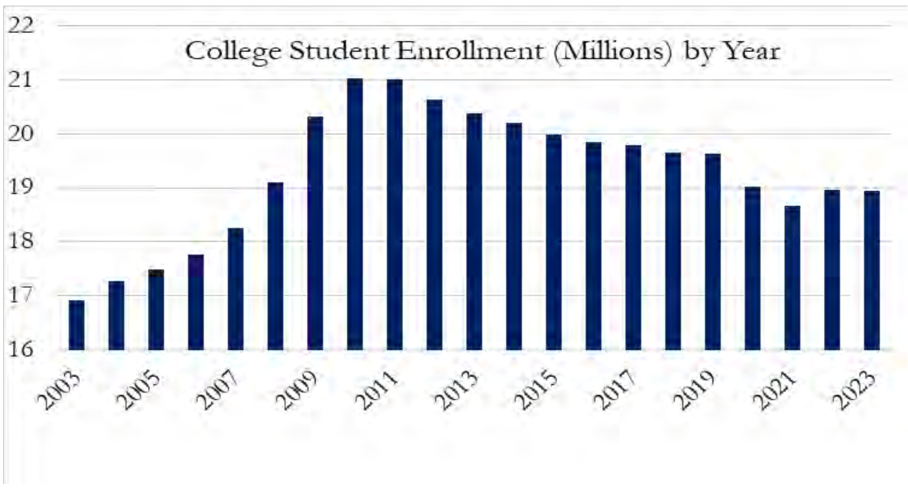

The goods and services with the largest increases in prices included food, vehicle and home insurance, motor vehicle repairs and maintenance, non-prescription drugs, legal services, hotels, and rent. Food away from home, a category which includes vending machines, restaurants, and cafeterias at work or school, has increased 16.00 percent in prices year-over-year. Many restaurants have reported increasing menu prices amid increasing costs to keep their business open and pay employees. Gas prices, as shown below, were also a factor behind inflation over the semi-annual period and jumped 10.60 percent in August.

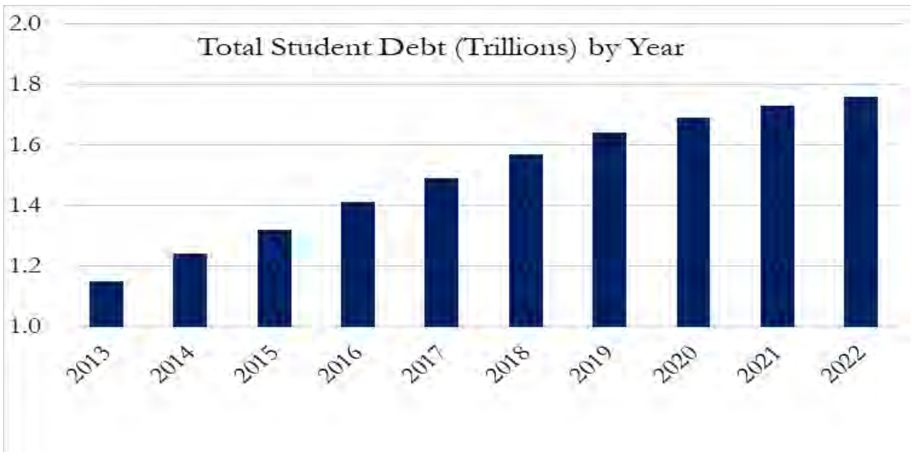


**Student Loans & Tuition**

The period of student loan forbearance has recently ended. Approximately 43.60 million people have student loans totaling $1.64 trillion. Due to inflation and rising interest rates, student loan rates have also increased for new borrowers and those with outstanding loans alike. Federal student loans for undergraduate and graduate students have a fixed interest rate of 5.50 percent and 7.05 percent, respectively. For private student loans, fixed interest rates range from 4.50-17.00 percent and variable interest rates range from 5.00-17.00 percent.

With tuition at public and private universities increasing, students face taking out more student loans than in previous years. Since 2004, tuition at private colleges has rose 131.52 percent while tuition at public colleges has rose 135.88 percent. Rising tuition costs is due to inflation and salary increases of faculty, staff, and campus leadership. Tuition is also rising to cover the projected loss of number of students enrolling in college after graduating from high school. Between 2019-2023, an estimated loss of 1.4 million college students or 9.00 percent of total enrollment was projected, with the most common reason being financial difficulties resulting from the COVID-19 pandemic.



# Performance Metrics

| Metrics | DCF | S&P 500 |
|---|---|---|
| Total Return | 1.80% | 4.79% |
| Excess Return | -2.99% | - |
| 12 Month Beta | 0.81 | 1.00 |
| Sharpe Ratio | -0.31 | -0.02 |
| Treynor Ratio | -0.03 | -0.00 |
| Jensen's Alpha | -3.03% | - |
| M² | -3.93% | - |

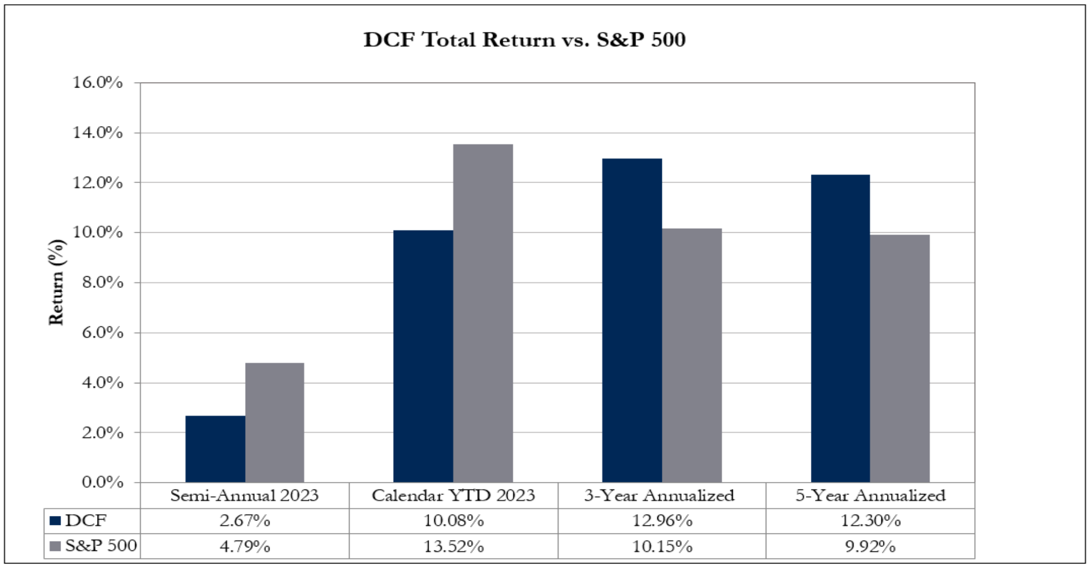
| Portfolio Snapshot | |
|---|---|
| Portfolio Value: | $5,693,339.00 |
| Number of Holdings: | 32 |
| Annualized Turnover Ratio: | 29.56% |
| Portfolio Style: | Large Cap Value |

| Sector Allocations (%) | |
|---|---|
| Communications | 9.00 |
| Services: Consumer | 11.17 |
| Discretionary: Consumer | 6.59 |
| Staples: Energy: | 4.64 |
| Financials: | 12.69 |
| Healthcare: | 13.27 |
| Industrials: | 8.16 |
| Information Technology: | 27.50 |
| Materials: | 2.49 |
| Real Estate: | 2.34 |
| Utilities: | 2.08 |
| Cash: | 0.07 |
| Other: | 0.00 |

## Performance Review

The D'Artagnan Capital Fund returned 1.80 percent from the close on March 31, 2023 to September 30, 2023. The DCF's benchmark, the S&P 500 Total Return Index returned 4.79 percent. Relative to the benchmark, the DCF underperformed by 2.99 percent. Additionally, the DCF underperformed on a total risk basis as indicated by the Sharpe Ratio and on a systematic risk bases using the Treynor Ratio. For the annual period, the DCF had a beta of 0.81 which is lower than the benchmark's beta of 1.00.

## Total Returns



# Performance Metrics

**Total Return**

The D'Artagnan Capital Fund returned 1.80 percent during the semi-annual fiscal period from April 1, 2023 to September 30, 2023. The DCF's benchmark, the S&P 500 Total Return Index, returned 4.79 percent, equating to the DCF having an under performance of 2.99 percent.

**Beta**

Beta is a measure of systematic risk with the market benchmark having a beta of 1.00. For the semi-annual period, the D'Artagnan Capital Fund had a beta of 0.81 which is significantly lower than the benchmark. This indicates the portfolio had a lower amount of systematic risk than the benchmark. The one-year beta was calculated using daily returns.

**Sharpe Ratio**

The Sharpe Ratio reassures performance on a total risk basis using the portfolio's standard deviation over the reporting period. The D'Artagnan Capital Fund's Sharpe Ratio was –0.34 which was less than the benchmark's ratio of -0.02. This represents the DCF under performing the benchmark on a reward-to-total risk basis.

**Treynor Ratio**

The Treynor Ratio measures performance on a systematic risk basis using the portfolio's beta. The D'Artagnan Capital Fund's Treynor Ratio of –0.03 was the same as the benchmark's ratio. This represents the DCF being similar to the benchmark on a reward-to-systematic risk basis.

**Jensen's Alpha**

Jensen's Alpha measures performance by calculating the excess return of the portfolio relative to the return of the benchmark. The D'Artagnan Capital Fund's Alpha was –3.03 percent which indicates the DCF under performing the benchmark during the semi-annual period.

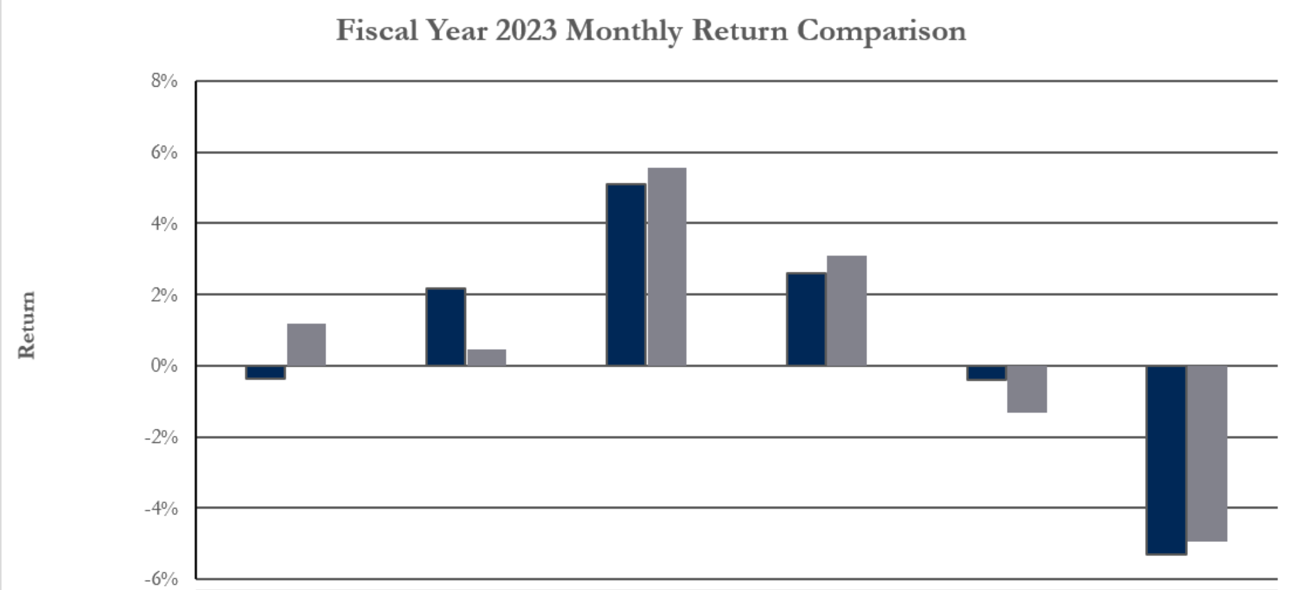
**$M^2$**

$M^2$ derives the total risk-adjusted return of an investment relative to the benchmark. The D'Artagnan Capital Fund's $M^2$ of –3.93 percent indicates the DCF underperformed the benchmark. This measure coincides with the DCF's Sharpe Ratio.

# 2023 Semi-Annual Hypothetical Growth


This chart illustrates the hypothetical growth of a $10,000 investment made into the D'Artagnan Capital Fund as well as its benchmark, the S&P 500 Total Return Index for the semi-annual period of April 1, 2023 through September 30, 2023. At the end of the semi-annual period, a $10,000 investment into the Fund would have appreciated to $10,180.29. This resulted in a slight under performance compared to the S&P 500, which would have appreciated to $10,518.26 over the semi-annual period. While the DCF would have returned a positive return from the initial investment, the S&P 500 would have returned a greater amount over the period. This hypothetical growth is in congruence with the actual overall performances from both investments over the semi-annual period.

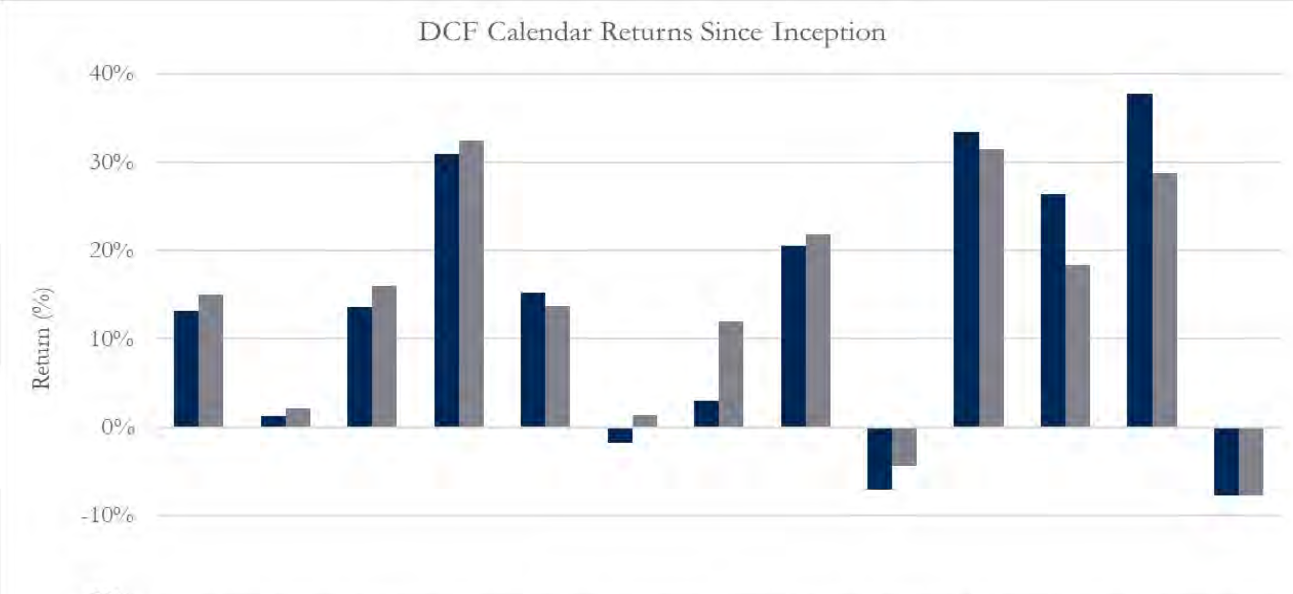
# Benchmarked Returns




| | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 |
|---|---|---|---|---|---|---|
| DCF Return | -0.37% | 2.17% | 5.09% | 2.59% | -0.40% | -5.32% |
| S&P 500 Return | 1.19% | 0.47% | 5.55% | 3.09% | -1.33% | -4.94% |

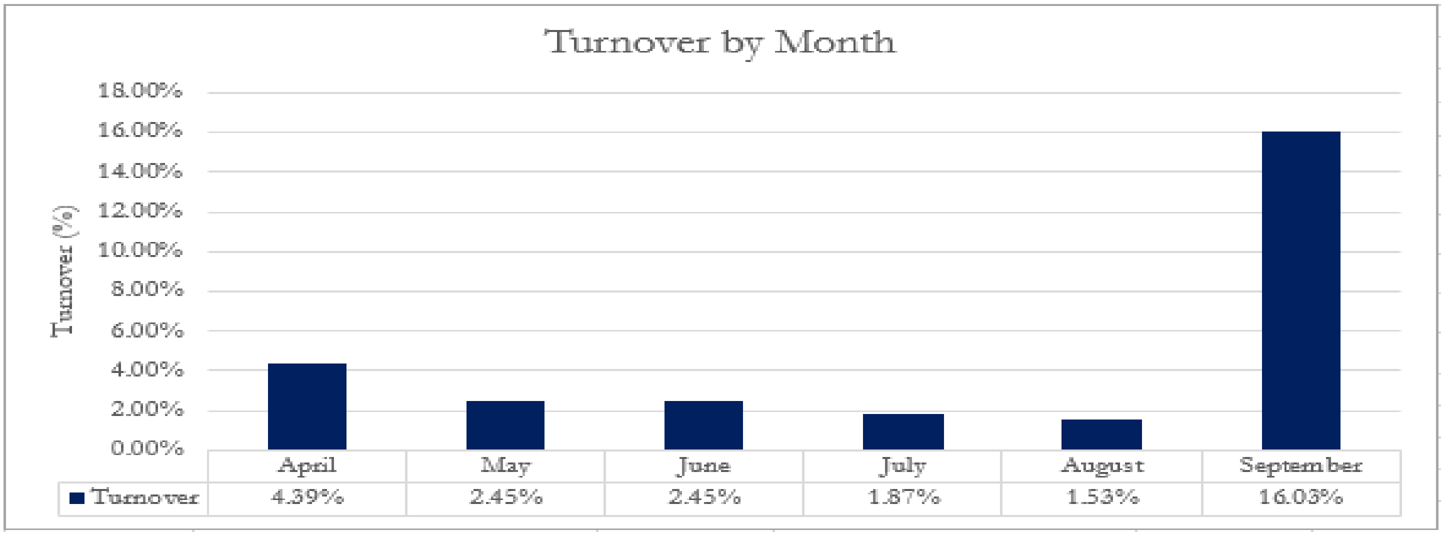
For the fiscal year thus far, the D'Artagnan Capital Fund slightly underperformed the benchmark by 2.99 percent. The graph above shows the DCF's performance against the S&P 500 Total Return Index on a month-to-month basis. During the reporting period, the DCF outperformed the benchmark during two months and underperformed the benchmark during the remaining four months.

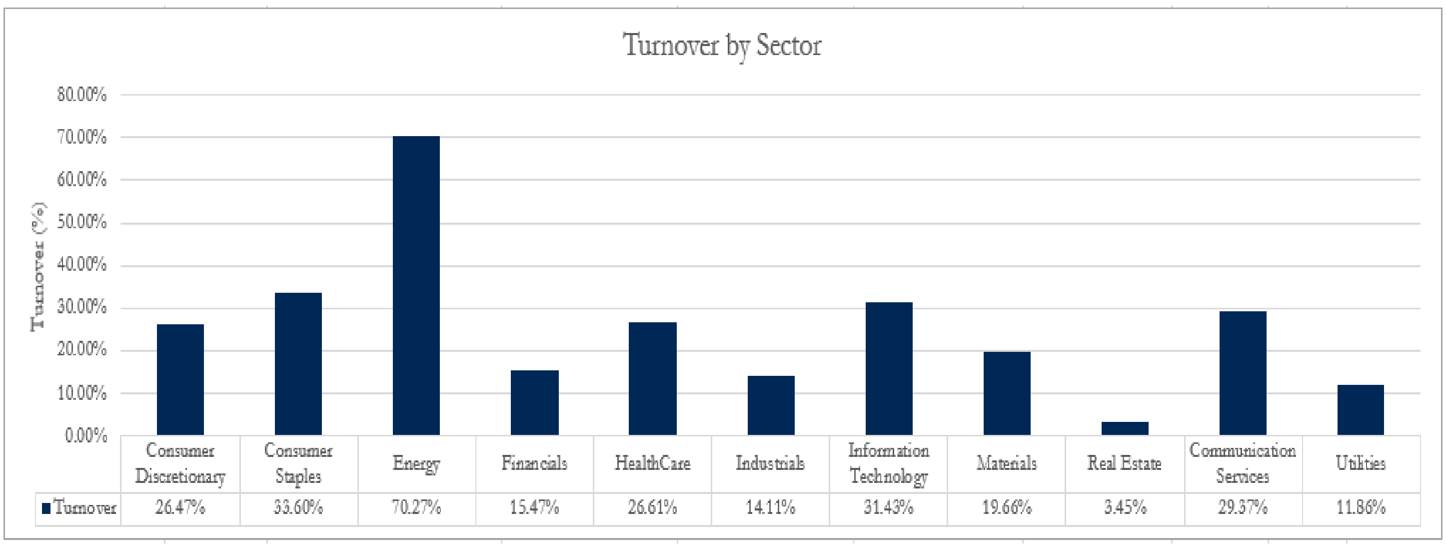
For the fiscal year periods, the DCF has outperformed the benchmark four times since inception. The DCF strives to find the most undervalued stocks to outperform the benchmark on a risk-adjusted basis.




| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| DCF | 13.22% | 1.24% | 13.57% | 30.96% | 15.26% | -1.70% | 3.05% | 20.50% | -7.05% | 33.40% | 26.37% | 37.72% | -7.75% |
| S&P 500 | 15.06% | 2.11% | 16.00% | 32.39% | 13.69% | 1.38% | 11.96% | 21.83% | -4.38% | 31.49% | 18.40% | 28.71% | -7.73% |

# Turnover Analysis




**<u>Turnover Analysis</u>**

For the semi-annual period, the D'Artagnan Capital Fund turned over 29.56 percent of the portfolio. The above charts show the DCF's turnover percent from the last year broken out by month and by sector. The inconsistency from April to August and December is primarily due to the Fund's operating structure. During the summer months, the DCF is overseen by the Faculty Advisor and transaction activity is typically low. Turnover during September is significantly larger than the summer months due to an increase in tactical trades being executed. This is also shown in particular sectors such as Consumer Discretionary, Consumer Staples, Energy, Information Technology, and Communication Services. Each semester, the Fund rotates in new officers and managers, each bringing new outlooks and goals for each sector. As a result, reallocation and trade decisions are made as indicated by the turnover percentages.

# Top Contributors

| Top Contributors | Return (%) | Contribution to Return (%) |
|---|---|---|
| Amazon.com Inc. | 24.13 | 1.66 |
| Microsoft Corporation | 10.40 | 0.86 |
| Alphabet Inc.– A | 25.39 | 0.70 |
| Caterpillar Inc. | 20.00 | 0.70 |
| Meta Platforms Inc. - A | 36.69 | 0.53 |

*Note: these securities are ranked based on their contribution to the portfolio, which is due to their weighting in the portfolio

Top Contributors

Over the semi-annual period, the D'Artagnan Capital Fund saw particular opportunities to invest in under-valued securities particularly within the Communications Services, Consumer Discretionary, Consumer Staples, and Industrials Sectors. These sectors alone included four of the Fund's top 5-contributors over the past six months. The Communications Services sector performed particularly well with an excess return of 1.77 percent. The next closest sectors, Consumer Staples and Industrials provided excess returns of 0.83 percent and 0.67 percent, respectively.

In terms of individual holdings that performed best during the period, the top performing holding was Amazon. This holding serves and one of the largest e-commerce platforms with industry leading distribution and delivery services for all sorts of consumer products, physical and digital. They also provide advanced technical solutions through its Amazon Web Services (AWS) division. With a total return of 24.13 percent and a contribution to return of 1.66 percent, exposure to the Online retail and data management giant was beneficial during the period. Part of the out-performance is due to the strong growth and performance in its AWS services and subscription improvements.

The second-best contributor during the semi-annual period was Microsoft Corporation. Microsoft is a leading global technology firm whose products are used in business, education, and personal settings across the world. Part of the return for Microsoft can be attributed to a large acquisition that took place. Microsoft made its intention known to acquire the video game and digital software developer Activision Blizzard. This will directly affect their Xbox video game console platform and mobile game sales with popular titles such as "Call of Duty" and "Candy Crush". The Fund was able to capture profits throughout the period as Microsoft is the Fund's second largest holding according to average weight during the period.

Alphabet Inc., more commonly known as Google, was another strong performer throughout the period as their Artificial Intelligence technology took tremendous strides during the period. Alphabet comes in as the top contributor within the best performing sector, Communications Services, with a contribution to return of 0.70 percent and a total return of 25.39 percent.

Caterpillar Inc. was another strong performer during the period. Their dominance in the Industrial equipment manufacturing industry, alongside large government investment into infrastructure, made Caterpillar one of the strongest performers over the past six months. With a total return of 20.00 percent and a contribution to return of 0.70 percent, Caterpillar proved to be one of the strongest performers in the Fund's third best performing sector, Industrials.

Rounding out the top contributors is Meta Platforms, more commonly and formerly known as Facebook. The software company is an industry leader in social media platforms as well as a pioneer in the mixed reality industry. Within the Fund's top performing sector, Communication Services, Meta Platforms is one of the main reasons for the sectors strong out-performance with a total return of 36.69 percent and a contribution to return of 0.53 percent.

# Bottom Contributors

| Bottom Contributors | Return (%) | Contribution to Return (%) |
|---|---|---|
| First Republic Bank | -66.30 | -2.08 |
| MarketAxess Holdings Inc. | -44.82 | -1.05 |
| Nextera Energy Inc. | -24.28 | -0.69 |
| HCA Holdings Inc. | -6.47 | -0.39 |
| Warner Bros. Discovery Inc. | -26.67 | -0.39 |

*Note: these securities are ranked based on their contribution to the portfolio, which is due to their weighting in the portfolio

Bottom Contributors

Besides top contributors, some of the specific sectors that underperformed relative to the benchmark during the semi-annual period include Financials, Information Technology, and Healthcare. Of these, Financials was by far the worst performing with an overall return of –16.44 percent. Compared to the S&P, Financials returned 3.15 percent. This sector has a contribution to return of –2.37 percent with the next highest loss being from Information Technology which had a contribution to returns of –1.99 percent.

For individual holdings, First Republic Bank was the worst performer with a total return of –66.30 percent and a contribution to return of –2.08 percent. The main reason why there was a substantial loss in this investment is due to timing and improper evaluation of their balance sheet data. First Republic Bank was purchased during the retail banking crisis following the collapse of Silicon Valley Bank, perceived at the time as a market overreaction. Later, it became apparent that the bank's books were not as structurally sound as previously thought. The DCF sold out of the position in late April, subsequently just before the firm was acquired by JPMorgan Chase in May.

The next worst contributing holding during the period was MarketAxess. MarketAxess operates electronic trading platforms across many credit and international markets. Their under-performance can largely be attributed to poor trading volume metrics from the first quarter of 2023, especially in Emerging Markets. With a total return of –44.82 percent and a contribution to return of –1.05 percent, MarketAxess was the Fund's second worst contributor and heavily contributed to the Financials sectors' poor performance during the period.

Nextera Energy was a poor contributor within the Energy sector. Nextera Energy is the largest electric utility provider by market capitalization, including its subsidiary Florida Power & Light, the largest energy Utility provider in Florida. Their under-performance can largely be attributed to missed revenue estimates as well as limited growth as a result of worsening economic conditions. With a total return of –24.28 percent and a contribution to return of –0.69 percent, Nextera was the Fund's third worst contributor and the primary reason for the Energy Sector's under-performance.

HCA Holdings and Warner Bros. Discovery were tied for the fourth bottom contributor with a contribution to return of –0.39 percent each. HCA Holdings owns and operates many hospitals across the country. As the Fund's third largest holding during the period, their modest total return of –6.47 percent led to a negative contribution of –0.39 percent due to its heavy weighting and was the largest factor in the Healthcare Sector's under-performance. Warner Bros. Discovery saw some struggles with its revenues during the past six months as part of rebranding their HBO Max streaming service to Max, alongside increased competition within the streaming industry. As a larger part of rising costs of the industry, Warner Bros. Discovery underperformed greatly with a total return of –26.67 percent, slightly negatively affecting the strongest performing sector during the period, Communications Services.

# Portfolio Performance

| Fund Name | Symbol | Six Month (%) | Calendar YTD (%) | 3-Year (%) |
|---|---|---|---|---|
| Fidelity Contra-fund | FCNTX | 12.11 | 25.10 | 120.75 |
| Vanguard PRIMECAP | VPMCX | 8.93 | 16.50 | 137.08 |
| Goldman Sachs US Equity Insights | GSELX | 3.91 | 10.59 | 126.56 |
| Fund JP Morgan US Equity Fund | JUEAX | 4.93 | 12.79 | 132.64 |
| **Category Average** | | **7.47** | **16.24** | **129.26** |
| | | | | |
| D'Artagnan Capital Fund | DCF | 1.80 | 10.18 | 146.71 |

The above table compares the D'Artagnan Capital Fund's fiscal year semi-annual period (six months), 1-Year and 3-Year returns against large-cap mutual funds with similar characteristics to our portfolio. We chose a new set of comparable funds to more accurately compare our performance to funds concentrated in Large Cap U.S. Equity, comparable to the DCF's investments. The DCF under-performed these comparable funds in the past six and nine months, but out-performed every comparable fund over a three year period. This shows that the DCF has under-performed relative to other funds this calendar year, but has out-performed them over a longer time period.

| Metric | DCF Average Ratio (x) | S&P 500 TR Ratio (x) |
|---|---|---|
| P/E | 16.91 | 24.48 |
| P/BV | 3.18 | 4.32 |

The above table lists the D'Artagnan Capital Fund's portfolio multiples. The DCF's average P/E ratio was lower than the S&P 500 Total Return's Ratio of 24.48. The P/E Ratio is found by dividing the share price by earnings per share of the particular company. In the case of the portfolio, the P/E shows the average of all the securities ratios. The DCF's P/BV of 3.18x is lower than the S&P 500's metric of 4.32x. The P/BV is calculated by dividing the price of a share of stock by the book value per share. These metrics show that the DCF had a slight focus on value throughout the period.

# Performance and Risk Analytics

| Semi-Annual 2023 Attribution Analysis | | | | |
|---|---|---|---|---|
| Sector | Relative Weight (%) | Asset Allocation (%) | Security Selection (%) | Excess Return (%) |
| Consumer Discretionary | 0.00 | 0.00 | 0.48 | 0.48 |
| Consumer Staples | -0.02 | 0.00 | 0.83 | 0.83 |
| Energy | -0.24 | -0.03 | -0.24 | -0.28 |
| Financials | -0.29 | -0.01 | -2.97 | -2.99 |
| Health Care | -0.08 | 0.00 | -0.41 | -0.41 |
| Industrials | -0.02 | 0.00 | 0.67 | 0.67 |
| Information Technology | 0.47 | 0.07 | -2.06 | -1.99 |
| Materials | -0.04 | 0.00 | -0.04 | -0.03 |
| Real Estate | -0.03 | 0.00 | -0.87 | -0.87 |
| Communication Services | 0.01 | 0.00 | 1.77 | 1.77 |
| Utilities | 0.11 | -0.02 | -0.18 | -0.20 |
| ETF | 0.05 | 0.00 | 0.02 | 0.02 |
| Cash | 0.06 | 0.00 | 0.00 | 0.00 |
| Total | 0.00 | 0.00 | -2.99 | -2.99 |

The above table shows the D'Artagnan Capital Fund's semi-annual Attribution Analysis. Attribution Analysis was broken out by each sector and included the ETF's we held over the period as well as our cash. Over the semi-annual period, asset allocation was neutral and security selection was negative. Overall, the excess return totaled an under-performance of 2.99 percent.

Some of the sectors that contributed positively to excess return were the Communication Services, Consumer Staples, and Industrials. These positive contributors were offset by negative excess returns in the Financials, Information Technology, and Real Estate.

| Top Holdings | Average Weight in Portfolio (%) |
|---|---|
| Apple Inc. | 9.84 |
| Microsoft Corporation | 9.53 |
| HCA Holdings Inc. | 7.89 |
| Amazon.com Inc. | 7.24 |
| Hewlett Packard Enterprise Co. | 5.27 |

*Note: Top Holdings are ordered by average weight during the period. Average weight takes into account differences in weighting due to rebalancing and tactical trades.

The Fund's largest holding during the period was Apple Inc., followed closely by Microsoft, both in the Information Technology Sector. Other notable top holdings include HCA Holdings and Amazon as the largest holdings in larger sectors such as Healthcare and Consumer Discretionary, respectively.

# Performance and Risk Analytics

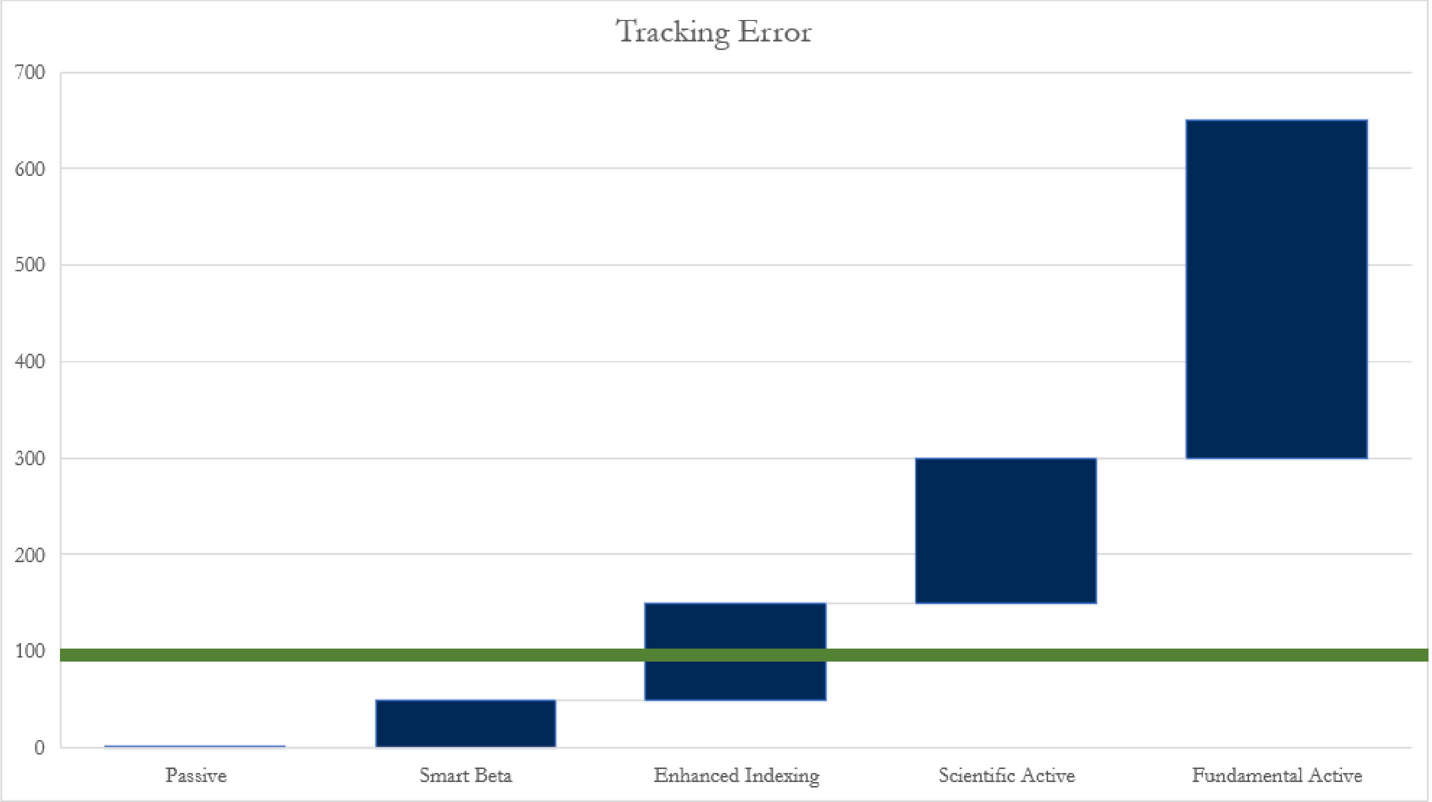
| 5 Year Attribution Analysis | | | | |
|---|---|---|---|---|
| Sector | Relative Weight (%) | Asset Allocation (%) | Security Selection (%) | Excess Return (%) |
| Consumer Discretionary | -0.49 | 0.41 | -4.28 | -3.87 |
| Consumer Staples | 1.61 | -1.39 | 5.66 | 4.27 |
| Energy | -1.43 | 1.34 | -3.04 | -1.70 |
| Financials | 1.09 | -1.06 | 9.71 | 8.65 |
| Health Care | -0.45 | 0.37 | 3.04 | 3.41 |
| Industrials | -0.16 | 0.14 | -1.03 | -0.89 |
| Information Technology | -1.76 | -0.04 | -1.98 | -2.02 |
| Materials | 0.10 | -0.08 | 1.19 | 1.11 |
| Real Estate | 0.29 | -0.32 | 2.04 | 1.72 |
| Communication Services | 0.45 | -0.36 | 7.48 | 7.13 |
| Utilities | 0.39 | -0.41 | 1.46 | 1.05 |
| ETF | 0.25 | -0.29 | 0.00 | -0.29 |
| Cash | 0.14 | -0.16 | 0.00 | -0.16 |
| Total | 0.00 | -1.18 | 20.26 | 19.08 |

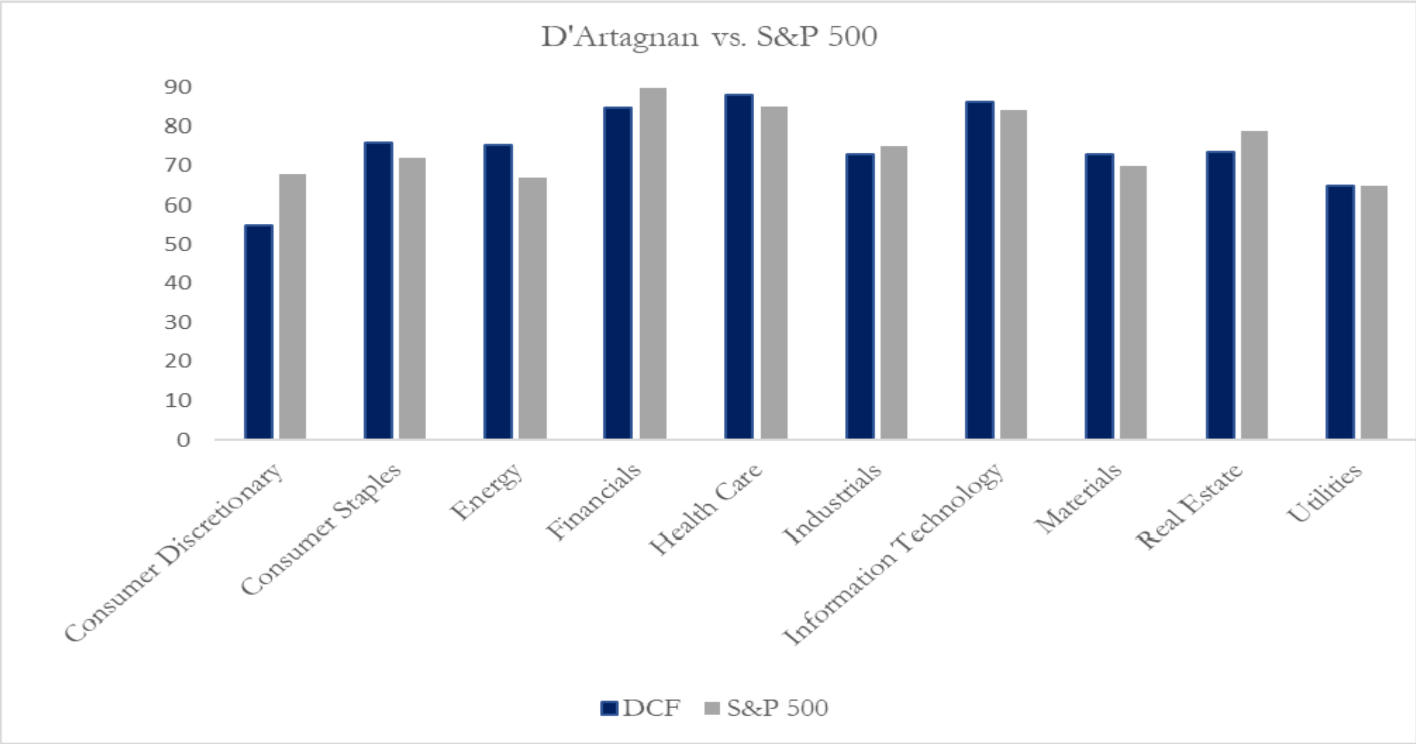
The above table shows the D'Artagnan Capital Fund's 5-Year Attribution Analysis. Some of the sectors that contributed positively to excess return were the Financial, Communication Services, and Consumer Staples sectors. These positive contributors were partially offset by negative excess returns in the Consumer Discretionary, Industrials, and Energy sectors. Overall, the DCF outperformed the benchmark by 19.08 performance over the 5-year period.

# Performance and Risk Analytics

The D'Artagnan Capital Fund operates as a large cap actively-managed equity fund. The DCF seeks to identify and invest in roughly 30 to 50 companies that are fundamentally strong and undervalued by the market. We seek to outperform the S&P 500 on a risk-adjusted basis. Active management involves deviation from the benchmark which is also called, Tracking Error. It is a measure that shows the percentage by which a fund's returns are expected to differ from those of its benchmark. Tracking Error is also known as "active risk" and the DCF portfolio had an active risk of 98 basis points. On a given day, our portfolio can under- or out-perform the benchmark by 0.98 percent.

Most funds can be categorized into equity strategies based on Tracking Error. The categories range from a "pure index" to "enhanced index" to "active fundamental management" like the DCF. They are characterized by Tracking Error ranges as follows: 0 bps (passive), 10-50 bps (smart beta), 100-200 bps (enhanced indexing), 150-375 bps (scientific active), 200-650 bps (fundamental active). Given the DCF has a Tracking Error of 98 bps, the DCF falls on the lower end of the Enhanced Indexing range.






**Graph based on Bloomberg's S&P Global ESG Rank.

The graph compares the D'Artagnan Capital Fund's ESG score per sector to our benchmark, the S&P 500 Index. These scores are acquired via Bloomberg and are scaled from 0-100. With 0 being the low and 100 being the high on the scale.

The DCF scores higher this year, compared to the S&P 500 in Consumer Staples, Energy, Healthcare, Information Technology, and Materials sectors. This is primarily due to the Fund embedding an ESG section in every thesis from each valuation. The Fund uses this as a measurement to ensure that the Board and the University's endowment are held in high ethical regard. This high regard for ethics instills the values of the University in the DCF with all valuations presented. In the DCF, the students are made aware of the impact that ESG may have on the global climate and the moral impact it shows. It should be noted, that ESG is a discussion we have before we buy or trade any stock as it is our duty to the school.

The DCF scores lower in four sectors, with Consumer Discretionary having the largest discrepancy when compared to the benchmark, the S&P 500. This is primarily due to the current holding of Tesla, Inc. where the DCF had productive conversations about the company in and out of the classroom.

Since the DCF makes investment decisions with the University's endowment, there are always conversations about the positives that the investment brings to the Environment, Social, and Governance factors of the world. This allows the DCF students to recognize this impact and make investment decisions with the knowledge at hand. The importance of considering this ESG score is seen through a company's operations and sustainability factors.

**Disclosure of Compliance**

Throughout the semi-annual period of April 1, 2023 to September 30, 2023, the D'Artagnan Capital Fund maintained full compliance with the investment policy statement ("IPS"). Notably, the Fund added two new non-S&P 500 Total Return Index holdings within the semi-annual period: Lululemon Athletica (NYSE:LULU) and Texas Roadhouse (NYSE:TXRH). These holding join Sanofi (NASDAQ:SNY) in this category. All of these holdings maintain the following requirements per the IPS: average trading volume greater than the lower quartile of their respective S&P 500 sector and a market capitation of over $1 billion.

**Method**

In order to maintain adequate liquidity in the portfolio, the Fund conducts weekly checks on the holdings. These checks include utilizing Bloomberg to ensure our holdings are trading at an average trading volume greater than the lower quartile of their respective S&P 500 sector. Market capitalization is also screened as a part of this process. In addition, the Fund also keeps track of all of the intrinsic prices of our holdings. If a stock is deemed overvalued, it is either revalued or moved out of the portfolio.

**Discussion of International Equity**

On September 30, 2023, the Fund held 4.39 percent of the 5.00 percent allocation allowed for international equity per the IPS. Currently holding Sanofi, this is the only international equity held by the Fund. This position has grown from 3.00 percent of the portfolio at the beginning of the semi-annual period. This was due to strong performance from the security during the period. The Fund actively screens this position to ensure that it does not fall out of compliance. Looking forward, the Fund looks to maintain its strong position in international equities.

# Communication Services

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 4/14/2023 | Meta Platforms, Inc. | META | Buy | 3,966.86 |
| 5/1/2023 | Meta Platforms, Inc. | META | Sell | 6,175.26 |
| 5/15/2023 | Alphabet Inc. Class C | GOOG | Sell | 6,586.24 |
| 6/5/2023 | T-Mobile US Inc. | TMUS | Buy | 14,851.94 |
| 6/20/2023 | Warner Bros. Discovery, Inc. | WBD | Buy | 1,132.29 |
| 7/3/2023 | Meta Platforms, Inc. | META | Sell | 1,422.74 |
| 7/10/2023 | Meta Platforms, Inc. | META | Sell | 2,620.93 |
| 7/24/2023 | Alphabet Inc. Class A | GOOGL | Sell | 2,073.07 |
| 8/7/2023 | Alphabet Inc. Class A | GOOGL | Sell | 10,768.48 |
| 8/24/2023 | Alphabet Inc. Class A | GOOGL | Sell | 1,306.34 |
| 9/6/2023 | Meta Platforms, Inc. | META | Sell | 105,004.31 |
| 9/6/2023 | Vanguard Communication Services Index Fund | VOX | Buy | 105,396.90 |
| 9/11/2023 | Vanguard Communication Services Index Fund | VOX | Sell | 106,515.58 |
| 9/11/2023 | Meta Platforms, Inc. | META | Buy | 106,245.24 |

# Communication Services

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 9/11/2023 | Alphabet Inc. Class A | GOGGL | Buy | 9,175.54 |
| 9/26/2023 | Alphabet Inc. Class C | GOOG | Sell | 4,905.30 |

# Consumer Discretionary

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 4/14/2023 | Amazon.com Inc. | AMZN | Sell | 6,587.98 |
| 5/01/2023 | McDonald's Corp. | MCD | Sell | 10,712.15 |
| 5/15/2023 | Amazon.com Inc. | AMZN | Sell | 16,675.74 |
| 6/05/2023 | Amazon.com Inc. | AMZN | Sell | 31,986.84 |
| 6/20/2023 | Tesla Inc. | TSLA | Buy | 28,103.70 |
| 7/03/2023 | McDonald's Corp. | MCD | Sell | 6,212.38 |
| 7/10/2023 | McDonald's Corp. | MCD | Sell | 3,284.65 |
| 7/24/2023 | Tesla Inc. | TSLA | Buy | 9,409.89 |
| 8/07/2023 | Amazon.com Inc. | AMZ | Sell | 32,706.53 |
| 8/30/2023 | McDonald's Corp. | MCD | Sell | 23,265.34 |
| 8/30/2023 | Amazon.com Inc. | AMZN | Buy | 23,219.23 |
| 9/11/23 | Tesla Inc. | TSLA | Buy | 11,497.08 |
| 9/20/2023 | Amazon.com Inc. | AMZN | Sell | 23,380.71 |
| 9/20/2023 | Lululemon Athletica Inc. | LULU | Buy | 23,311.43 |
| 9/26/2023 | Lululemon Athletica Inc. | LULU | Buy | 15,654.54 |

# Consumer Staples

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 4/14/2023 | Colgate Palmolive Co. | CL | Sell | 1,665.86 |
| 5/1/2023 | Colgate Palmolive Co. | CL | Sell | 5,294.51 |
| 5/15/2023 | Sysco Corp. | SYY | Buy | 10,804.47 |
| 6/5/2023 | Tyson Food Inc. | TSN | Sell | 20,686.54 |
| 6/20/2023 | Constellation Brands Inc. | STZ | Buy | 1,227.93 |
| 7/3/2023 | Constellation Brands Inc. | STZ | Buy | 1,493.28 |
| 7/10/2023 | Colgate Palmolive Co. | CL | Buy | 232.19 |
| 7/24/2023 | Constellation Brands Inc. | STZ | Sell | 11,062.82 |
| 8/7/2023 | Costco Wholseale Corp. | COST | Buy | 563.81 |
| 8/24/2023 | Tyson Food Inc. | TSN | Sell | 587.31 |
| 9/6/2023 | Constellation Brands Inc. | STZ | Sell | 82,058.68 |
| 9/6/2023 | Sysco Corp. | SYY | Buy | 40,598.52 |
| 9/6/2023 | Colgate Palmolive Co. | CL | Buy | 40,963.84 |
| 9/11/2023 | Tyson Food Inc. | TSN | Sell | 2,392.71 |
| 9/26/2023 | Tyson Food Inc. | TSN | Sell | 6,700.72 |

# Consumer Staples

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 04/14/2023 | Conoco Phillips | COP | Buy | 1,862.42 |
| 05/01/2023 | Valero Energy Corp. | VLO | Buy | 7,625.87 |
| 05/15/2023 | Exxon Mobil Corp. | XOM | Sell | 7,900.59 |
| 06/05/2023 | Conoco Phillips | COP | Sell | 3,560.80 |
| 6/20/2023 | Exxon Mobil Corp. | XOM | Buy | 929.35 |
| 07/03/2023 | Exxon Mobil Corp. | XOM | Buy | 330.21 |
| 07/10/2023 | Conoco Phillips | COP | Sell | 4,264.67 |
| 07/24/2023 | Conoco Phillips | COP | Sell | 3,676.80 |
| 08/07/2023 | Conoco Phillips | COP | Buy | 3091.98 |
| 09/11/2023 | Exxon Mobil Corp. | XOM | Buy | 140,440.23 |
| 09/11/2023 | Conoco Phillips | COP | Sell | 148,126.15 |
| 09/26/2023 | Valero Energy Corp. | VLO | Sell | 7,736.67 |

# Financials

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 4/14/2023 | JP Morgan Chase | JPM | Buy | 19,005.78 |
| 4/14/2023 | BlackRock | BLK | Sell | 54,472.71 |
| 4/14/2023 | Charles Schwab | SCHW | Buy | 54,372.51 |
| 4/26/2023 | First Republic Bank | FRC | Sell | 55,025.31 |
| 4/26/2023 | Charles Schwab | SCHW | Buy | 54,950.86 |
| 5/1/2023 | Charles Schwab | SCHW | Buy | 89,470.87 |
| 5/15/2023 | MarketAxess | MKTX | Buy | 3,900.64 |
| 6/5/2023 | Charles Schwab | SCHW | Sell | 9,817.25 |
| 6/20/2023 | MarketAxess | MKTX | Buy | 15,006.93 |
| 7/3/2023 | Hartford Financial | HIG | Buy | 7,138.67 |
| 7/10/2023 | MarketAxess | MKTX | Sell | 242.67 |
| 7/24/2023 | Charles Schwab | SCHW | Sell | 30,574.67 |
| 8/7/2023 | MarketAxess | MKTX | Buy | 4,868.95 |
| 9/11/2023 | Hartford Financial | HIG | Buy | 30,530.21 |
| 9/26/2023 | Hartford Financial | HIG | Buy | 9,002.61 |

# Healthcare

| Date | Company | Ticker | Buy/Sell | Amount ($) |
| --- | --- | --- | --- | --- |
| 4/12/2023 | Baxter Intl. | BAX | Buy | 92,453.10 |
| 4/14/2023 | CVS Health Corp. | CVS | Buy | 4,288.52 |
| 5/01/2023 | HCA Healthcare | HCA | Sell | 48,352,52 |
| 5/08/2023 | Sanofi | SNY | Sell | 5,503.71 |
| 5/08/2023 | Baxter Intl. | BAX | Buy | 5,469.14 |
| 5/15/2023 | HCA Healthcare | HCA | Buy | 17,700.53 |
| 6/05/2023 | Sanofi | SNY | Buy | 9,840.04 |
| 6/20/2023 | CVS Health Corp. | CVS | Sell | 25,693.33 |
| 7/03/2023 | CVS Health Corp | CVS | Sell | 14,213.98 |
| 7/10/2023 | HCA Healthcare | HCA | Buy | 9,158.25 |
| 7/24/2023 | Sanofi | SNY | Buy | 17,475.02 |
| 8/07/2023 | HCA Healthcare | HCA | Buy | 35,252.15 |
| 8/24/2023 | Sanofi | SNY | Sell | 3,919.68 |
| 9/11/2023 | Baxter Intl. | BAX | Sell | 15,529.37 |
| 9/26/2023 | Sanofi | SNY | Buy | 12,502.49 |
| 9/26/2023 | HCA Healthcare, Inc | HCA | Buy | 11,266.50 |

# Industrials

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 04/14/2023 | United Airlines | UAL | Buy | 5,215.72 |
| 05/01/2023 | Caterpillar | CAT | Sell | 11,430.60 |
| 05/15/2023 | 3M | MMM | Buy | 2,414.03 |
| 06/05/2023 | 3M | MMM | Sell | 25,239.73 |
| 06/20/2023 | 3M | MMM | Sell | 11,471.08 |
| 07/03/2023 | Caterpillar | CAT | Buy | 2,482.14 |
| 07/10/2023 | 3M | MMM | Sell | 9,909.68 |
| 07/24/2023 | 3M | MMM | Sell | 1,353.70 |
| 08/07/2023 | 3M | MMM | Sell | 4,437.26 |
| 09/11/2023 | United Airlines | UAL | Sell | 2,434.11 |
| 09/11/2023 | 3M | MMM | Sell | 1,073.79 |
| 09/26/2023 | Caterpillar | CAT | Buy | 9,252.91 |

# Information Technolgy

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 04/14/2023 | Micron Technology, Inc. | MU | Sell | 32,526.22 |
| 05/01/2023 | Micron Technology, Inc. | MU | Sell | 7,537.91 |
| 05/15/2023 | Hewlett Packard Enterprise | HPE | Sell | 3,086.54 |
| 06/05/2023 | Micron Technology, Inc. | MU | Buy | 69,442.96 |
| 06/20/2023 | Hewlett Packard Enterprise | HPE | Sell | 10,181.20 |
| 07/03/2023 | Micron Technology, Inc. | MU | Buy | 10,605.18 |
| 07/24/2023 | Microsoft Corporation | MSFT | Buy | 26,516.51 |
| 08/07/2023 | Apple, Inc. | APPL | Buy | 7,330.52 |
| 08/24/2023 | Hewlett Packard Enterprise | HPE | Sell | 6,800.15 |
| 09/06/2023 | Hewlett Packard Enterprise | HPE | Sell | 370,727.22 |
| 09/06/2023 | Micron Technology, Inc. | MU | Buy | 185,660.96 |
| 09/06/2023 | Microsoft Corporation | MSFT | Buy | 185,283.02 |
| 09/11/2023 | Microsoft Corporation | MSFT | Sell | 17,561.82 |
| 09/26/2023 | Apple, Inc. | APPL | Sell | 34,642.47 |

# Semi-Annual Trade Report

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 4/14/2023 | Steel Dynamics | STLD | Buy | 11,441.31 |
| 5/01/2023 | Steel Dynamics | STLD | Sell | 2,829.73 |
| 5/15/2023 | Steel Dynamics | STLD | Buy | 4,713.33 |
| 6/05/2023 | Steel Dynamics | STLD | Sell | 2,739.29 |
| 6/20/2023 | Steel Dynamics | STLD | Buy | 1,617.27 |
| 7/03/2023 | Steel Dynamics | STLD | Sell | 4,993.09 |
| 7/24/2023 | Steel Dynamics | STLD | Buy | 13,438.84 |
| 8/07/2023 | Steel Dynamics | STLD | Sell | 6,293.05 |
| 8/24/2023 | Steel Dynamics | STLD | Sell | 1,626.26 |
| 9/11/2023 | Steel Dynamics | STLD | Sell | 2,110.48 |
| 9/26/2023 | Steel Dynamics | STLD | Sell | 7,148.06 |

# Real Estate

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 4/14/2023 | Alexandria Real Estate | ARE | Sell | 951.50 |
| 5/1/2023 | American Tower | AMT | Buy | 207.52 |
| 5/15/2023 | Alexandria Real Estate | ARE | Buy | 245.62 |
| 6/5/2023 | Alexandria Real Estate | ARE | Buy | 4,295.33 |
| 6/20/2023 | Alexandria Real Estate | ARE | Buy | 3,436.05 |
| 7/3/2023 | Alexandria Real Estate | ARE | Buy | 10,524.36 |
| 7/10/2023 | American Tower | AMT | Sell | 2,509.32 |
| 7/24/2023 | American Tower | AMT | Buy | 1,502.73 |
| 8/7/2023 | American Tower | AMT | Sell | 1,284.18 |
| 9/11/2023 | American Tower | AMT | Buy | 1,807.74 |
| 9/26/2023 | American Tower | AMT | Buy | 6,729.91 |

# Utilities

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 04/14/2023 | NextEra Energy | NEE | Buy | 628.05 |
| 05/01/2023 | NextEra Energy | NEE | Buy | 773.89 |
| 05/15/2023 | NextEra Energy | NEE | Sell | 3,933.20 |
| 06/05/2023 | NextEra Energy | NEE | Buy | 374.87 |
| 6/20/2023 | NextEra Energy | NEE | Sell | 144.89 |
| 07/03/2023 | NextEra Energy | NEE | Buy | 2,753.43 |
| 07/10/2023 | NextEra Energy | NEE | Buy | 15,268.62 |
| 07/24/2023 | NextEra Energy | NEE | Sell | 14,329.35 |
| 08/07/2023 | NextEra Energy | NEE | Buy | 6,330.66 |
| 09/11/2023 | NextEra Energy | NEE | Buy | 207.98 |
| 09/26/2023 | NextEra Energy | NEE | Buy | 797.66 |

During the semi-annual reporting period, the D'Artagnan Capital Fund navigated a recovering economy following the aggressive rate hike initiative the Fed took in the prior period. Rate hikes continued to play an integral role in market swings this period. Nonetheless, the economy proved to be resilient on its continued course to the Fed's long-term economic goals. The economy was continually impacted by rising interest rates, positive economic growth, and inflation rates that are seeming under control.

**Interest Rates**

The Fed maintained their firm stance on implementing a contradictory monetary policy to continue the fight against rapid inflation. In doing so, the Fed increased the Federal Funds target rate twice over the reporting period, which was a vast improvement from the prior year. The lower frequency of rate hikes was a direct reflection of the domestic inflation rate, which in April, was 4.90 percent. The rate hikes weighed heavily on borrowers and immediately impacted consumer spending, which resulted in a significantly lower inflation of 3.70 percent in September.

The D'Artagnan Capital Fund's valuations were significantly impacted by these rate hikes and volatile treasury yields. We primarily use the 30yr US Treasury for our risk-free rate, which, for most of the period, fluctuated between 3.50 and 3.90 percent. The 30yr moved in sync with Fed rate hikes which ceased for the remainder of the period following the July interest rate hike. The pause in rate hikes through the conclusion of the period was a direct result of positive economic news related to CPI, PPI, and GDP. As positive sentiment flooded the markets in August and September, investors looked away from long-term fixed income investments and more towards equity and commodity markets. The result of this was the liquidation of several long-term treasury securities which caused a severe spike in yields. The 30yr Treasury closed at 4.70 percent on the final day of the reporting period.

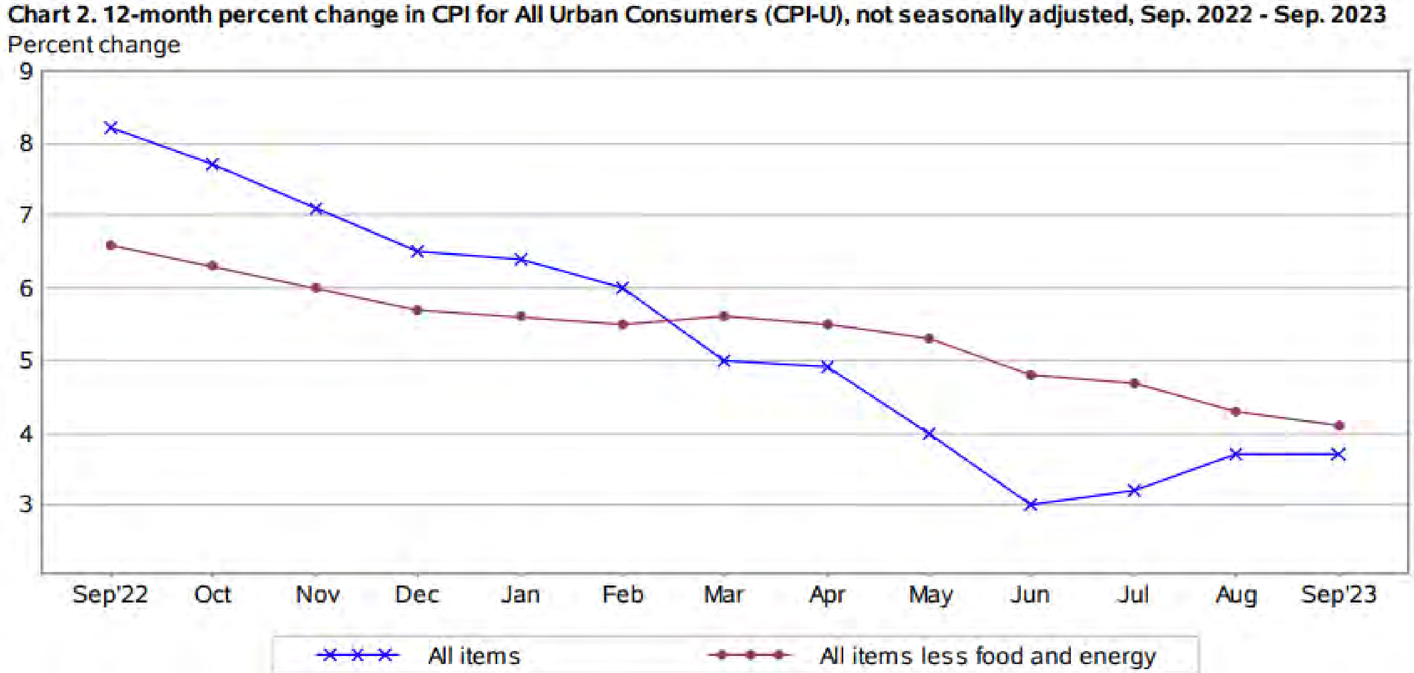
## Economic Indicators

The US economy saw significant recovery over the reporting period as GDP and CPI showed consistent improvement towards the Feds long-term goals. Through the second quarter real gross domestic product grew at just over two percent, which was slightly above quarter one figures. The majority of this GDP growth was a result of increased business investments, which was partially offset by a small decrease in domestic exports. Last quarters GDP growth is directly in line with the Feds long-term GDP growth rate. This was seen as a positive sign by investors as the US economy is continuing to expand while the inflation rate is falling towards the long-term target rate.

The US Labor Market experienced constant fluctuation during the summer period as rate hikes influenced multiple corporate layoffs. April reports showed unemployment down to 3.40 percent, 20 basis points lower than the previous year. As the period continued through September, the labor market reflected positive correlation with Fed hikes which resulted in a 3.80 percent unemployment rate in September, at the conclusion of the period. Holistically, the US unemployment rate hovered between 3.50 and 4.00 percent during the period which exhibits a strengthening labor force.

The Fund maintained a close eye on the Consumer Price Index (CPI) during this holding period, especially with the Fed's hopes of seeing inflation cool off. Fortunately for the economy, that’s exactly what happened. In April, the total CPI sat around five percent before it declined significantly through May and June, before leveling out below four percent in August and September. The reason for this sharp decline was primarily a notable decrease in energy prices during these two months, which had a disproportional affect on CPI. The Fed's long-term inflation goal is two percent, which the CPI shows us is more than attainable as rates continue to increase, and consumer spending dwindles.

**Chart 2. 12-month percent change in CPI for All Urban Consumers (CPI-U), not seasonally adjusted, Sep. 2022 - Sep. 2023**



**Geopolitical Issues**

As the war in Russia and Ukraine continues, supply chain disruptions and political sanctions are still weighing on the global economy. On July 20th, the Department of State issued extenuating sanctions on Russian entities aiding in the production of energy and precious metals. The result of this has been a significant demand increase for domestic materials and energy solutions, specifically in the crude oil and natural gas industries. The lack of supply for these materials has led to an increase in prices globally.

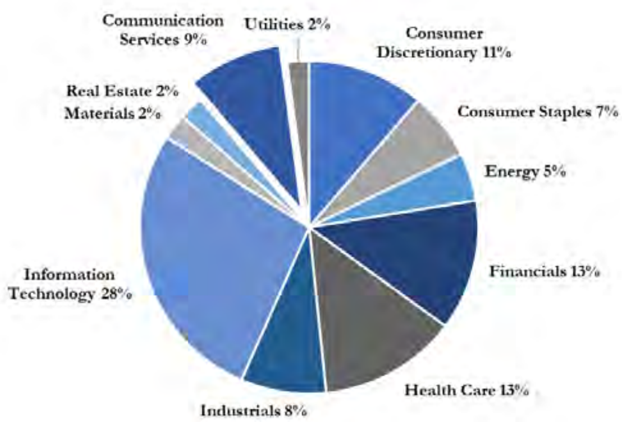
**Conclusion**

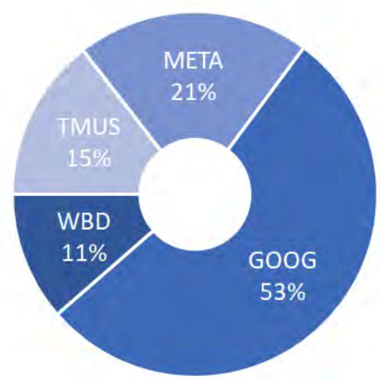
In conclusion, the US economy experienced various stimulants that caused significant market swings. On the forefront of economic movement was the Fed's influence on interest rates and the continued rise in Treasury securities. Moreover, the economy showed signs of resiliency with many indicators including CPI, GDP, and the unemployment rate. CPI attracted the most attention of the reporting period as consumer prices took a sudden dip in the middle of the period, before leveling out closer to the Fed's long-term goal. Lastly, geopolitical swings continued to raise tension in US markets as uncertainty in the Energy sector was heightened by further sanctions placed on Russia. The D'Artagnan Capital Fund continually monitored the state of the economy over this reporting period and made significant efforts to factor our findings and projections into valuations to pursue our goal of finding undervalued stocks with strong fundamentals.

# Communication Services Sector Report

**Holdings as of September 30, 2023**

| Company | Ticker | Subsector | Weight in Sector (%) | Weight in Portfolio (%) | Market Value ($) | Semi-Annual Return (%) |
|---|---|---|---|---|---|---|
| Alphabet Inc. | GOOGL, GOOG | Media & Entertainment | 53.43 | 4.81 | 274,317 | 25.54 |
| Meta Platforms, Inc. | META | Media & Entertainment | 20.68 | 1.86 | 106,159 | 36.69 |
| Warner Bros. Discovery | WBD | Media & Entertainment | 11.40 | 1.03 | 58,551 | -26.67 |
| T-Mobile US, Inc. | TMUS | Telecommunication Services | 14.48 | 1.30 | 74,364 | -4.57 |




## Communication Services Sector Overview

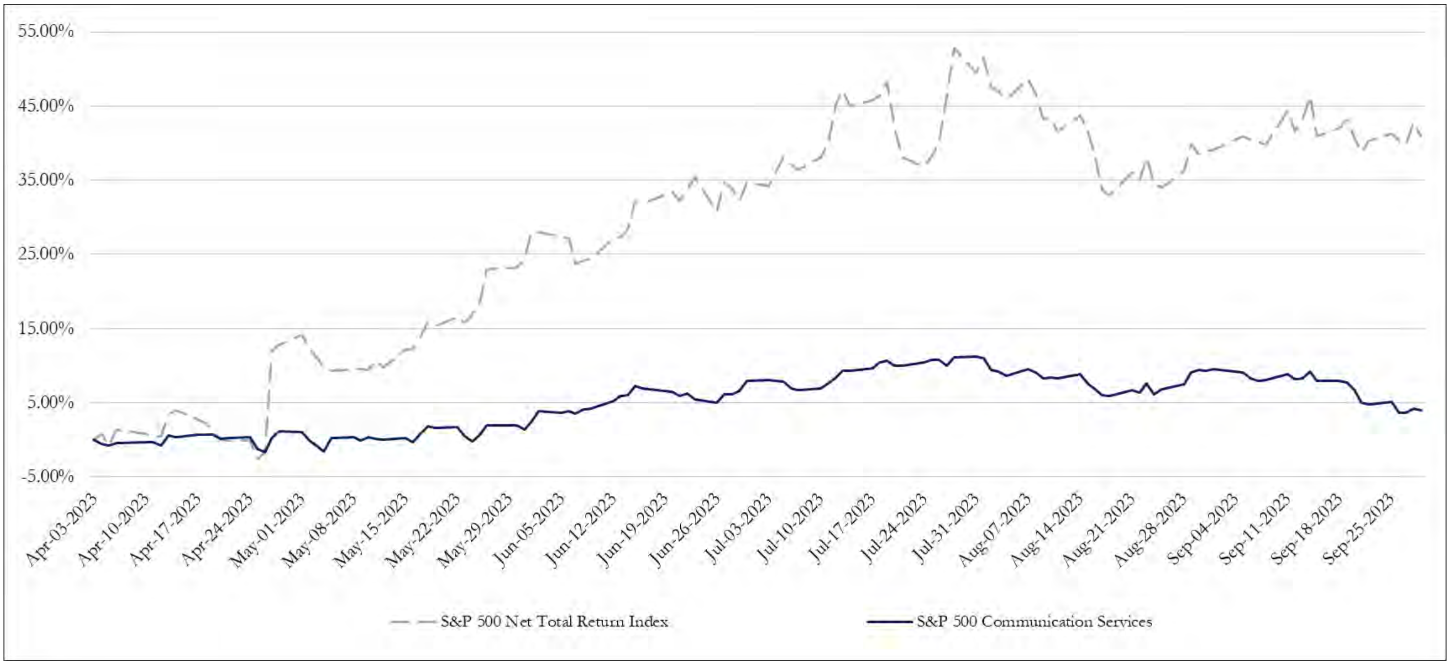
The Fund currently has positions in the Media & Entertainment and Telecommunication Services subsectors. In particular, our holdings are part of the mobile telecommunications industry, the search engine technology and cloud computing industry, the virtual and augmented reality industry, and the T.V. and film industry.

The focus has been to continue to diversify holdings in various subsectors of the Communication Services sector. Throughout the semi-annual period, the Fund held positions in T-Mobile US, Alphabet, Meta Platforms, and Warner Bros Discovery. The Fund continues to value companies in this sector for new potential holdings while keeping in mind the volatility of this sector.

| Sector Review (%) | |
|---|---|
| Sector Return: | 14.28 |
| Benchmark Sector: | 20.88 |
| Return: DCF Sector: | 8.50 |
| Weight: Benchmark: | 8.77 |
| Weight: Asset Allocation: | 0.00 |
| Security Selection: | 1.77 |

| Sector Team | |
|---|---|
| **Sector Manager:** | Alex Perkins |
| **Sector Analysts:** | James Capetanakis |
| | Kevin Randal |
| | Avery St. Pierre |

# Industry Analysis




The Communication Services sector consists of two main subsectors, Telecommunication Services and Media & Entertainment. Companies within these subsectors include those that specialize in interactive media and services, movies and entertainment, diversified telecommunication services, and wireless telecommunication service products. Over the semi-annual period, the Communication Services sector has under-performed compared to the S&P 500 by 6.60 percent. The Fund's holdings on Communication Services stocks returned 14.28 percent, lower compared to the return on all Communication Services stocks in the S&P 500.

The Communication Services sector currently makes up 8.77 percent of the S&P 500. Although Communication Services companies tend to be volatile in the market, they are also considered essential by customers who rely on services such as cellular, voice, and Internet services to stay constantly connected with family, friends, coworkers, and others; as well as interactive media and entertainment enjoyed by customers.

Some of the largest stocks by weight in the Communication Services sector include Alphabet, Meta, T-Mobile, Verizon, AT&T, Comcast, Disney, and Netflix. These companies are highly successful in a volatile market and receive a constant revenue stream from customers who depend on these products to communicate with others in their daily lives.

During the COVID-19 pandemic, stocks in the Communication Services sectors soared due to interactive media and services, and movies and entertainment being convenient for consumers to access with lock-down restrictions. The world has now mostly recovered from the COVID-19 pandemic and stocks have returned closer to their pre-pandemic prices again as companies ramp up research and development to attract new customers again. Companies have now started to offer new deals and bundles to new customers in these industries as a result.

# What's Changing?

**Volatility**

Companies in the Communication Services sector are generally competitive and volatile. Within the telecommunication services subsector, consumers consider products and services offered in these sectors a necessary utility as consumers need to be able to constantly communicate with others in today's world of constant connection. However, consumers may be less loyal to the company they subscribe to for their phone, Internet, or TV service and are quick to jump to a competitor as many offer lower prices, bundles, or deals for new subscribers.

Within the Media & Entertainment subsector, consumers are less likely to remain subscribed to streaming services as consumers are starting to consider the effects of increasing costs of streaming services. With Netflix announcing and implementing their anti-password sharing regulations earlier this year, they saw a slight number of increase in subscribers, but also announced another increase in prices for all pricing plans. It's heavily speculated that other streaming services will follow suit, as Disney Plus has already announced their own anti-password sharing regulations.

**Media Innovations & Research**

Various industries in the Communication Services sector are continuing to create innovative products and attractive services to keep consumers connected and entertained through various mediums. Although these products and services are generally reliable sources of income for companies, it's important to constantly innovate and research new ways to strengthen their products and competitive advantage to retain and attract new customers.

Companies in the Telecommunication Services subsector are researching and building infrastructure around the country, notably in rural areas, as these companies are targeting these areas aggressively to help increase their market share as they provide new services to rural areas. Although many Americans currently have access to basic services such as phone, Internet, and TV and cable services, there are still many Americans and businesses in rural areas that are looking to receive these services for the first time, or receive improved and faster services.

Companies in the Media & Entertainment subsector are constantly innovating and investing in research and development opportunities to create new products and services to appeal to consumers who enjoy media and video games as leisure. Media is a large source of entertainment for Americans and due to the vast offerings of all types of media offered by companies, the opportunities for growth are high.

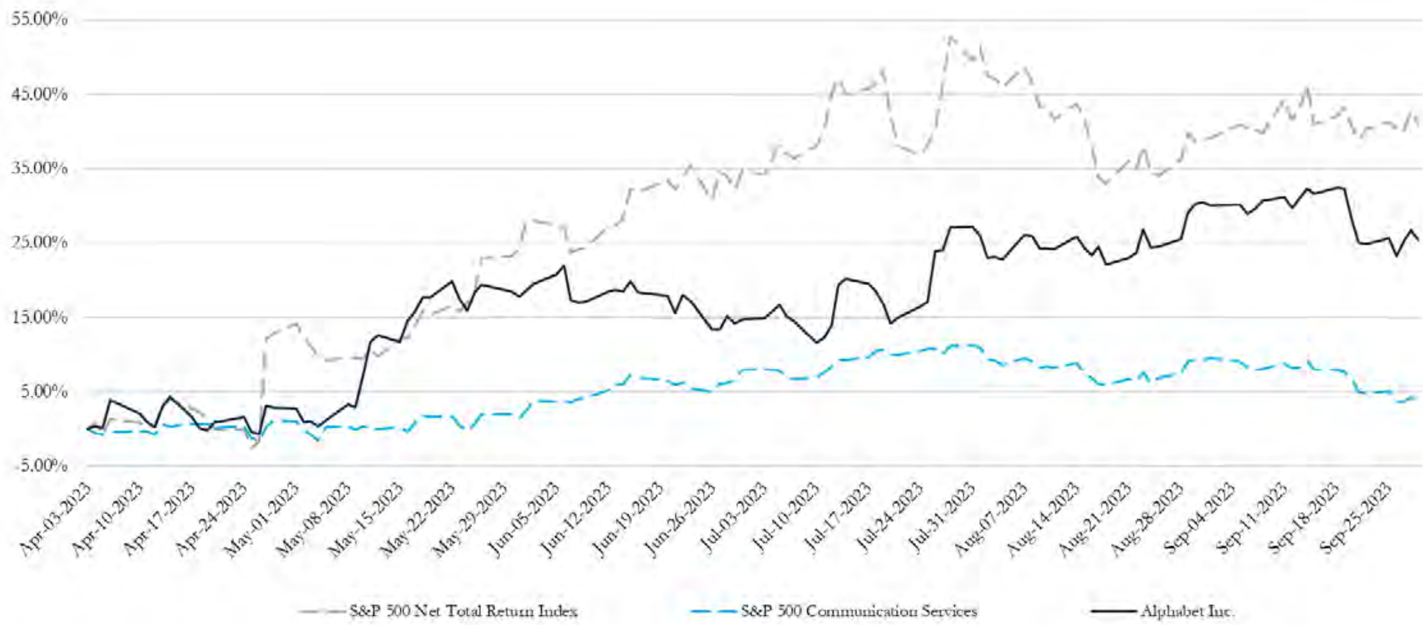
# Semi-Annual Trade Report

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 4/14/2023 | Meta Platforms, Inc. | META | Buy | 3,966.86 |
| 5/1/2023 | Meta Platforms, Inc. | META | Sell | 6,175.26 |
| 5/15/2023 | Alphabet Inc. Class C | GOOG | Sell | 6,586.24 |
| 6/5/2023 | T-Mobile US, Inc. | TMUS | Buy | 14,851.94 |
| 6/20/2023 | Warner Bros. Discovery, Inc. | WBD | Buy | 1,132.29 |
| 7/3/2023 | Meta Platforms, Inc. | META | Sell | 1,422.74 |
| 7/10/2023 | Meta Platforms, Inc. | META | Sell | 2,620.93 |
| 7/24/2023 | Alphabet Inc. Class A | GOOGL | Sell | 2,073.07 |
| 8/7/2023 | Alphabet Inc. Class A | GOOGL | Sell | 10,768.48 |
| 8/24/2023 | Alphabet Inc. Class A | GOOGL | Sell | 1,306.34 |
| 9/6/2023 | Meta Platforms, Inc. | META | Sell | 105,004.31 |
| 9/6/2023 | Vanguard Communication Services Index Fund | VOX | Buy | 105,396.90 |
| 9/11/2023 | Vanguard Communication Services Index Fund | VOX | Sell | 106,515.58 |
| 9/11/2023 | Meta Platforms, Inc. | META | Buy | 106,245.24 |
| 9/11/2023 | Alphabet Inc. Class A | GOOGL | Buy | 9,175.54 |
| 9/26/2023 | Alphabet Inc. Class C | GOOG | Sell | 4,905.30 |

# Communication Services

**Alphabet Inc. Class A & Class C (NASDAQ: GOOGL, GOOG)** *Media & Entertainment*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 2040 | 4.81% | 53.43% | 25.54% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 1.04 | $130.81 | $152.90 | 16.89% |




**Company Description**

Alphabet, more commonly known as Google, offers various products and services across the globe. The Google Services segment includes Ads, Android, Chrome, Google Drive, Google Maps, Fitbit, Pixel, YouTube, and more. The Google Cloud segment offers services that include infrastructure, cybersecurity, analytics, artificial intelligence, and more. Google Workspace also operates within the cloud segment and includes services such as Gmail, Docs, Calendar, and Meet.

**Investment Rationale**

From our research, the Fund believes that market is largely underestimating Google's potential profitability in its international and emerging segments. Google's expansion into foreign markets through market penetration gives the Fund confidence in the company's long-term growth. Over the past five years, its revenue from these segments has more than doubled specifically attributed to its Google Cloud segment. Alphabet has continued to be a prominent leader in the Communication Services industry which is why the Fund continues to hold this company.

**Competitors**

Amazon.com, Inc. (NASDAQ: AMZN)
Microsoft Corporation (NASDAQ: MSFT)
Meta Platforms, Inc. (NASDAQ: META)

**Analyst Coverage**

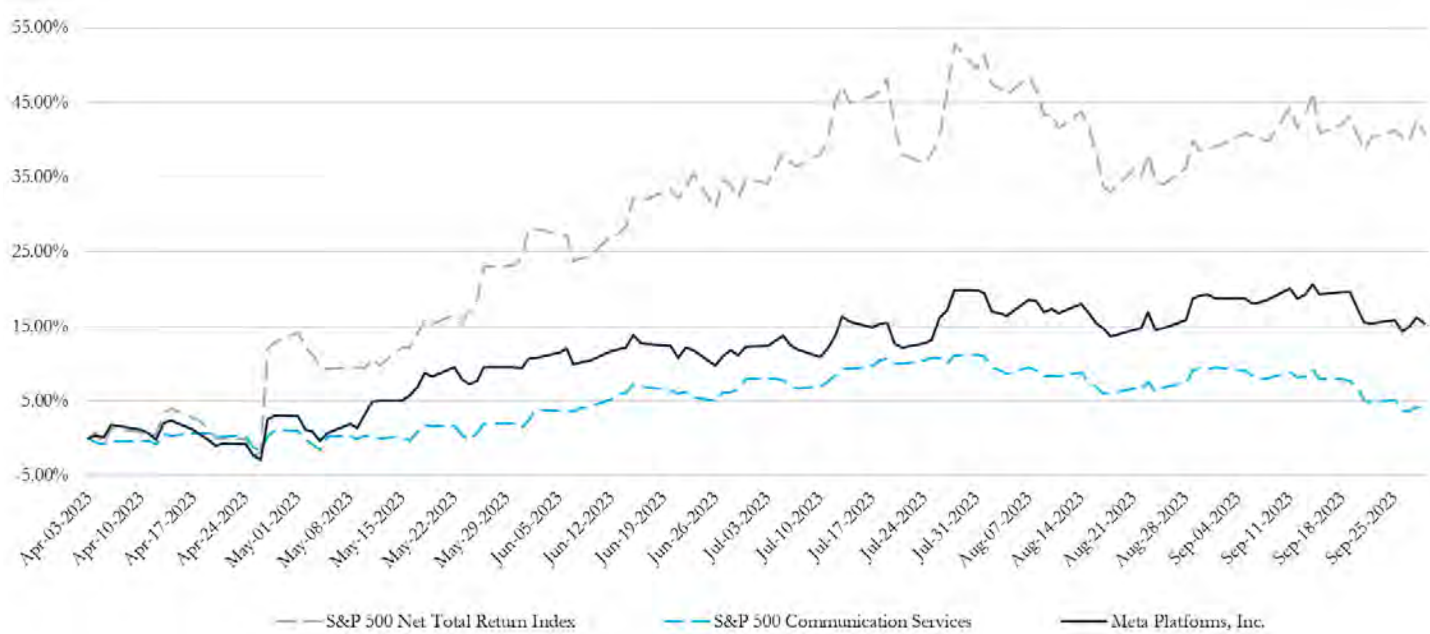
Kevin Randal

# *Communication Services*

**Meta Platforms Inc. (NASDAQ: META)**

*Media & Entertainment*

| **Shares** | **Weight in Portfolio** | **Weight in Sector** | **Semi-Annual Return** |
|---|---|---|---|
| 346 | 1.82% | 20.68% | 36.69% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 1.19 | $214.00 | $264.25 | 23.48% |




## Company Description

Meta Platforms is involved with the development of social technology products on mobile devices, personal computers, virtual reality headsets, and wearables worldwide that enable people to share and connect with family and friends, find communities, and grow businesses. Its two segments are Family of Apps (FoA) and Reality Labs (RL). The FoA segment includes Facebook, Instagram, Messenger, WhatsApp, and Threads that generates most of its revenue through the selling of advertisements. The RL segment includes their augmented and virtual reality products that generates revenue through the sale of their hardware products, software, and content.

## Investment Rationale

From our research, we believe Meta Platforms has strong fundamentals and has shown great efficiency the last twelve months. With the creation of Threads amid X's self-inflicted wounds, this showed great strategic initiative from management in taking action to compete with X. Outside of this recent development, management has made prudent costs cuts that have to improve profitability, making it attractive to hold.

## Competitors

Alphabet Inc. (NASDAQ: GOOGL, GOOG)

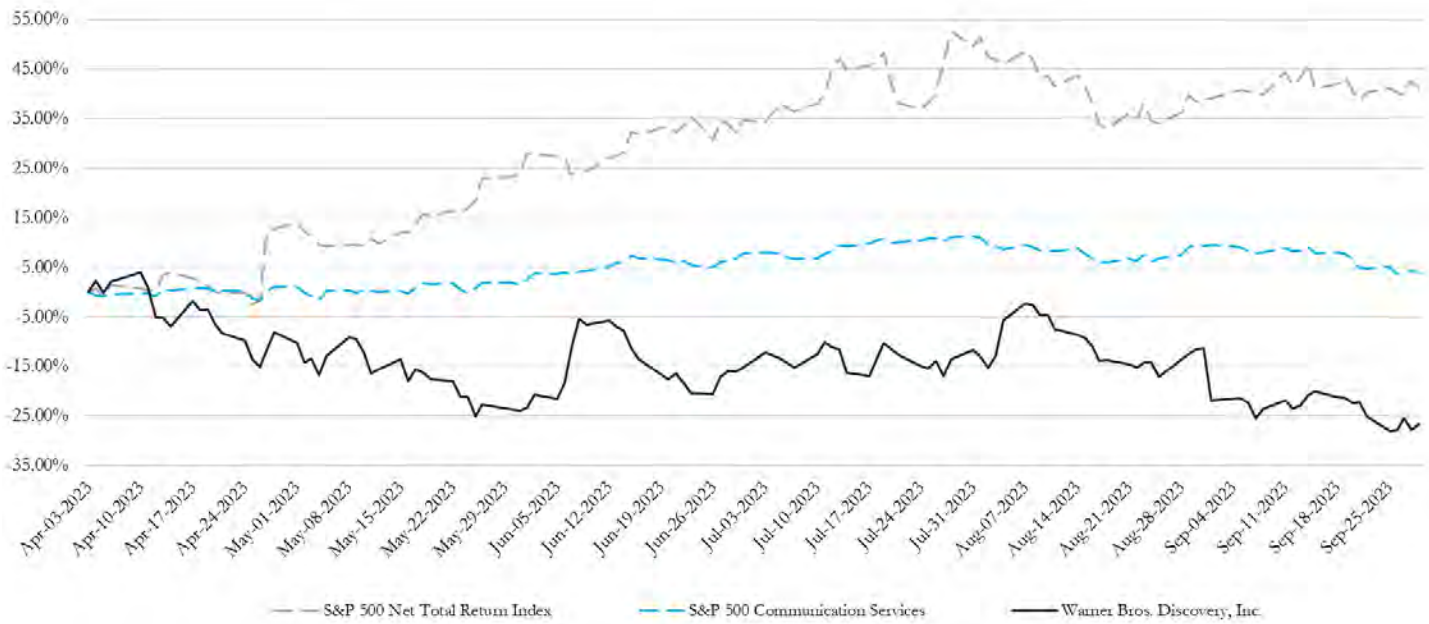
Pinterest, Inc. (NYSE: PINS)

## Analyst Coverage

Avery St. Pierre

**Warner Bros. Discovery (NASDAQ: WBD)** *Media & Entertainment*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 5,571 | 1.03% | 11.40% | -26.67% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 1.61 | $10.85 | $23.08 | 112.72% |




## Company Description

Warner Bros. Discovery is a worldwide media and entertainment company. They're most known for their major films and television programs that are licensed to third party networks. Warner Bros. Discovery also offers a streaming service, Max (formerly HBO Max), which launched May 23 of this year. They hold the rights to a large variety of franchises such as Superman, Batman, Harry Potter, Game of Thrones, and Lord of the Rings.

## Investment Rationale

From our analysis, we continue to believe the market has underestimated the merger of Warner Bros and Discovery. When these two companies merged, they also combined their products such as their licenses to programs and movies. We also believe that with this merger will bring out strong releases in 2024. With Warner Bros. Discovery offering three distinct tiers for Max with many strong programs and movies offered, we believe this will increase the number of customers subscribed as streaming services around the industry continue to see an increase in number of customers.

## Competitors

Fox Corp. (NASDAQ: FOX)

Walt Disney Co. (NASDAQ: DIS)

Paramount Global (NASDAQ: PARA)

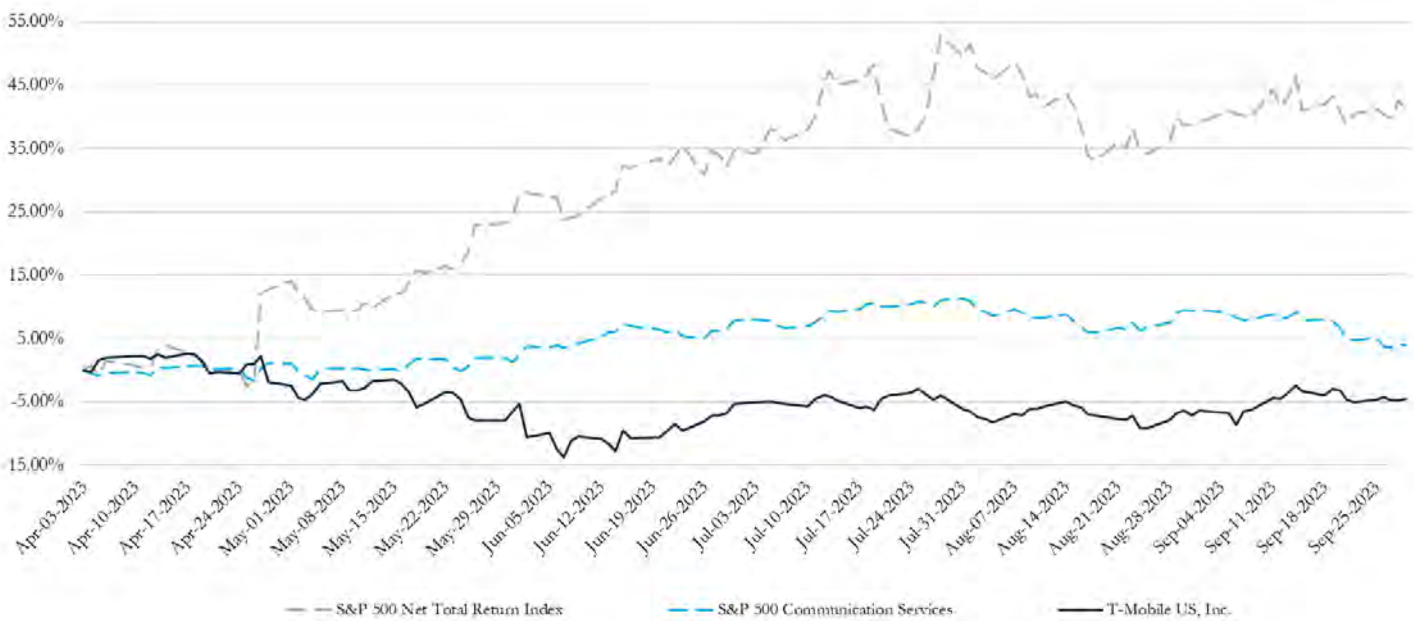
## Manager Coverage

Alex Perkins

**T-Mobile US, Inc. (NASDAQ: TMUS)** *Telecommunication Services*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 534 | 1.86% | 14.48% | 36.69% |

| Beta | Current Price | Target Value | Growth Potential |
|---|---|---|---|
| 0.56 | $140.05 | $150.82 | 7.69% |




## Company Description

T-Mobile is a leading telecommunications company in the United States known for its innovative wireless services. With a commitment to customer satisfaction, T-Mobile offers a wide range of mobile plans, including unlimited data, text, and talk, as well as cutting-edge 5G technology for fast and reliable connections. T-Mobile's "Un-Carrier" approach has disrupted the industry, challenging traditional norms and providing customers with flexible and affordable options for staying connected.

## Investment Rationale

From our research, we believe investing in T-Mobile offers an attractive prospect as the company continues to demonstrate robust growth in the highly competitive telecommunications sector. With its innovative "Un-Carrier" initiatives and extensive 5G network expansion, T-Mobile is well-positioned to increase its post-paid customer base of 95.1 million users. Additionally, its merger with Sprint has continued to bolster its competitive strength and potential for cost savings to this day, making T-Mobile an appealing choice for investors looking for growth in their portfolio.

## Competitors

Verizon Communications Inc. (NYSE: VZ)

AT&T Inc. (NYSE: T)

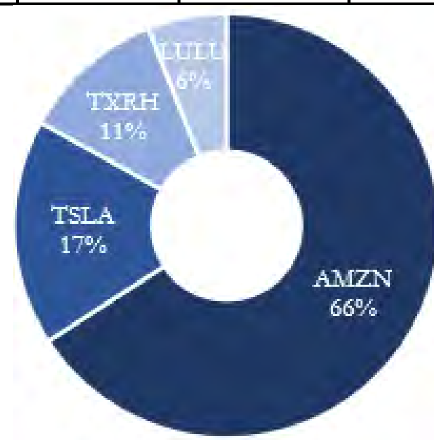
## Analyst Coverage

James Capetanakis

# Consumer Discretionary Sector Report

**Holdings as of September 30th, 2023**

| Company | Ticker | Subsector | Weight in Sector (%) | Weight in Portfolio (%) | Market Value ($) | Semi-Annual Return (%) |
|---|---|---|---|---|---|---|
| Amazon.com Inc. | AMZN | Internet and Direct Marketing Retail | 65.84 | 7.36 | 419,838 | 24.13 |
| Tesla Inc. | TSLA | Auto Manufacturers | 17.24 | 1.93 | 109,949 | 28.47 |
| Texas Roadhouse Inc. | TXRH | Restaurants | 10.91 | 1.22 | 69,554 | -10.99 |
| Lululemon Athletica Inc. | LULU | Durables and Apparel | 6.00 | 0.67 | 38,286 | -2.37 |


## Consumer Discretionary Sector Overview

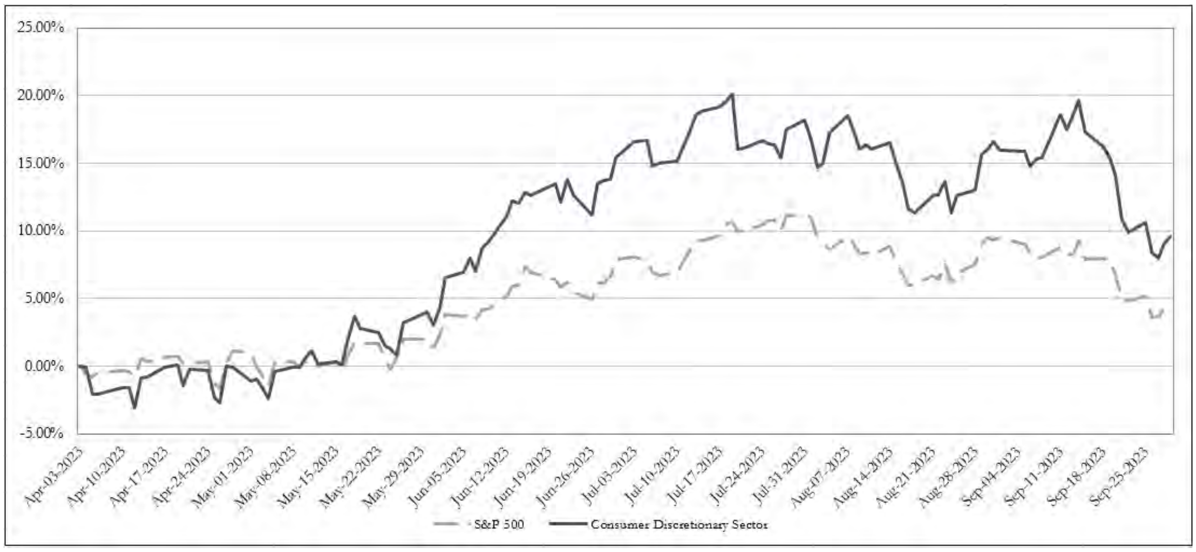
The Fund currently holds four positions within the Consumer Discretionary sector. We maintained our exposure to the retail subsector, which has been accomplished by our holding of Amazon. Our exposure within the auto manufacturer and restaurant subsectors remained the same in Tesla and Texas Roadhouse, respectively. Additionally, the Fund has entered into Lululemon Athletica Inc. as a leader in the apparel industry. During the year the DCF sold our positions in McDonald's as we saw other opportunities in the sector.

The sector has seen strong performance over the past six months as consumer spending increased over the summer alongside positive sentiment within the market in regards to the overall economy and federal interest rates.

| Sector Review (%) | |
|---|---|
| DCF Sector Return: | 17.80 |
| Benchmark Sector Return: | 8.59 |
| DCF Sector Weight: | 10.40 |
| Benchmark Weight: | 10.40 |
| Asset Allocation: | 0.00 |
| Security Selection: | 0.48 |

| Sector Team | |
|---|---|
| **Sector Manager:** | Evan Maushart |
| **Sector Analysts:** | Joe Dailey |
| | Lauren King |
| | Michael Mvundura |

# Industry Analysis




The Consumer Discretionary sector performed well over the past six months in large part to increased consumer spending over the summer. Much of the increase in valuations found in the sector were a result of positive market sentiment regarding federal funds rate hikes being delayed and weakening fears of a coming recession. This can be seen in the out-performance within the sector beginning in June and running throughout the summer months. As the Consumer Discretionary sector is so heavily reliant on consumer spending, these positive sentiments throughout the period boded very well for the sector as a whole.

Inflation was one of the biggest headlines for Consumer Discretionary companies the past six months of 2023. With a strong consumer demand, many firms were able to increase their prices and pass off on higher costs to consumers. These factors continue to be an issue for companies within the sector. However, consumer spending has recovered enough to outweigh these rising costs and show strong performance.

With this, the Fund took advantage of these trends and increased our positions within rapidly growing stocks like Amazon and Tesla. This opportunity led the Fund to invest in segments with strong long-term drivers at compelling prices. Two areas that the Fund saw opportunity were the Online retail and electric vehicle markets as they have been rapidly growing and look to be staples of consumer spending for the future.

Regarding the EV market, the automobile industry is pouring more than $1 trillion into the shift from combustions engines to electric vehicles. The Fund believed that its innovative products, strong brand recognition, and growth potential made the stock attractive to increase our position as they're positioned well to capture a large portion of the exponentially growing EV market.

The largest holding within the sector, Amazon, saw tremendous performance within their Online retail and Web Services segments. They benefited greatly from consumer spending throughout the summer and grew largely through their Amazon Web Services segment as they help companies and industries manage data and optimize their operations, including the new innovative artificial intelligence implementations. Another company that the Fund found to be a leader in the growing Online retail space is Lululemon. The Fund added a position within Lululemon in favor of McDonald's as they have become a leader in the apparel and online retail spaces. The Fund believes this to be very profitable and full of growth potential as McDonald's has largely seen all of their possible growth in their store expansion capacity and offer limited growth potential.

# What's Changing?

**Rising Inflation Rates and Costs**

Inflation rates have been one of, if the not the largest, economic topics within the market over the past six months. This directly affects the Consumer Discretionary sector as businesses are experiencing rising costs across the board. Within this sector which is so dependent on consumer spending, businesses are juggling the dilemma of price hikes of their products and services. This strategy varies across the many sub-industries within the sector; however, this will be a persisting risk for companies going forward as consumer demand wanes for many companies. With this trend comes opportunity as the industry pioneers and specialists will not be as negatively impacted by these rising interest rates as their consumer demand is less elastic. If these trends continue to worsen, the sector would struggle tremendously as a result of a recessionary period as consumers are forced to save a large majority of their income in order to meet necessary living expenses.

**Online Retail and E-Commerce**

Ever since the pandemic, e-commerce has proven a crucial part to any retail business. Online sales and shopping have seen a steady increase as many companies have looked to revamp their Online presence through their app and Online services. The Fund currently holds two of what we believe to be industry pioneers within the Online retail space, Amazon and Lululemon. Amazon dominates this space as they distribute and sell nearly everything at the most competitive prices with outstanding speed of service, proclaiming themselves as 'The Everything Store". Lululemon differs in that they are concentrated in selling durables and apparel at top-of-the-line quality. They have built a brand and reputation on their quality and have grown their Online retail presence tremendously over the past few years, capitalizing off of the Online shopping revolution following the COVID-19 pandemic. The Fund believes Lululemon will continue to grow and outperform its competitors within the apparel industry and the Consumer Discretionary sector as a whole in their inelastic consumer demand for their products as well as continued growth of Online retail sales. With these comparative advantages, the Fund entered into a new position within Lululemon as we believe they will benefit from these sector and economic trends. Brick and mortar stores have seen a substantial change in the amount of business being done and as a result, less physical retail stores are being built. Thus, also bringing down expenses of overhead for these companies. Within retail, the companies that have longevity will be those that effectively incorporate the use of E-commerce and trim the fat surrounding brick and mortar stores.

**Soaring Mortgage Rates**

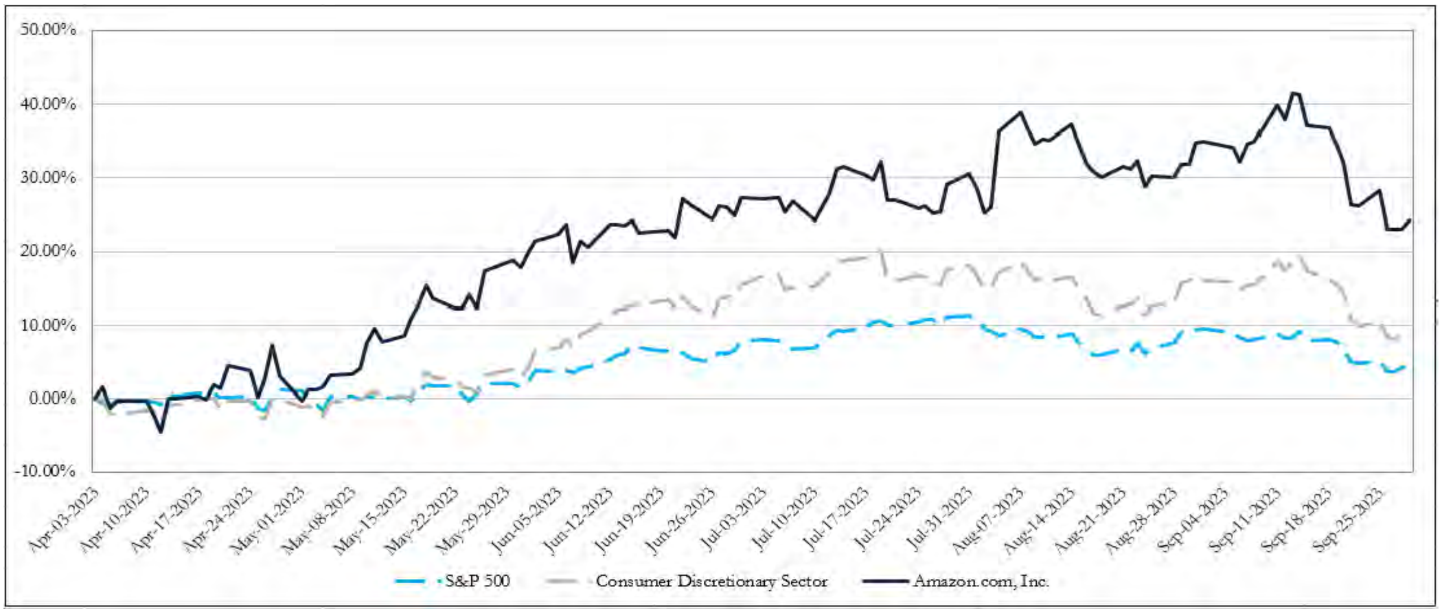
The housing market has seen prices rapidly increase as inflation and mortgage rates weigh heavy on the market. Mortgage rate averages have reached over seven percent and are nearing eight percent for the first time in over a decade. These rates will affect the Consumer Discretionary sector as homebuilding should slow particularly, while most consumers will likely stay put in their current living situation. This would directly improve the traffic and spending within the home improvement stores as consumers look to make changes and improvements in their current living place. The effects of these economic impacts on the sector and this industry have been realized in recent months and are likely to continue into the end of 2023.

# Semi-Annual Trade Report

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 4/14/2023 | Amazon.com Inc. | AMZN | Sell | 6,587.98 |
| 5/01/2023 | McDonald's Corp. | MCD | Sell | 10,712.15 |
| 5/15/2023 | Amazon.com Inc. | AMZN | Sell | 16,675.74 |
| 6/05/2023 | Amazon.com Inc. | AMZN | Sell | 31,986.84 |
| 6/20/2023 | Tesla Inc. | TSLA | Buy | 28,103.70 |
| 7/03/2023 | McDonald's Corp. | MCD | Sell | 6,212.38 |
| 7/10/2023 | McDonald's Corp. | MCD | Sell | 3,284.65 |
| 7/24/2023 | Tesla Inc. | TSLA | Buy | 9,409.89 |
| 8/07/2023 | Amazon.com Inc. | AMZ | Sell | 32,706.53 |
| 8/30/2023 | McDonald's Corp. | MCD | Sell | 23,265.34 |
| 8/30/2023 | Amazon.com Inc. | AMZN | Buy | 23,219.23 |
| 9/11/23 | Tesla Inc. | TSLA | Buy | 11,497.08 |
| 9/20/2023 | Amazon.com Inc. | AMZN | Sell | 23,380.71 |
| 9/20/2023 | Lululemon Athletica Inc. | LULU | Buy | 23,311.43 |
| 9/26/2023 | Lululemon Athletica Inc. | LULU | Buy | 15,654.54 |

**Amazon.com, Inc (NasdaqGS: AMZN)** *Broadline Retail*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 3243 | 7.23% | 65.84% | 24.13% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 1.19 | $127.12 | $143.00 | 13.00% |




**Company Description**

Amazon.com, Inc. operates as a renowned retailer by selling consumer products, subscriptions, streaming services, and web services through its e-commerce platform and physical store locations in domestic and international markets. Aside from its online retail operations, Amazon extends its reach by offering subscription-based services for its membership program. It also provides advanced technical solutions to its diverse clientele through its Amazon Web Services (AWS) division. Amazon demonstrates its industry dominance by securing its position as the largest company in the Consumer Discretionary Sector by revenue and the third-largest revenue-generating corporation among all publicly traded companies.

**Investment Rationale**

The Fund continues to uphold its position in Amazon because of its sustained performance in its AWS services and cost-efficiency across its operations. Amazon's strategic division of its national network into eight separate regions has yielded substantial decreases in delivery costs and notable improvements in delivery speed, catering to consumer preferences. Additionally, Amazon distinguishes itself from other competitors in its AWS segment, characterized by its commitment to customer-centric values and orientation and the incorporation of generative AI in its systems. As Amazon persistently innovates its platforms and reduces operational expenses, we remain optimistic about its continued industry leadership.

**Competitors**

Alphabet, Inc. (NasdaqGS: GOOG)

Microsoft Corp. (NasdaqGS: MSFT)

Alibaba Group (NYSE: BABA)

**Manager Coverage**

Evan Maushart

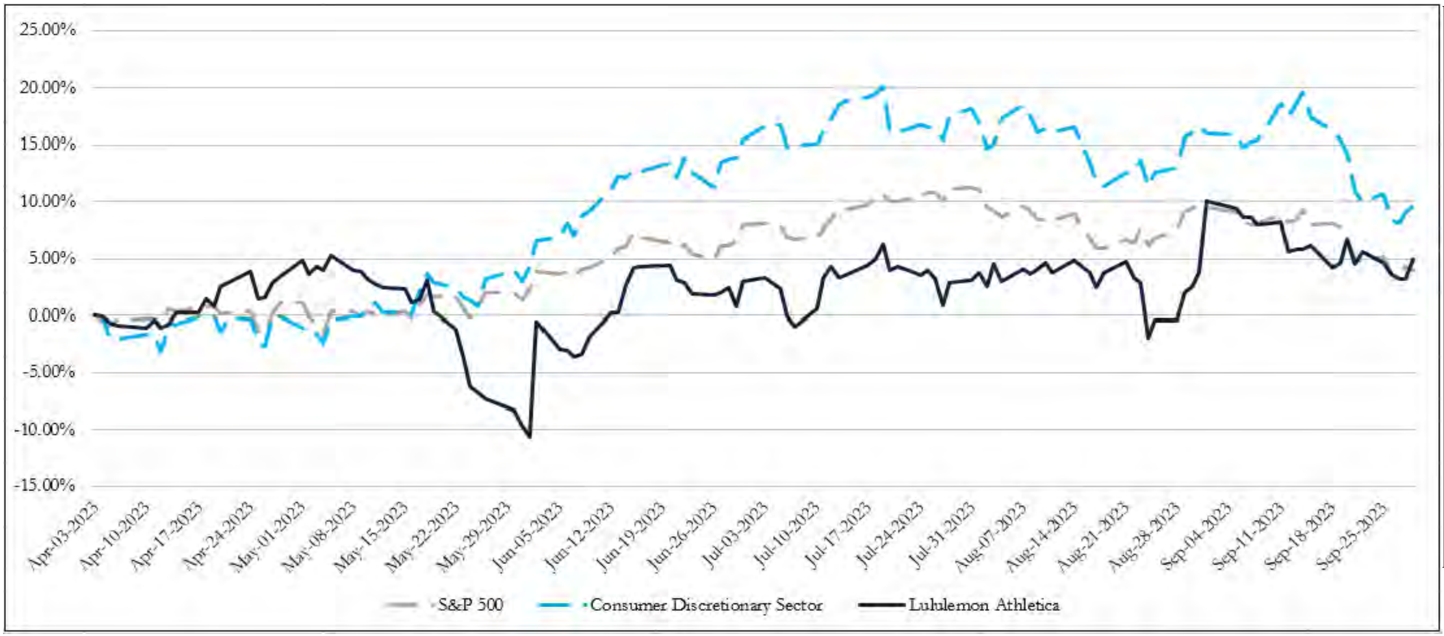
**Analyst Coverage:**

Lauren King

**Lululemon Athletica Inc. (NasdaqGS: LULU)** *Durables & Apparel*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 100 | 0.67% | 6.00% | -2.37% |

| Beta | Current Price | Target Value | Growth Potential |
|---|---|---|---|
| 1.35 | $385.61 | $445.00 | 15.00% |




## Company Description

Lululemon Athletica Inc. is an athleisure company that has become a globally recognized leader in the industry. Lululemon provides consumers with high-quality and adaptable products, catering to the diverse demands of consumers' active lifestyles. Operating through a network of company-operated stores and digital platforms, Lululemon continues to demonstrate their progress in growth and profitability in the future.

## Investment Rationale

The Fund added Lululemon as a position because of our strong beliefs regarding its growth potential in new markets, its commitment to pioneering design innovation that yields high-quality and performance products, and its ability to nurture customer relations through its community engagement. With Lululemon moderately expanding into new markets, it has successfully increased brand recognition and its customer loyalty base. Additionally, it has consistently proven its ability to introduce cutting-edge fabric technologies and a diverse array of products to position itself as a top contender in the industry. These factors support our optimistic outlook on Lululemon, further strengthened by its progress in achieving its 2021 objectives of doubling its revenue by 2026.

## Competitors

Nike, Inc. (NYSE:NKE)

Under Armour, Inc. (NYSE:UAA)

Adidas AG (XTRA:ADS)

## Manager Coverage

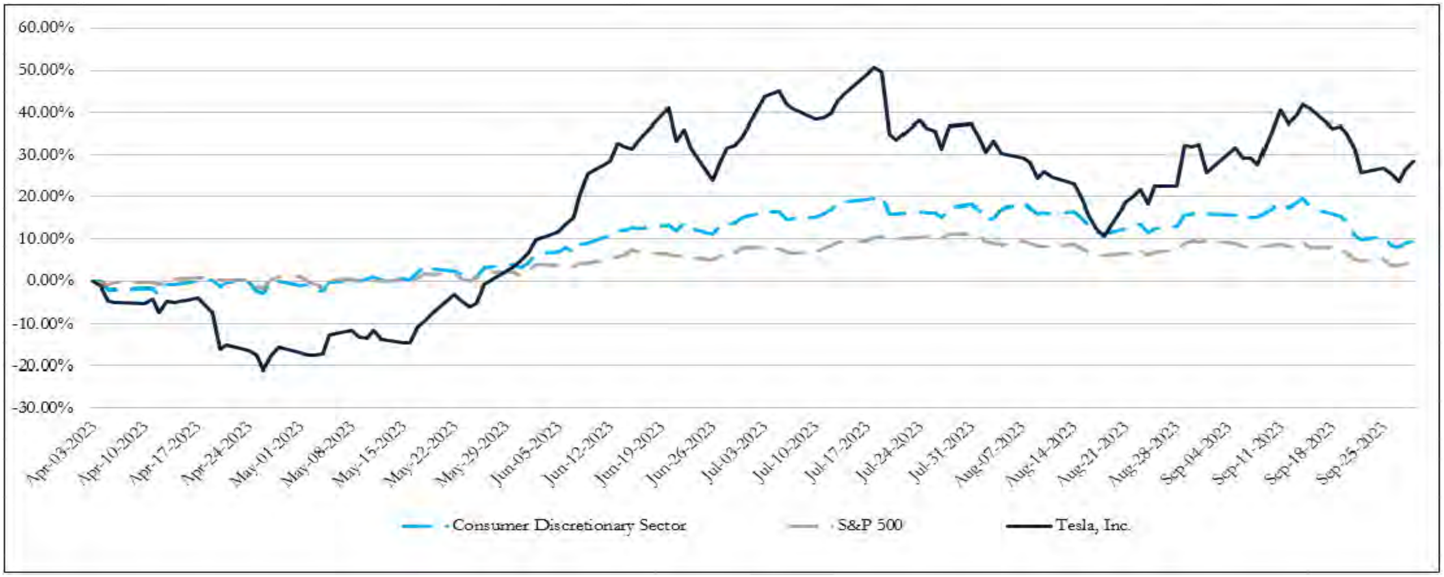
Evan Maushart

## Analyst Coverage

Lauren King

**Tesla Inc. (NasdaqGS: TSLA)** *Auto Manufacturers*

| **Shares** | **Weight in Portfolio** | **Weight in Sector** | **Semi-Annual Return** |
|---|---|---|---|
| 437 | 1.93% | 17.24% | 28.47% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 2.25 | $250.22 | $465.00 | 86.00% |




**Company Description**

Tesla Inc. is a pioneer within the electric vehicle (EV) space and has captured a majority of the U.S. EV market as well as large portions of international EV markets. Tesla specializes in the EV space, being the first company to produce a reliable EV with innovative software technology including their full self-driving Autopilot technology. In addition to EV sales, Tesla also produces, maintains, and leases usage rights to the largest collection of EV Super Chargers across the U.S for their own EVs and third-party EV automobiles.

**Investment Rationale**

Tesla has been a pioneer of the EV industry and their dominance of the space is partly why the DCF has increased its position within the company. Tesla's industry leading EV manufacturing process and full self-driving software offer it a significant competitive advantage within the EV market. Additionally, Tesla has proved its ability to innovate by adding new successful segments such as the fully electric semi and battery production. The EV market is expected to triple in the coming years and Tesla will be the primary benefactor for that increase. The implementation of Tesla's subscription services for added perks within the vehicle has become another revenue segment prime for expansion. Another area of large potential for Tesla includes the nationwide supercharger network used to charge Tesla EVs and lease rights to other EV manufacturers to use their supercharger network. The Fund believes in the longevity of Tesla and believes they will continue to optimize and expand their revenue streams.

**Competitors**

Ford Motor Company (NYSE: F)

Rivian Automotive Inc. (NasdaqGS: RIVN)

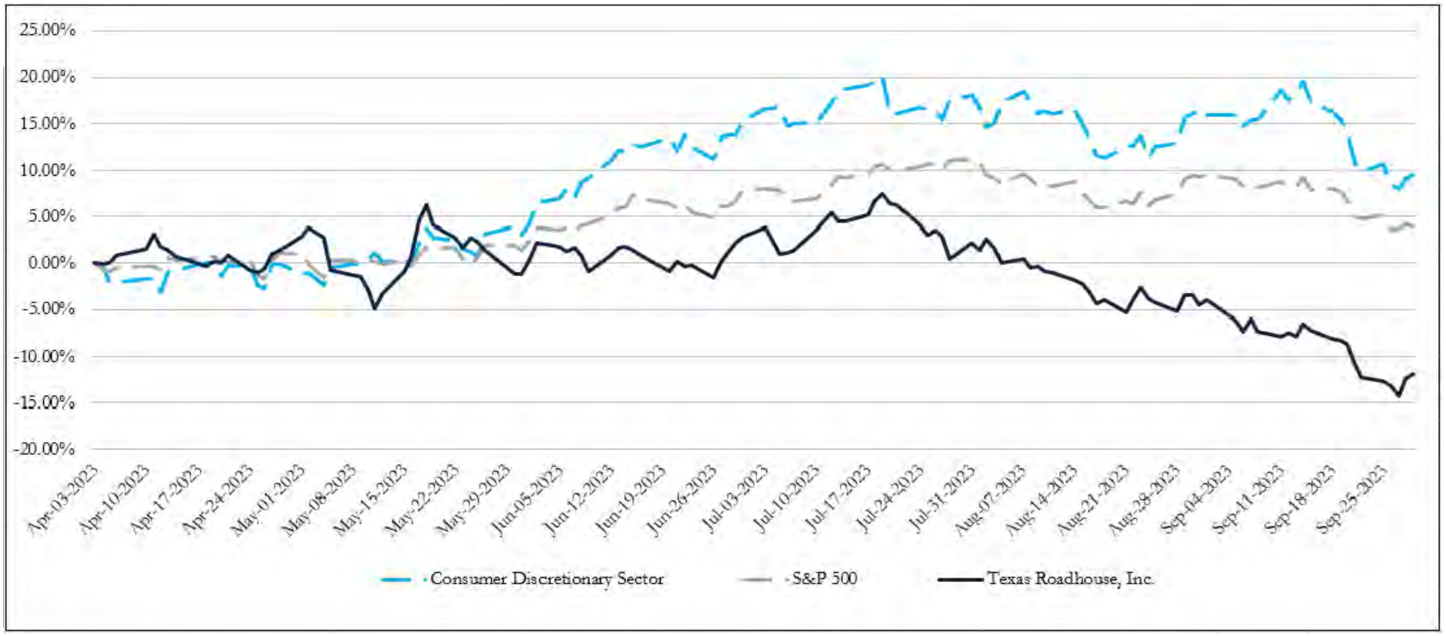
General Motors Company (NYSE: GM)

**Manager Coverage**

Evan Maushart

**Texas Roadhouse Inc. (NasdaqGS: TXRH)** *Restaurant*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 721 | 1.22% | 10.91% | -10.99% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 0.95 | $96.10 | $126.00 | 31.00% |




**Company Description**

Texas Roadhouse is a multinational restaurant that aims to provide the full “Texas Experience". Their operating strategy includes offering high quality, freshly prepared food with a fun and comfortable atmosphere at attractive price-points. The company also owns two other brands: Jaggers, and Bubba’s 33. There are currently 597 restaurants owned by Texas Roadhouse in the United States, 62 franchised domestic restaurants, and 38 international restaurants.

**Investment Rationale**

The Fund maintained its position within Texas Roadhouse under several strong beliefs - the company will remain to have stable and steady growth, its robust balance sheet, and suitable margin growth. Texas Roadhouse has been clinical about their growth, not adding restaurants within close vicinities of other restaurants. Rather, they built a reputation of slow but consistent growth, during the pandemic they saw no long-term store closures due to this strategy. They have reported expectations for decreased capital investments by about $7.4 million due to lower site costs as they expand. The Fund believes in the company’s resiliency during times of economic uncertainty to become and stay a staple within the restaurant industry.

**Competitors**

Brinker International, Inc (NYSE: EAT)
Cracker Barrel Old Country Store, Inc. (Nasdaq:GS CBRL)
The Cheesecake Factory, Inc. (NasdaqGS: CAKE)

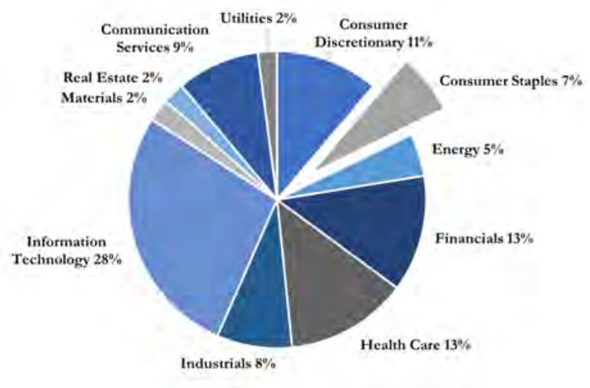
**Manager Coverage**

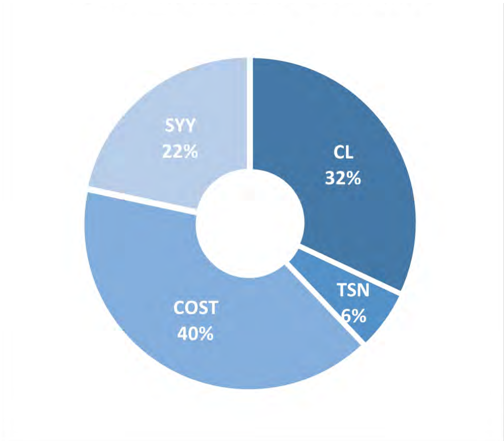
Evan Maushart

# Consumer Staples Sector Report

**Holdings as of September 30, 2023**

| Company | Ticker | Subsector | Weight in Sector (%) | Weight in Portfolio (%) | Market Value ($) | Semi-Annual Return (%) |
|---|---|---|---|---|---|---|
| Colgate-Palmolive Company | CL | Household and Personal Products | 32.01 | 2.11 | 120,292 | -4.45 |
| Tyson Foods | TSN | Food and Beverage | 5.91 | 0.39 | 22,207 | -13.44 |
| Costco Wholesale Corporation | COST | Food and Staples Retailing | 40.44 | 2.66 | 151,968 | 14.12 |
| Sysco Corporation | SYY | Food and Staples Retailing | 21.65 | 1.43 | 81,344 | -14.29 |




**Sector Review (%)**

| | |
|---|---|
| Sector Return: | 2.62 |
| Benchmark Sector: | -6.79 |
| Return: DCF Sector: | 6.60 |
| Weight: Benchmark: | 6.90 |
| Weight: Asset Allocation: | 0.0 |
| Security Selection: | 0.83 |

**Sector Team**

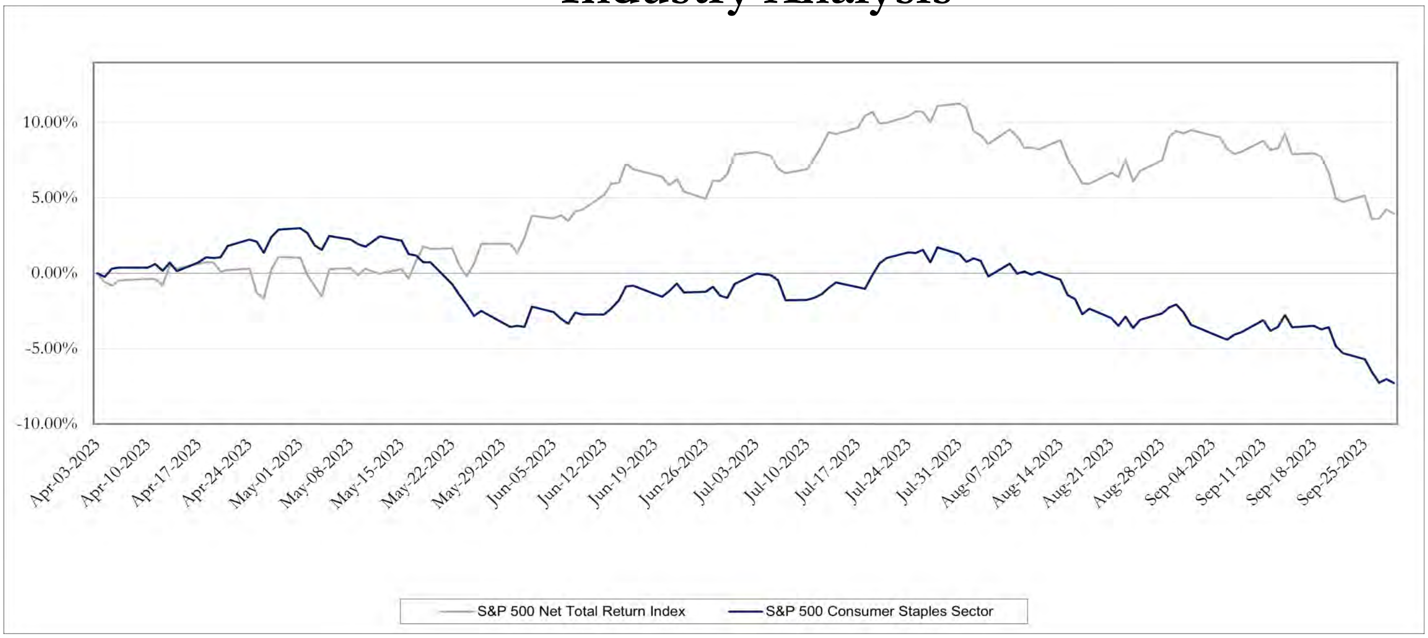
| | |
|---|---|
| **Manager:** | Jack Burke |
| **Sector Analysts:** | James Faust<br>Isha Patel<br>Charlie Rooney |

**Consumer Staples Sector Overview**

The Fund currently holds four positions within the  Consumer Staples sector. During the fiscal period, the Fund exited its position in Constellation Brands (STZ and split the funds between Sysco (SYY and Colgate Palmolive (CL. The Costco (COST) holding is currently the largest in the sector taking 40.44 percent of the sectors weight.

The Consumer Staples sector has been practically interested in the grocery industry as we follow the potential merger of Kroger and Albertson's and how that would play out for the rest of the industry's competitors. Furthermore, we are keeping a watchful eye of the alcoholic beverage industry as there has been a lot of turnover due to controversy. The sector continues to look for strong companies that can anchor the portfolio in downturns in the market.

# Industry Analysis




The Consumer Staples sector consists of companies that produce essential consumer products such as foods, beverages, household goods, and hygiene. Their business structures are typically less sensitive to economic cycles that impact the market due to their consumer demand. The Consumer Staples sector within the DCF currently holds Colgate-Palmolive, Costco, Sysco and Tyson Foods. The Consumer Staples sector contributed a 2.62 percent excess return to the Fund's performance this fiscal year.

The Fund's position in Costco is based on the belief in their strong demand and customer loyalty with over a 93 percent membership renewal rate in the most recent quarter along with 13 percent growth in new memberships. This strong loyalty allows them to retain customers as they slowly increase membership prices and become more profitable. Lastly, they will continue to see high margins by means of their business model of acquiring bulk product at low cost.

The Fund remains optimistic in Tyson Foods despite its difficult year. This confidence comes from their other segments of chicken and prepared foods carrying margins for the shortcomings in pork and beef due to swine and cattle shortages. The Fund acknowledges that Tyson needs to perform better from a profitability standpoint and has conviction that they will in the future if they continue to eliminate unnecessary costs.

The Fund maintains strong conviction in Colgate-Palmolive's strong market share and growth across many markets throughout the world, primarily their position in the pet-food industry, due to their strong profitability. Additionally, the Fund's conviction in Sysco comes from their ability to actively and successful operate their supply chains. They have been especially efficient in eliminating and identifying unnecessary expenses in their business model through their "Recipe for Growth" strategy. We have strong conviction in this position and their ability to constantly improve upon themselves. The Fund continues to actively monitor companies in the Consumer Staples sector and to find new opportunities for under-valuations and new positions to enter.

# What's Changing

**Inflation Threats**

As inflation continues to rise in the United States, it is having a large impact on the economy and some stocks in the Consumer Staples sector. Inflation is squeezing people's household incomes and as a result, people are trying to limit their spending on Consumer Staple goods. This has a direct effect on the Consumer Staples sector because people are buying less of the products and services that are provided by the companies and stocks in the sector. Still however, the Consumer Staples sector sees a lot less of inflations effect since the products provided in this sector are seen as being essential for most consumers. However, we will continue to see consumers tested on how and where they purchase their staples products and furthermore how consumer behavior is effected by price.

**Health Consciousness**

In 2023, more so than ever, people are looking to take action in order to better their health and increase their physical fitness presence in their life. The snack industry inside of Consumer Staples has been affected by this because consumers are buying less or even cutting it out completely. An example of an industry that is being affected by this is the beer and alcoholic industry. Additionally, there has been a surge in people buying weight loss drugs showing that people are putting their disposable income in other places than they normally would. Another example is that people are starting to shift away from meat products because of healthier alternatives. Plant based foods are becoming more popular in the industry as people are looking towards health. While there has been a definite increase in this trend, the staples industry is still seeing consistent revenues across these industries and as a result the staples industry is still curious to whether this trend will continue.

**Grocery Retailers Getting Smaller**

Kroger and Aldi are continuing to buy out smaller grocers making the space a lot harder to enter. Kroger has plans to merge with Albertsons, which is the second largest grocery store in the United States. This merger, if it is FTC approved, could send shock-waves throughout the staples industry. This consolidation is seen as a response to the competitive pressures posed by companies such as Walmart and Amazon entering the grocery sector. The industry is undergoing significant consolidation as the cost of food and labor increases. Another example of this is Aldi has also announced plans to purchase other supermarkets and grocers. Aldi's has already, up to thus point, acquired Winn-Dixie and Harvey's under their company flag. These mergers and acquisitions are good for the big grocers but could pose a problem for companies that are primarily in the production and processing of foods they will have less leverage in how much they can sell their products for.

# Semi-Annual Trade Report

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 4/14/2023 | Colgate Palmolive Co. | CL | SELL | 1,665.86 |
| 5/1/2023 | Colgate Palmolive Co. | CL | SELL | 5,294.51 |
| 5/15/2023 | Sysco Corp. | SYY | BUY | 10,804.47 |
| 6/5/2023 | Tyson Food Inc. | TSN | SELL | 20,686.54 |
| 6/20/2023 | Constellation Brands Inc. | STZ | BUY | 1,227.93 |
| 7/3/2023 | Constellation Brands Inc. | STZ | BUY | 1,493.28 |
| 7/10/2023 | Colgate Palmolive Co. | CL | BUY | 232.19 |
| 7/24/2023 | Constellation Brands Inc. | STZ | SELL | 11,062.82 |
| 8/7/2023 | Costco Wholesale Corp. | COST | BUY | 563.81 |
| 8/24/2023 | Tyson Food Inc. | TSN | SELL | 587.31 |
| 9/6/2023 | Constellation Brands Inc. | STZ | SELL | 82,058.68 |
| 9/6/2023 | Sysco Corp. | SYY | BUY | 40,598.52 |
| 9/6/2023 | Colgate Palmolive Co. | CL | BUY | 40,963.84 |
| 9/11/2023 | Tyson Food Inc. | TSN | SELL | 2,392.71 |

# Semi-Annual Trade Report

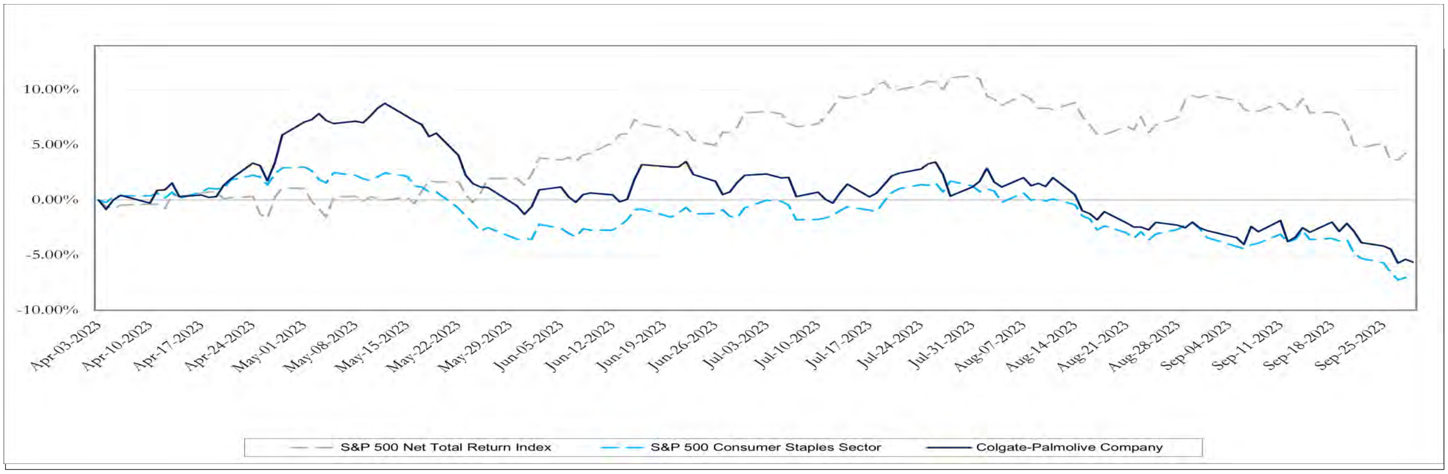
| Date | Company | Ticker | Buy/Sell | Amount |
|---|---|---|---|---|
| 9/26/2023 | Tyson Food Inc. | TSN | SELL | 6700.72 |

# Consumer Staples

**Colgate-Palmolive (NYSE: CL)** *Household and Personal Products*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 1700 | 2.11% | 32.01% | 25.54% |

| Beta | Current Price | Target Value | Growth Potential |
|---|---|---|---|
| 0.46 | $71.11 | $84.56 | 18.91% |




## Company Description

Colgate-Palmolive is a global company which manufactures and sells products oral, personal, home care products as well as pet nutrition products. Originally founded in 1806 in New York, they now have a multitude of brands sold globally to E-Commerce retailers, wholesalers, and distributors. The majority of their business comes out of Latin America where they had nearly 95 percent growth in 2022. Their largest growth segment is Pet Nutrition which has grown at a rate above 12 percent since 2020. The company's consistent growth presents a good opportunity to add value to the Fund.

## Investment Rationale

The Fund's investment rationale comes from resilient performance of Colgate-Palmolive regardless of tough market conditions. The firm saw immense growth in revenues during the onset and throughout the Covid-19 pandemic. In fiscal year 2019, the firm only saw one percent growth in revenues, verses in 2020 and 2021, they saw revenues grow at five percent each year. Furthermore, Colgate-Palmolive has been able to continue this positive growth trend year-over-year post-pandemic. Colgate-Palmolive has a stable market share in their respective industry of Oral, Personal and Home Care as well as recently last September looking to expand in the Pet Nutrition industry with their acquisition of Red Collar Pet Foods. Since this acquisition they have seen large revenue margins in this segment and will look to continue to innovate in an effort to yield returns.

## Competitors

The Procter & Gamble Company (NYSE: PG)

The Clorox Company (NYSE: CLX)

The Este Lauder Companies Inc. (NYSE: EL)

Church & Dwight Co., INC. (NYSE: CHD)

Kimberly-Clark Corporation (NYSE: KMB)

## Analyst Coverage

James Faust

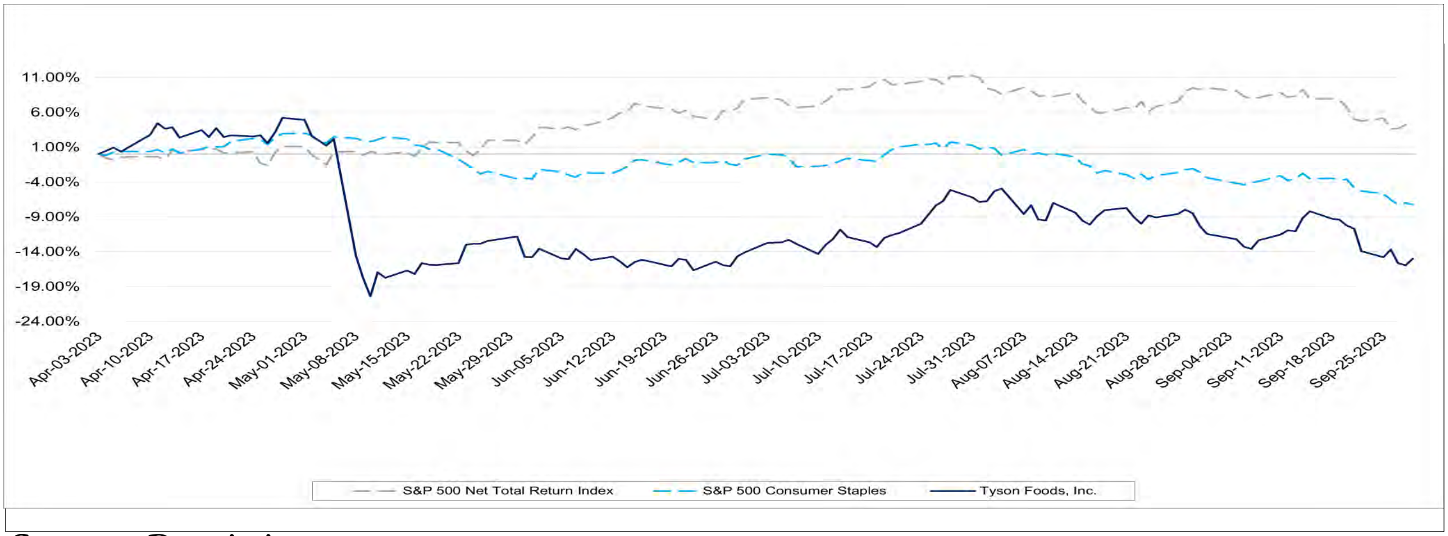
# Consumer Staples

**Tyson Foods (NYSE: TSN)**

*Food, Beverage and Tobacco*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 451 | 0.39% | 5.91% | -13.44% |

| Beta | Current Price | Target Value | Growth Potential |
|---|---|---|---|
| 0.81 | $50.49 | $95.96 | 90.05% |




## Company Description

Tyson Foods is a giant in the packaged foods and meats industry that operates globally to offer beef, pork, chicken, and prepared food products. Founded in 1935, Tyson is headquartered in Springdale, Arkansas and operates worldwide processing and distributing livestock based products. In 2022, Tyson reported an impressive 24 percent revenue growth in their chicken based product segment and 13 percent total revenue growth. We believe Tyson has potential to add value to the Fund as a holding going forward.

## Investment Rationale

The investment rationale in Tyson Brands is that the Fund sees upside from their revenues that should continue in the near future. Tyson has been resilient in situations that were uncontrollable within certain settings and found ways to stay profitable. One example of such scenario is the cattle and swine shortage which caused less product to be available to sell. With less product to sell and demands staying consistent from the brand, they were able to charge higher prices for the same products. Inversely, in the case of their Chicken Segment, they have a lot more product on backlog. Since there is still a steady demand, they are able to sell their products still at a higher rate while not being worried about a shortage.

## Competitors

Mondelez International, Inc. (NasdaqGS: MDLZ)

Hormel Foods Corporation (NYSE: HRL)

Pilgrim's Pride Corporation (NasdaqGS: PPC)

Conagra Brands, Inc. (NYSE: CAG)

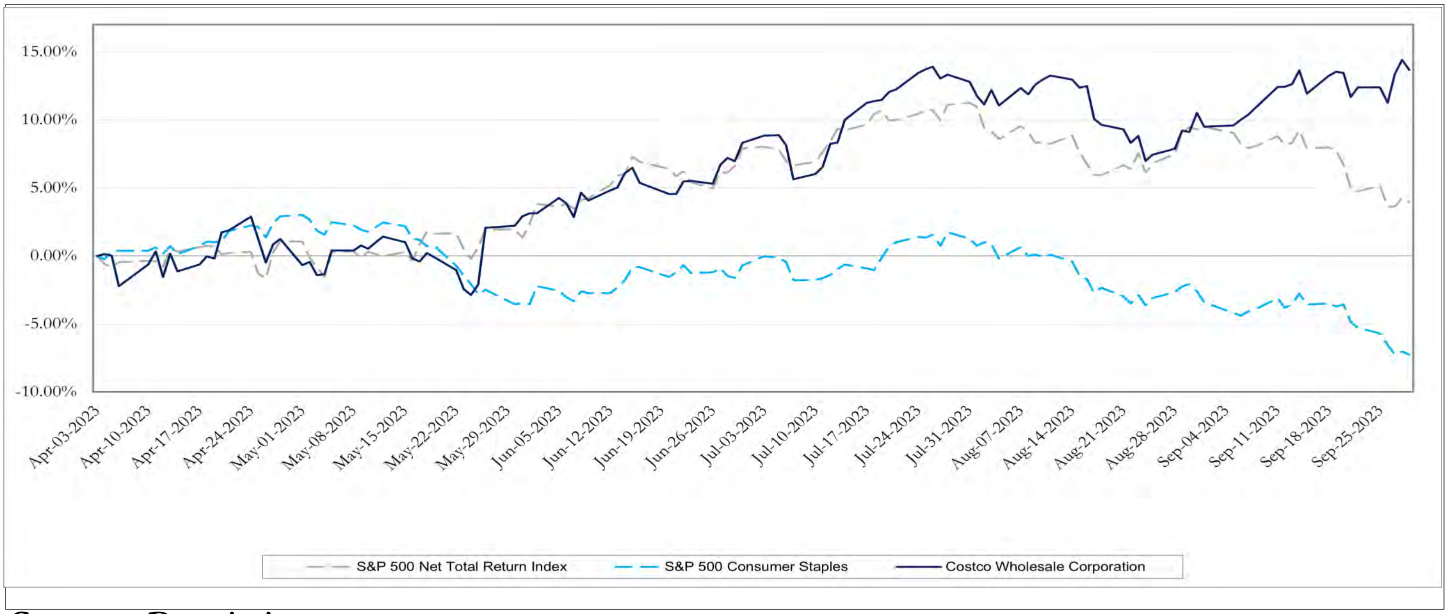
General Mills, Inc. (NYSE: GIS)

## Analyst Coverage

James Faust

**Costco Wholesale Group (NASDAQ: COST)** *Packaged Foods Retail*

| **Shares** | **Weight in Portfolio** | **Weight in Sector** | **Semi-Annual Return** |
|---|---|---|---|
| 266 | 2.66% | 40.44% | 14.12% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 0.77 | $560.67 | $586.66 | 4.64% |




## Company Description

Costco is a wholesale retailer with over 580 warehouses in the United States and 850 warehouses worldwide. It was founded in 1976 in Seattle Washington and had its initial public offering in 1985. Currently it is headquartered in Issaquah, Washington. Costco sells many different products and has a successful private label brand called Kirkland Signature. Costco plans to increase expansion into other countries such as China and these territory expansions are something that we believe will provide value to them in the future.

## Investment Rationale

The Fund's investment rationale in Costco lies in various different positive factors. Firstly, Costco will continue to expand in foreign markets as well as domestically. In the firms current year Q4 alone, they opened five new stores in the US, two in China (a market they will continue to look to expand in, and one each in Australia and Japan. Furthermore, they are continuing to see an increase in their memberships which saw a 13 percent increase most recently. Retention rates are fairly high, proven by their most recent report of 92 percent of members renewing. Even when shoppers are coming less frequently, Costco is seeing larger transaction prices. With these factors in mind, along with many other, the Fund feels this to be a strong position within the sector.

## Competitors

The Kroger Co. (NYSE: KR)

Pricesmart, Inc. (NASDAQ: PSMT)

Walmart Inc. (NYSE: CAG)

BJ's Wholesale Club Holding Inc (NYSE: BJ)

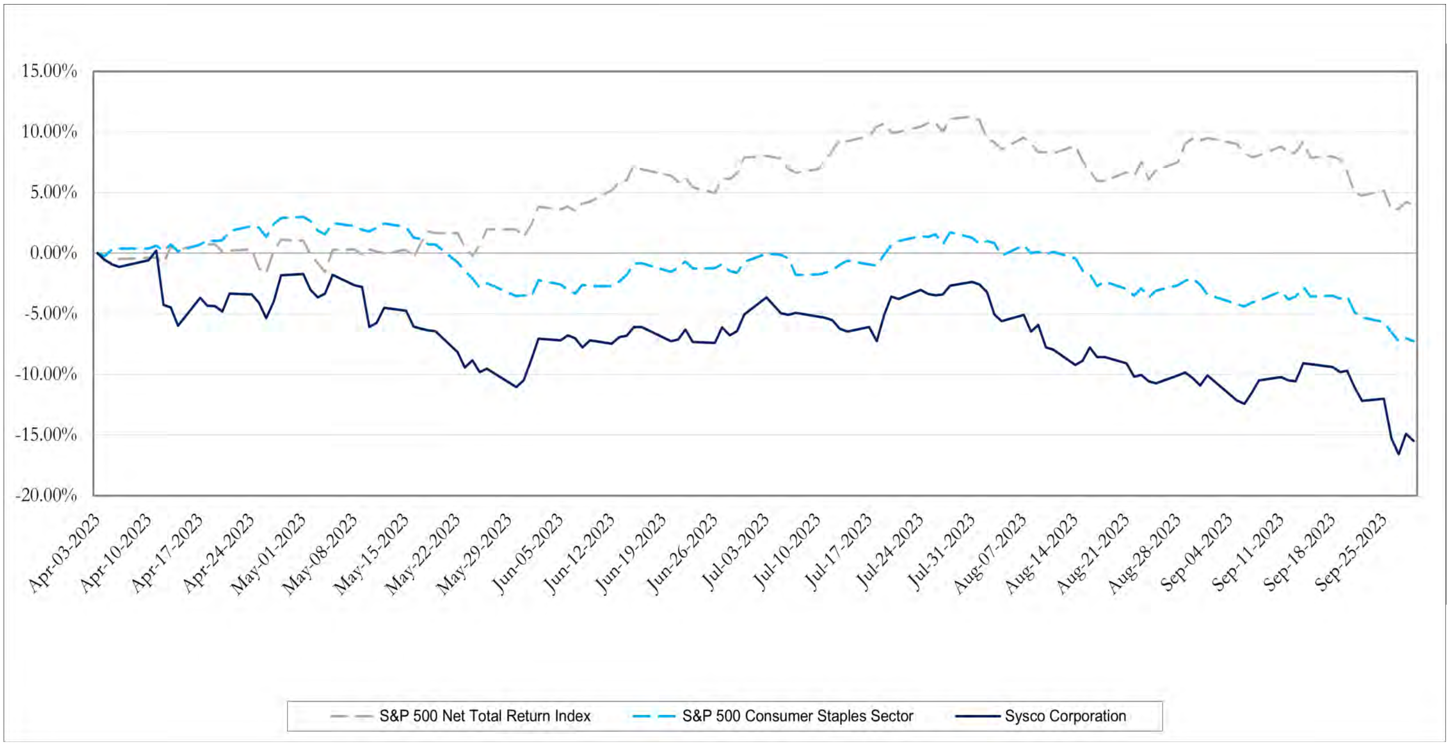
## Analyst Coverage

Isha Patel

**Sysco Corporation (NYSE: SYY)** *Food and Staples Retailing*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 1248 | 1.43% | 21.65% | -14.39% |

| Beta | Current Price | Target Value | Growth Potential |
|---|---|---|---|
| 1.13 | $66.05 | $98.04 | 48.43% |




## Company Description

Sysco is a multinational food distributor founded in 1969 and is currently headquartered in Houston, Texas. Their largest operation is in the United States and they supply food to restaurants and other food service establishments. They also have a strong presence internationally, operating in 90 different countries.

## Investment Rationale

The Fund's investment rationale for Sysco considers that they have been successful in limiting expenses which has made a meaningful impact on their bottom-line. This was accomplished by improving internal efficiency in their supply chain through a strategy project called "Recipe for Growth". As Sysco looks ahead, they are driven to expand this path that has been proven to be a success within their business model. The Fund sees their increases in gross margins as one that will yield results are the company's life continues.

## Competitors

Performance Food Group Company (NYSE: PFGC)

US Foods Holding Corp. (NYSE: USFD)

United Natural Foods Inc. (NYSE: UNFI)

Mitsubishi Shokuhin Co

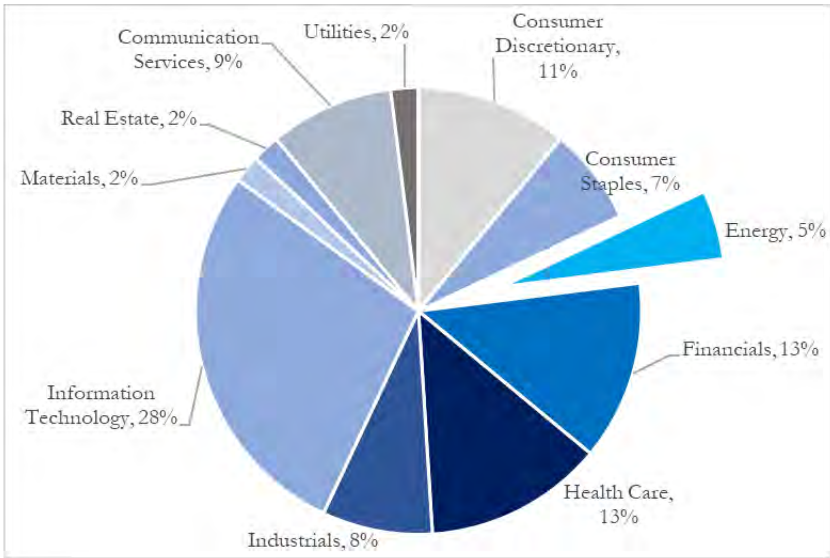
## Analyst Coverage

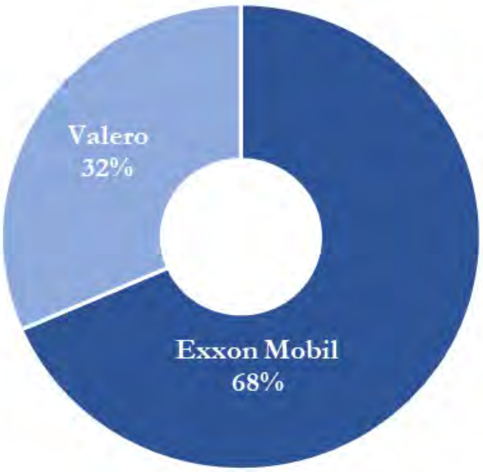
Isha Patel

# Energy Sector Report

**Holdings as of September 30th, 2023**

| Company | Ticker | Subsector | Weight in Sector (%) | Weight in Portfolio (%) | Market Value ($) | Annual Return (%) |
|---|---|---|---|---|---|---|
| Exxon Mobil | XOM | Integrated Oil and Gas | 69 | 3.30 | 188,616 | -1.66 |
| Valero | VLO | Oil and Gas Refining | 31 | 1.50 | 86,871 | 2.30 |



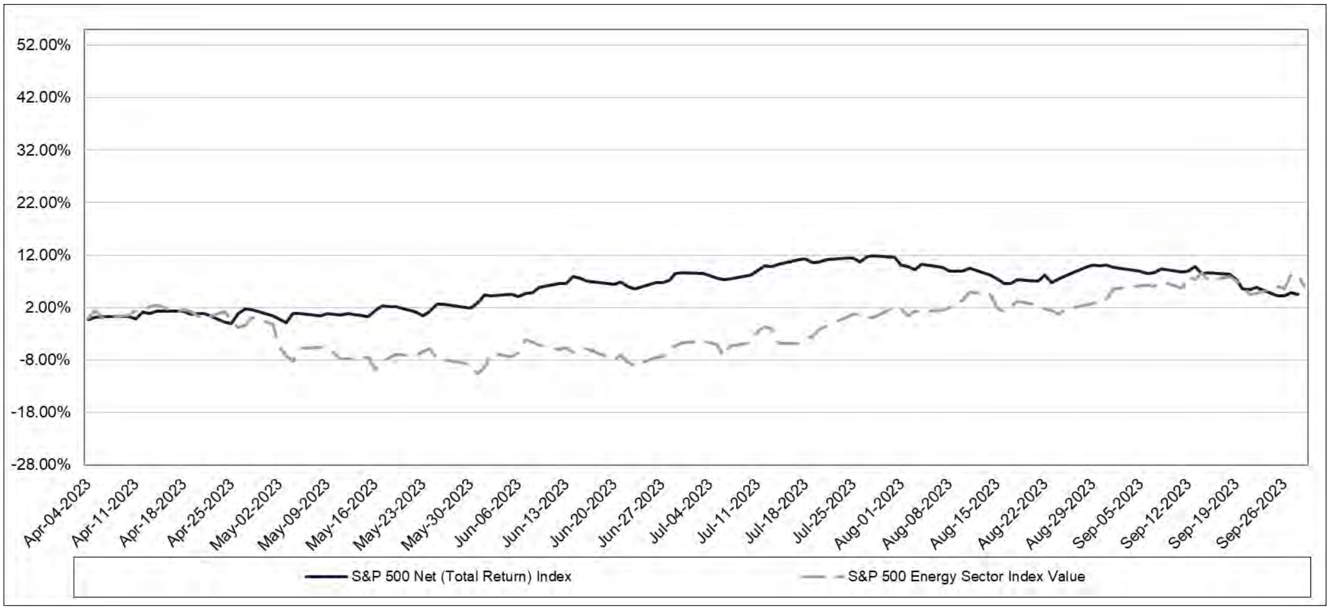

**<u>Energy Sector Overview</u>**

This quarter, the Energy sector sold its shares of Conoco Phillips. After updating our valuations, the Fund found that the historical revenue growths were extremely inconsistent and our analysis showed that our capital was better suited elsewhere. In conducting said analysis, analysts conducted updated valuations which showed much more conviction in the growth prospects of Exxon Mobil. Due to OPEC's slowing of production, supply of gas has lowered, driving up prices. This allows for domestic companies to hold higher margins on products sold. With this in mind, the Energy sector management decided to place more weight in companies which had more of a focus on operations in retail markets to take advantage of margins of rising gas prices as well as continued to pivot towards domestically produced energy sources.

| Sector Review (%) | |
|---|---|
| DCF Sector Return: | 10.86 |
| Benchmark Sector Return: | 9.34 |
| DCF Sector Weight: | 4.42 |
| Benchmark Weight: | 4.66 |
| Asset Allocation: | -0.03 |
| Security Selection: | -0.24 |

| Sector Team | |
|---|---|
| **Sector Manager:** | Aidan Cusumano |
| **Sector Analysts:** | Luke Denecker<br>Billy Hennessy |

# Industry Analysis




Oil, gas, and mining industries are often heavily effected by the geopolitical nature of the international commodities markets. We are surrounded every day by the benefits and drawbacks of non-renewable fossil fuels. Due to this, stocks within this sector often find themselves at the center of our investment decisions surrounding morality. As time passes, conversations surrounding zero-carbon emissions and renewable sources of energy seemingly increase. The Energy sector of the D'Artagnan Capital Fund maintains the belief that the companies within the crude and petroleum oil production industries show superior growth to that of "green alternatives" for the time being. While we have witnessed technological and social advancement in renewable energy, the current consensus of the market is that it is far too early before green energy generation infrastructures can compete with fossil fuel at scale. It is vital that the Fund prioritizes fundamental company analysis within any sector over succumbing to extremely politicized rhetoric. We find that companies which often lead in the fossil fuel industry are also making strides in the renewable energy field in order to have a market edge should transition be necessary. We seek to identify undervalued stocks and that mission remains the same regardless of our personal opinions surrounding the "environment conversation".

Due to multiple cuts in supply provided by OPEC, the continuation of the Russian-Ukraine War, and growing tensions in the Middle East, there has been considerable amounts of supply chain issues internationally. In addition to this, Kazakhstan; who supplies the majority of non-OPEC oil to Europe, has reaffirmed its commitment to cutting oil production through 2024. As a result, the Fund has prioritized companies which produce oil domestically in the United States, as well as Europe itself. The Energy sector management has identified an unprecedented opportunity in taking advantage of larger margins due to higher prices. Amid the shortage, nations are scrambling to secure their own domestic energy security by exploring for new sources of oil and gas. As energy generation continues to become more divided, supply falls internationally and desperation for unique alternatives will rise. As this happens, so does opportunity for identifying a plethora of mispricings within the Energy sector. While the Energy sector takes short-term losses in times of market instability, consistently performing domestic energy producers become more viable investments.

# What's Changing?

**A New Take On Relative Valuation**

In the last six months, the Energy sector was faced with a tall challenge of maintaining continuity utilizing the Fund's bottom-up approach, while keeping in mind macroeconomic trends which effect energy commodity markets. Major events which effected the sector these past six months were the violence in the middle east specifically regarding the Israeli-Palestine tension, additional governmental regulation placed on oil companies from the current political party in power, the ongoing Russian-Ukrainian war, and Kazakhstan's and OPEC's commitment to restricting supply. While these events effect our current assumptions regarding our companies, they do not change our fundamental valuation technique. Utilizing what we had learned from past semesters, the Energy sector has been diligent in how we want to improve upon our valuation techniques utilizing a more granular approach to relative valuation. There are numerous companies within this sector which have inconsistent revenue growth historically; such is the nature of the market. Providing a forward projection using past revenues serves little to no purpose in the way of accuracy due to large and unpredictable swings in total revenues. Utilizing a synthesis between commodity market forecasts, and unique relative valuation model which takes into account industry specific ratios, we were able to nail down more accurate and consistent revenue streams.

Variables such as wells completed, proven reserves, and growth of proven reserves allow for our analysts to complete a more accurate timeline. I would like to point out that this was a concept that was created by our predecessors but never fully executed upon until this semester. These ratios give insight into long-term growth, sustainability, and access to new product. Utilizing this technique, we can better estimate future revenue growth averages. While this valuation technique has been refined, we look forward to making it uniformed across not only all energy valuations, but also all sectors in general allowing for all sectors to be able to benefit from the information provided in unique sector relevant ratios.

The D'Artagnan Capital Fund has a unique ability to keep continuity with our strategy while also applying a fresh set of eyes to each valuation. This strategy has been built upon year after year and we are proud to be able to contribute to this tradition. As we move forward, we are confident that this valuation addition will stay for many classes to come.

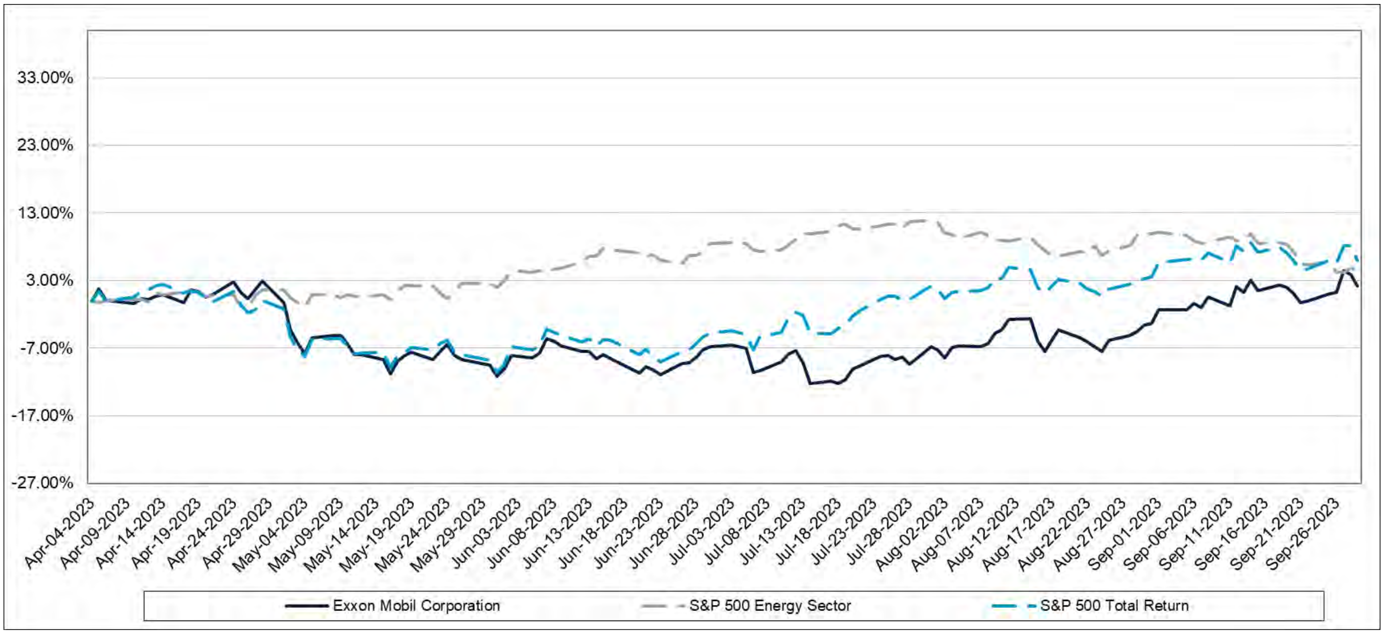
Aside from this, the Energy sector is committed to maintaining an edge on market movements. In order to hedge against systematic issues, which face the oil & gas industry, we have pursued high quality valuations for companies within the nuclear energy sector. We have found that within the last year there has been a decrease in populous fear and suspicion surrounding nuclear factory and potential reactor meltdowns and as an effect we feel that this energy form will come under more consideration in the future. The Energy sector is continuously seeking undervalued stocks and with recent regulation passing in western countries promoting nuclear energy production, we find that this may be an opportunity for growth. This opportunity will provide more diversification in the energy industry and although we maintain our belief that the oil industry has considerable room to grow, we will continue to seek under priced stocks which may very well come in the form of alternative energy.

# Semi-Annual Trade Report

| Date | Company | Ticker | Buy/Sell | Amounts ($) |
|---|---|---|---|---|
| 04/14/2023 | Conoco Phillips | COP | Buy | 1,862.42 |
| 05/01/2023 | Valero Energy Corp. | VLO | Buy | 7,625.87 |
| 05/15/2023 | Exxon Mobil Corp. | XOM | Sell | 7,900.59 |
| 06/05/2023 | Conoco Phillips | COP | Sell | 3,560.80 |
| 6/20/2023 | Exxon Mobil Corp. | XOM | Buy | 929.35 |
| 07/03/2023 | Exxon Mobil Corp. | XOM | Buy | 330.21 |
| 07/10/2023 | Conoco Phillips | COP | Sell | 4,264.67 |
| 07/24/2023 | Conoco Phillips | COP | Sell | 3,676.80 |
| 08/07/2023 | Conoco Phillips | COP | Buy | 3091.98 |
| 09/11/2023 | Exxon Mobil Corp. | XOM | Buy | 140,440.23 |
| 09/11/2023 | Conoco Phillips | COP | Sell | 148,126.15 |
| 09/26/2023 | Valero Energy Corp. | VLO | Sell | 7,736.67 |

**Exxon Mobil (NYSE: XOM)** *Integrated Oil and Gas*

| **Shares** | **Weight in Portfolio** | **Weight in Sector** | **Annual Return** |
|---|---|---|---|
| 1,641 | 3.29% | 68.47 | -1.66% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 1.01 | $117.58 | $133.95.17 | 13.92% |




## Company Description

Exxon Mobil Corporation (ExxonMobil) is the largest publicly traded oil and gas company in the world by market capitalization and revenue with operations in over 70 different countries. The company is a fully integrated energy provider that has grown over its 140-year history to be a world leader in energy production.

## Investment Rationale

ExxonMobil is a leader in the oil and gas industry with an average daily production of over 3.7 million barrels per day and an industry leading amount of proven and probable reserves. As the global energy transition takes longer than the market expected (with countries valuing energy security and stability over decarbonization), and the world economy grows, ExxonMobil is poised to see further demand growth into the future as almost one-half of all energy generation goes toward industrial activity. ExxonMobil is making sound strategic investments to meet demand growth by investing further into the Permian Basin in West Texas and off the coast of Guyana in South America.

## Competitors

Chevron (NYSE: CVX)

BP p.l.c. (LSE:BP)

Shell p.l.c. (LSE: SHEL)

## Manager Coverage

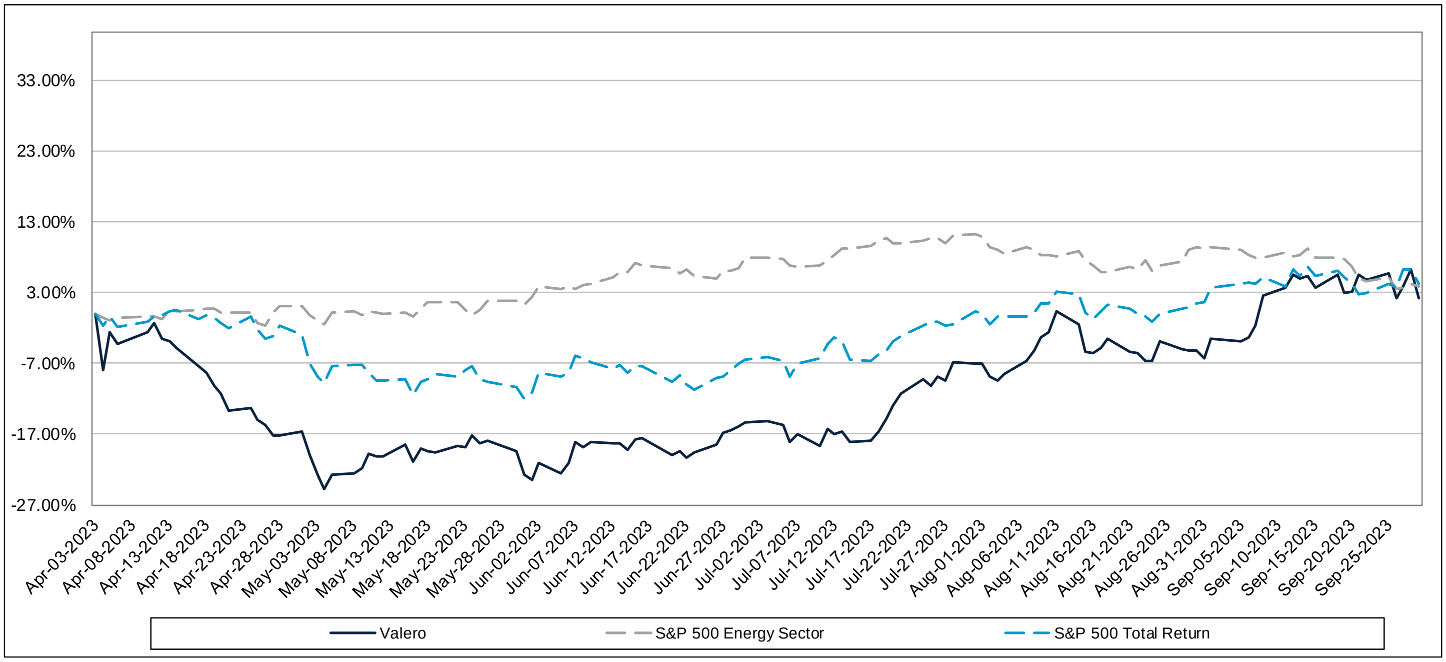
Aidan Cusumano

## Analyst Coverage

Luke Denecker

**Valero Energy Corporation (NYSE: VLO)** *Oil and Gas exploration and Production*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 598 | 1.51% | 31.53% | 2.30% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 1.66 | $141.71 | $150.75 | 6.38% |




## Company Description

Valero is a transportation fuel and petrochemical producer which has operations mainly in the United States and Canada as well as some drilling locations in the United Kingdom, Ireland and Latin America. Revenue generation is derived from selling under their own name as well as through subsidiary brands which include Beacon, Shamrock, Texaco, and Ultramar.

## Investment Rationale

With growing market instability in the Middle East, it is the Fund's belief that companies which produce and sell oil domestically provide more stable returns and therefore our bottom-up approach will be more consistent and less subject to outlying factors which will effect the market adversely. With growth in domestic drilling and high amounts of proven reserves, we feel Valero is a historically consistent performer which hedges against companies which produce oil in geographical locations of strife. We believe that, as foreign tensions rise, domestic producers such as Valero will see an increase in stock value.

## Competitors

Shell plc (NYSE: SHEL)

Hess Corporation (NYSE: HES)

BP p.l.c (LSE: BP)

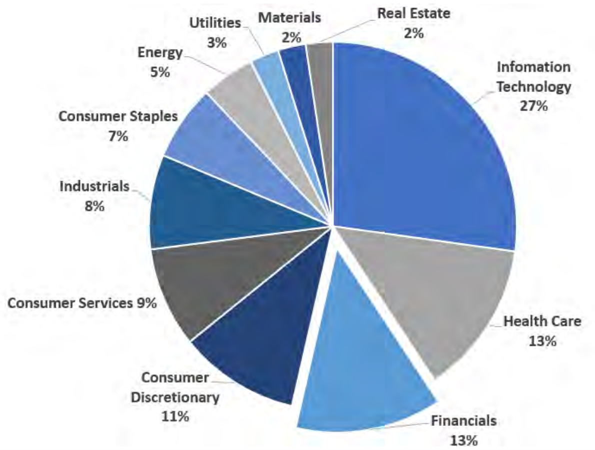
## Manager Coverage

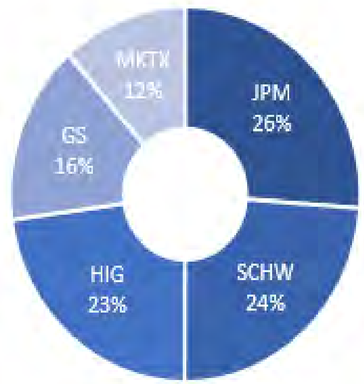
Aidan Cusumano

# Financials Sector Report

**Holdings as of September 30th, 2023**

| Company | Ticker | Subsector | Weight in Sector (%) | Weight in Portfolio (%) | Market Value ($) | Semi-Annual Return (%) |
|---|---|---|---|---|---|---|
| Charles Schwab | SCHW | Broker/Bank | 23.87 | 3.10 | 172,752 | 9.45 |
| Goldman Sachs | GS | Diversified Banks | 15.58 | 2.01 | 112,749 | 0.70 |
| Hartford Financial | HIG | Insurance | 22.78 | 2.89 | 164,892 | 2.36 |
| JPMorgan | JPM | Diversified Banks | 26.18 | 3.35 | 189,489 | 13.07 |
| Marketaxess | MKTX | Financial Technology | 11.60 | 1.50 | 83,980 | -44.82 |



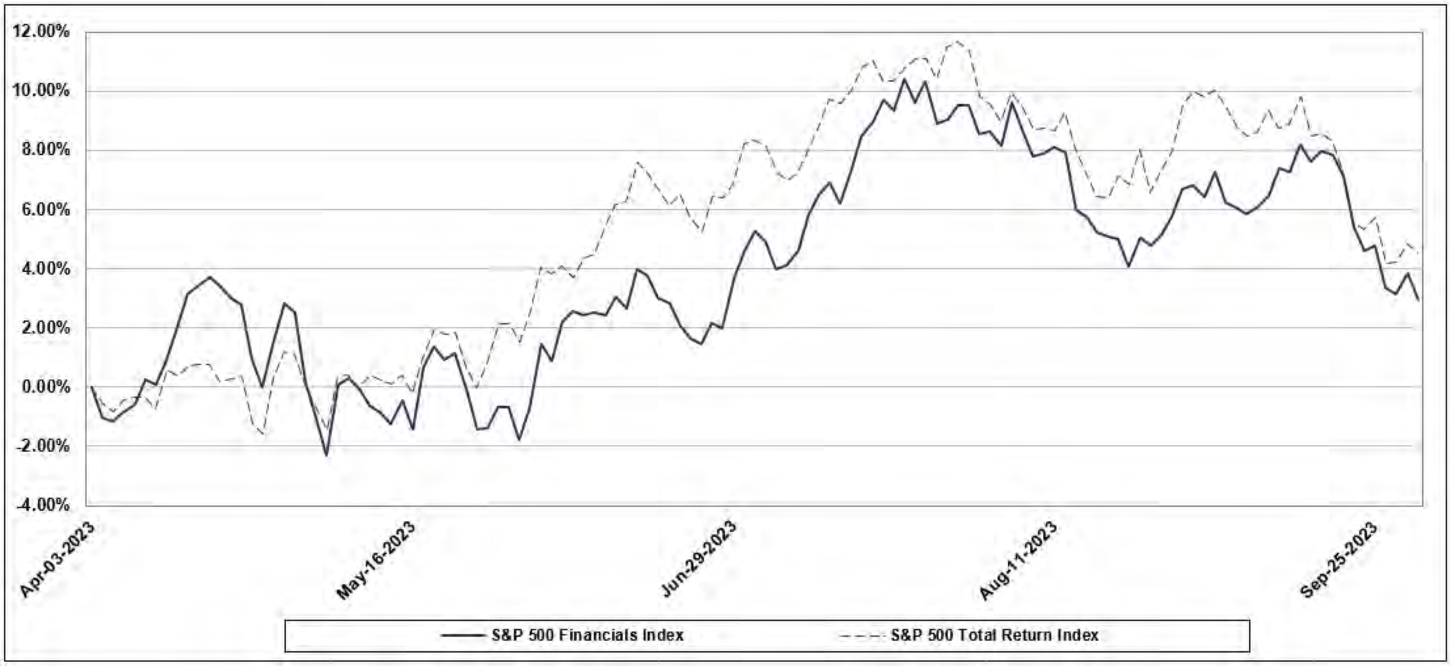

**<u>Financials Sector Overview</u>**

Over the course of the semi-annual period the Fund held seven firms within the Financials sector. These holdings cover many sub-sectors of Financials including diversified banks, asset managers, regional banks, insurance, brokerage, and financial technology. During the period, the Fund entered and exited a position in First Republic Bank. In addition, the Fund eliminated its position in BlackRock in favor of a position in Charles Schwab.

| Sector Review (%) | |
|---|---|
| Sector Return: | 2.99 |
| Benchmark Sector: Return: | 2.86 |
| DCF Sector Weight: | 12.57 |
| Benchmark Weight: | 12.91 |
| Asset Allocation: | 0.01 |
| Security Selection: | 2.97 |

| Sector Team | |
|---|---|
| **Sector Manager:** | Clayton Stumler |
| **Sector Analysts:** | Pat Flynn |
| | Luke Perez |
| | Josh Gonzalez |

# Industry Analysis




During the course of the semi-annual period, the Fund's Financials sector returned –2.99 percent. This is compared to the performance of the S&P 500 Financials Index benchmark which returned –2.86 percent.

Over the course of the semi-annual period, the Fund made several tactical trades within the Financials Sector. First, the Fund existed its position in BlackRock (NYSE:BLK) in order to open a position in Charles Schwab (NYSE:SCHW). BlackRock was trading near intrinsic in January of 2023 and received a fresh valuation in March of 2023. Analyst conviction showed the firm to be slightly overvalued by the market. In contrast, Charles Schwab was found to be severally undervalued by the market. At the time of valuation, Charles Schwab's share price had fallen significantly as a result of rampant fear resulting from the failure of Silicon Valley Bank and Signature Bank. The market was concerned that Charles Schwab may experience a similar fate due to the contents of their fixed income investment portfolio. Despite this, analyst conviction showed that Charles Schwab was fundamentally strong and held enough tier one capital to cover any major investment losses. This allowed the Fund to enter Charles Schwab at a discount and take advantage of the stock's recovery as fear subsided. Finally, the Fund exited its position in First Republic Bank. (NYSE:FRC). It was clear that the fear in the market ultimately compromised the fundamentals that analyst research showed to be strong. The Fund promptly existed this position to pursue other opportunities.

The Fund maintains its conviction in its current holding mix. Under valuations in JP Morgan and Goldman Sachs will provide stability through turbulent times within the sector. Both of these banks will act as safe havens for deposits and assets as the market continues to move away from smaller institutions. In addition, both firms offer a varied product mix to allow continued returns despite uncertainty. The Hartford and MarketAxess will continue to provide exposure to both insurance and market technology.

The Financials sector looks forward to continual research into regional banking, market technology and other strong opportunities that may present themselves within the sector.

# What's Changing?

**Regional Banking Fear Subsides**

As the dust has settled on the failure of three regional banks in Spring of 2023, fear in the market has faded leading to a slight rebound in some U.S. regional banking stocks over the summer. Time has shown that the large majority of regional banking intuitions are fundamentally strong, proven by the resilience of these companies over the past year. Despite heavy unrealized losses and continual interest rate hikes, these firms have remained stable. This is due largely in part to policies put into the place by the U.S. Treasury to back deposits as well as these institutions being well diversified in service lines and investments. It is clear that this crisis effected firms in very specific circumstances. The banks effected served a very specific high net worth clientele and in all cases lacked diversity in service offerings. The Fund has had the opportunity to benefit from these gains adding a position in Charles Schwab and conducting rigorous research into other regional banking stocks such as Truist Financial (NYSE:TFC).

**Federal Reserve Suspends Interest Rate Hike**

In an effort to slow the effects of inflation the Federal Reserve has made eleven rate hikes since March of 2022. These rate increase have had a large impact of all areas of the Financial sector. A pause in future interest rate hikes could mean increased stability in a sector plagued but uncertainty in the past year. In diversified banking we will likely see increased profitability on a smaller number of loans. In addition, the stability may help increase flow in the mergers and acquisitions (M&A) market. This change would bolster the returns of firms similar to Goldman Sachs that are heavily reliant on strong M&A. In addition, we will see changes in our holdings in insurance and market technology. In insurance, we will likely see firms employ different strategies in their investment portfolio to maintain profitability. In regards to our market technology holding, a pause in hikes may help increase fixed income trading activity and boost shareholder returns. We look forward to our analysts' continual research on how this topic will ultimately affect the portfolio.

**Artificial Intelligence**

As technology continues to advance, innovations in artificial intelligence (AI) will have a large impact on all the Fund's Financials holdings. In general, AI will help firms process data on a variety of topics from risk to customer experience. This will ultimately help firms gain a greater insight on their business, promoting growth and profitability. In addition, these advancements will allow companies to cut costs related to lower skill labor. This conviction has been reflected in the cost consideration within our analysts' models. Finally, AI will help regulators gain a better understanding of risk. This will likely lead to a changing regulatory environment that all of the Financial sector holdings will have to adapt.

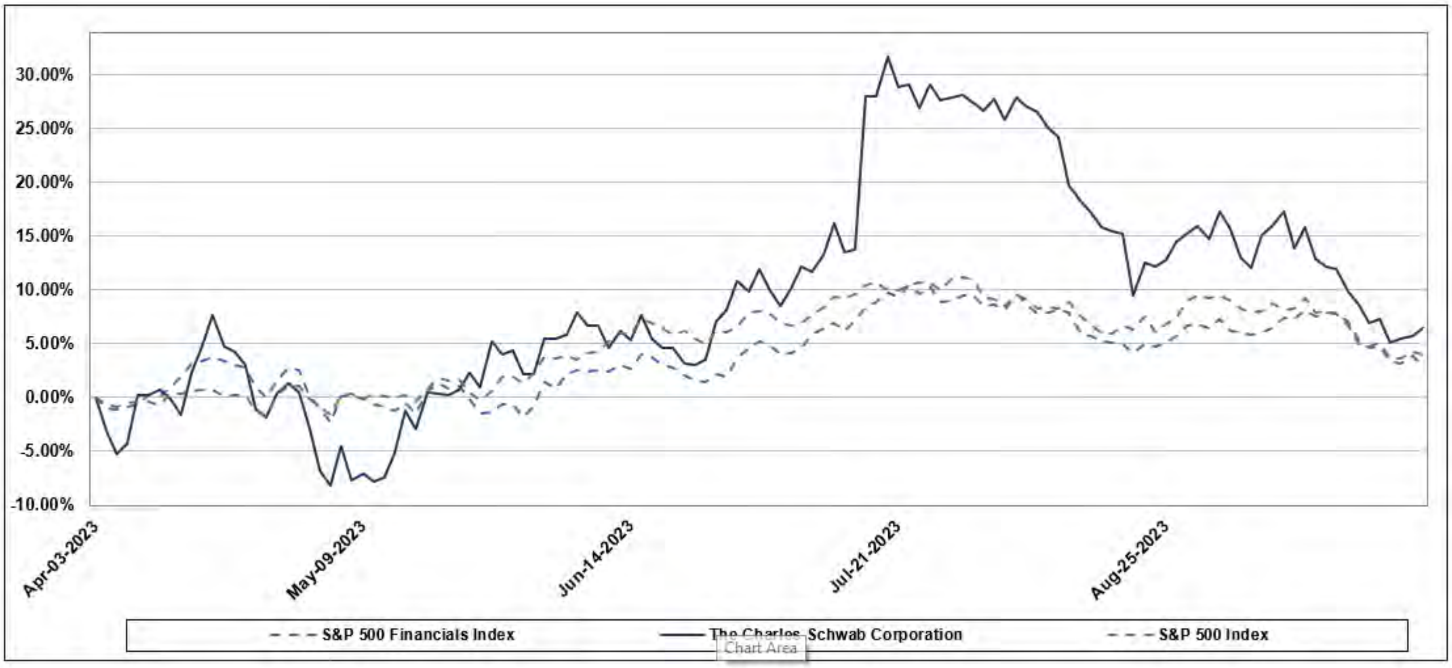
# Semi-Annual Trade Report

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 4/14/2023 | JP Morgan Chase | JPM | Buy | 19,005.78 |
| 4/14/2023 | BlackRock | BLK | Sell | 54,472.71 |
| 4/14/2023 | Charles Schwab | SCHW | Buy | 54,372.51 |
| 4/26/2023 | First Republic Bank | FRC | Sell | 55,025.31 |
| 4/26/2023 | Charles Schwab | SCHW | Buy | 54,950.86 |
| 5/1/2023 | Charles Schwab | SCHW | Buy | 89,470.87 |
| 5/15/2023 | MarketAxess | MKTX | Buy | 3,900.64 |
| 6/5/2023 | Charles Schwab | SCHW | Sell | 9,817.25 |
| 6/20/2023 | MarketAxess | MKTX | Buy | 15,006.93 |
| 7/3/2023 | Hartford Financial | HIG | Buy | 7,138.67 |
| 7/10/2023 | MarketAxess | MKTX | Sell | 242.67 |
| 7/24/2023 | Charles Schwab | SCHW | Sell | 30,574.67 |
| 8/7/2023 | MarketAxess | MKTX | Buy | 4,868.95 |
| 9/11/2023 | Hartford Financial | HIG | Buy | 30,530.21 |
| 9/26/2023 | Hartford Financial | HIG | Buy | 9,002.61 |

**Charles Schwab (NYSE:SCHW)** *Brokerage/Bank*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 3,226 | 3.10% | 23.87% | 9.45% |

| Beta | Current Price | Target Value | Growth Potential |
|---|---|---|---|
| 0.94 | $54.90 | $66.00 | 20.22% |




## Company Description

Charles Schwab Corporation is a leading broker and bank providing services to millions of clients across the United States. Schwab operates as one the largest asset managers in the world with seven trillion in assets under management. Alongside the brokerage business, the firm also provides retail and consumer banking services. In recent years, Schwab has experienced rapid growth with the acquisition of TD Ameritrade. Analyst conviction shows that the firm will continue to produce strong returns, utilizing their all weather business model and strong product mix.

## Investment Rationale

Charles Schwab is a firm that has been a leader in innovation in the retail brokerage industry since inception. Looking forward, the firm will continue to capitalize on innovation and growth to produce strong returns. In addition, Schwab maintains a strong product mix allowing them to be uniquely capable of weathering poor market conditions. Due to fear in market in Spring of 2023, Schwab's share price saw a strong decline. This allowed the Fund to enter this position at a discount and take advantage of the firm's share price recovery.

## Competitors

Raymond James Financial, Inc. (NYSE:RJF)

The Bank of New York Mellon Corporation (NYSE:BK)

Morgan Stanley (NYSE:MS)

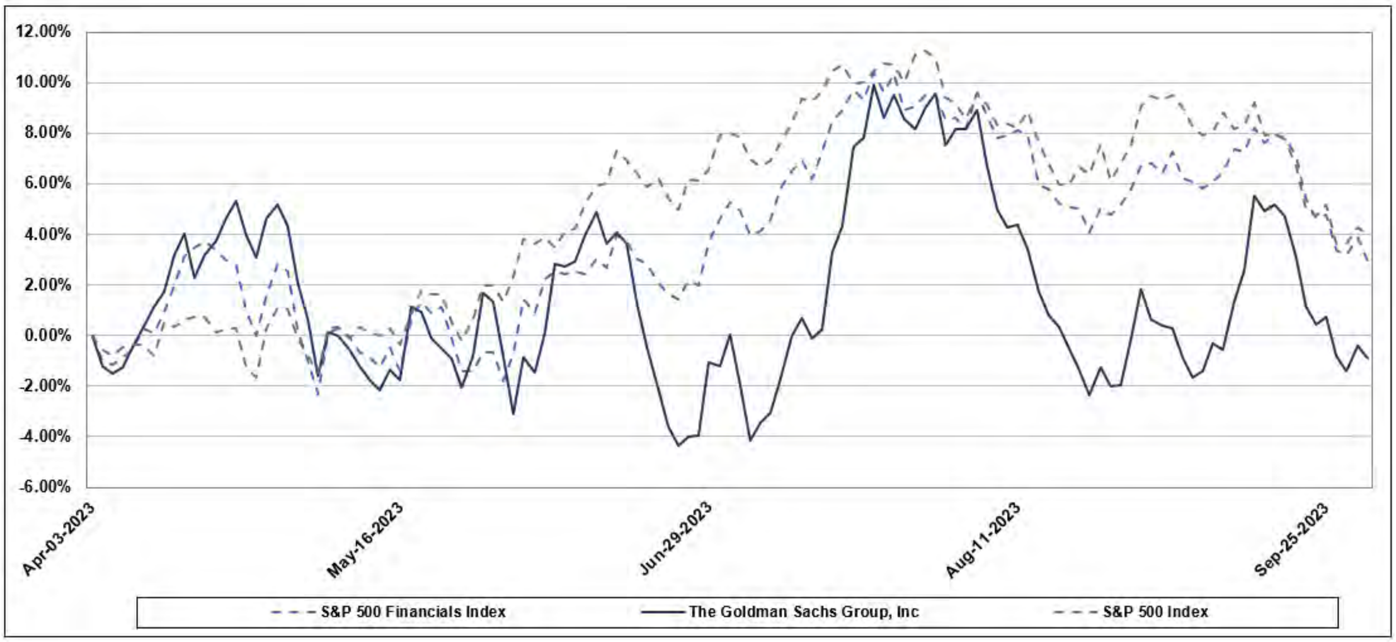
## Manager Coverage

Clayton Stumler

**The Goldman Sachs Group, Inc. (NYSE:GS)**

*Diversified Banks*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 354 | 2.01% | 15.58% | 0.70% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 1.42 | $323.57 | $387.66 | 19.81% |




## Company Description

Goldman Sachs (NYSE: GS) was founded in 1869. Since inception, they have acted as a leader for investment banking and financial management markets. The company conducts a wide variety of services that include security and investment management, wealth management, and lending practices. They continue to service a wide variety of clients ranging from individuals to other financial institutions.

## Investment Rationale

The Fund believes that Goldman Sachs has the potential for large growth within the next year. The most recent fiscal year has shown an overall negative trend in the stock market as a whole. Due to this, the returns for the company have been lower than in past years. With the market slowly recovering from the effects of COVID-19 and the following recession, Goldman Sachs demonstrates strength in performance and has the resources to make a strong rebound within our holding period of one year.

## Competitors

JP Morgan (NYSE:JPM)

Morgan Stanley (NYSE:MS)

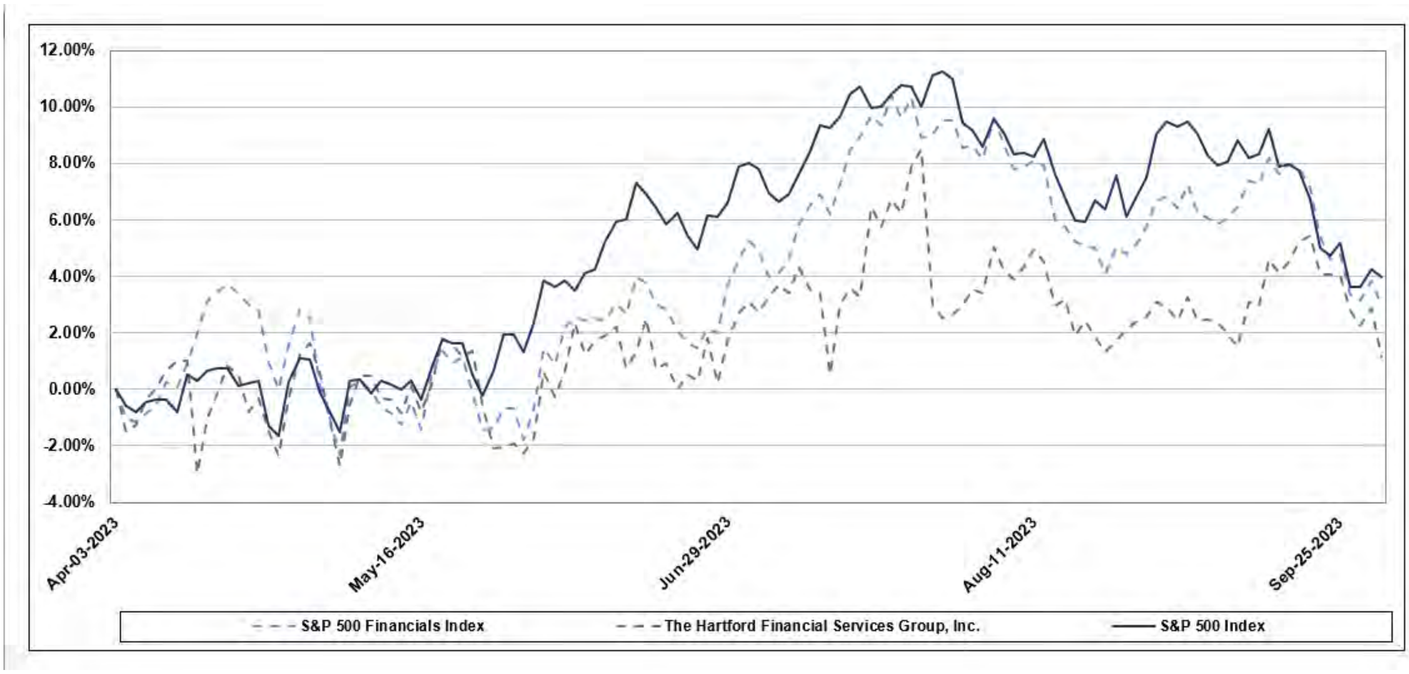
Bank of America (NYSE:BAC)

## Analyst Coverage

Pat Flynn

**The Hartford Financial Services Group, Inc. (NYSE:HIG)** *Insurance*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 2,328 | 2.89% | 22.78% | 2.36% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 0.83 | $70.91 | $98.35 | 38.70% |




**Company Description**

The Hartford was established in 1810 as a fire insurance company. In the time since, they have adapted to their customer's changing needs and have become leaders in property & casualty insurance, group benefits, and mutual funds. They have set themselves apart by establishing themselves as the exclusive provider of home and auto insurance for AARP members, cementing their mission to support local communities.

**Investment Rationale**

The Fund believes that The Hartford has potential for growth within the next year due to the strong performance exhibited against the comparable companies. The market has underestimated this performance along with the potential for sustained growth in the future. The Fund believes that this market mispricings in conjunction with the strong fundamentals represented in the financial results of the company have made an opportunity for investment.

**Competitors**

The Travelers Corporation (NYSE:TRV) Aflac

Incorporated (NYSE:AFL)

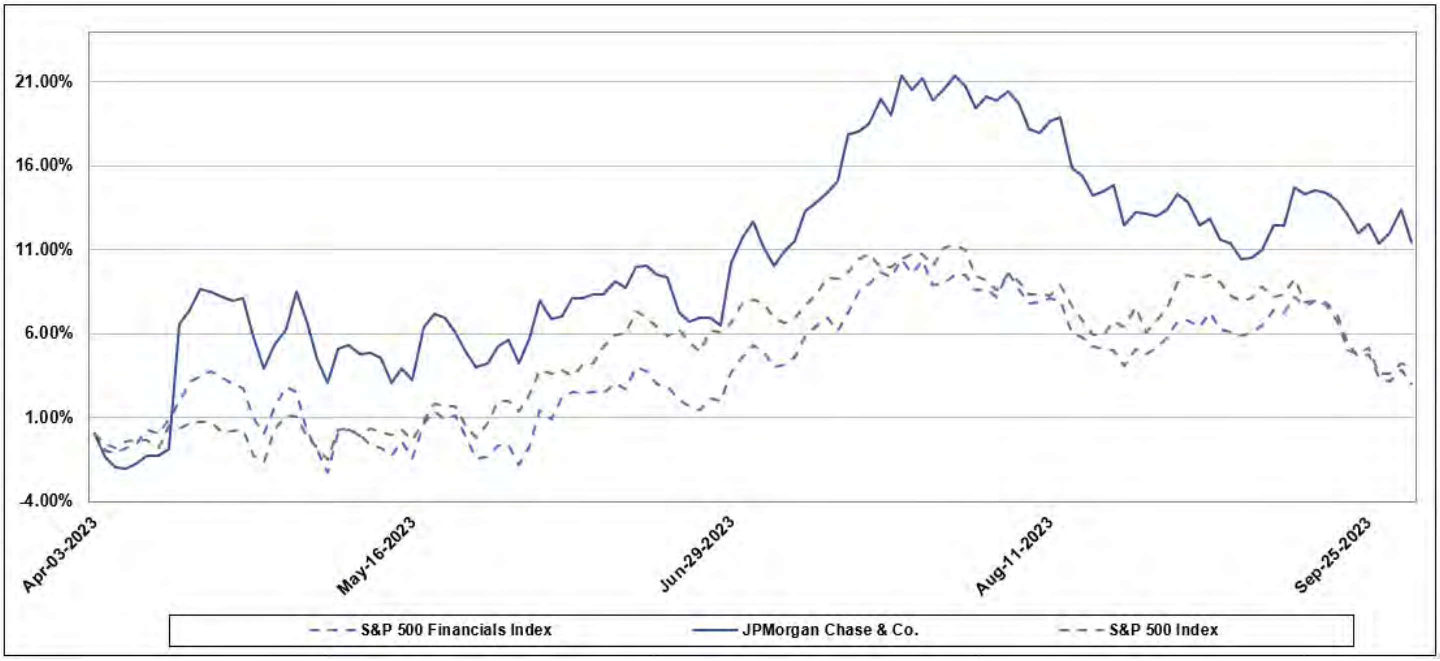
The Progressive Corporation (NYSE:PGR)

**Analyst Coverage**

Pat Flynn

**JPMorgan Chase & Co. (NYSE:JPM)** *Diversified Banks*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 1,318 | 3.35% | 26.18% | 13.07% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 1.10 | $145.32 | $161.51 | 11.14% |




## Company Description

J.P. Morgan Chase and Co. was founded in 1799 under the principles of providing exceptional client services and superb banking relations. As a world leader in consumer and commercial banking services, and investments, J.P. Morgan currently holds around three trillion dollars in assets under management. J.P. Morgan is headquartered in New York City, NY and maintains a strong global presence, operating in over sixty countries.

## Investment Rationale

Throughout its years, J.P. Morgan has consistently outperformed competing firms along with providing investors with exceptional returns. Their ability to attract top global talent and net high returns is attributed to the firm's "Fortress Balance Sheet". J.P. Morgan has a diverse and well-balanced product mix, currently earning a majority of their revenue through net interest income, and other segments of revenue not reaching above 20 percent. Lastly, the firm has continued their expansion in the Chinese an Asian Markets and in Mexico. The firm's strong fundamentals and continual out-performance of competitors will produce strong returns for The Fund well into the future.

## Competitors

Bank of America Co. (NYSE:BAC)

The Goldman Sachs Group, Inc.

(NYSE:GS) Morgan Stanley (NYSE:MS)

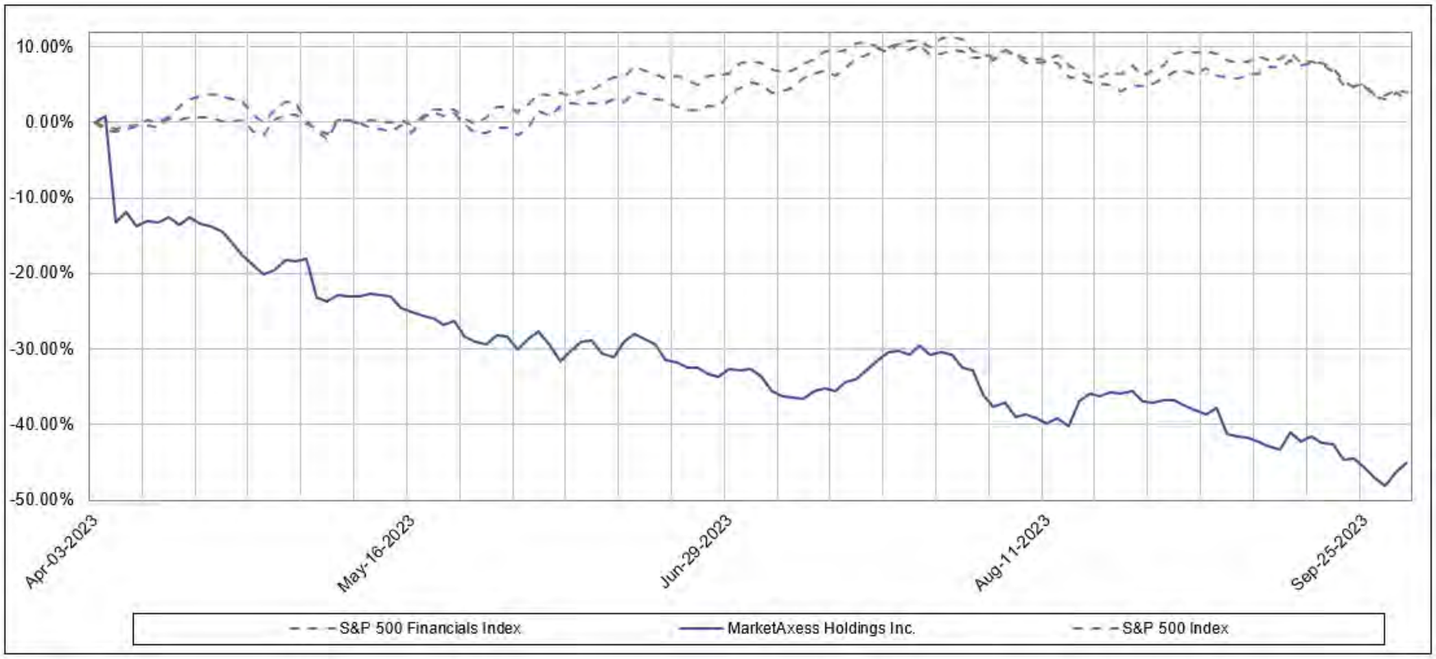
## Analyst Coverage

Luke Perez

*Market Technology*

**Marketaxess (NYSE:MKTX)**

| **Shares** | **Weight in Portfolio** | **Weight in Sector** | **Semi-Annual Return** |
|---|---|---|---|
| 400 | 1.50% | 11.60% | -44.82% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 0.92 | $213.64 | $432.67 | 102.52% |




## Company Description

Marketaxess is a leading financial technology company providing a platform for institutional access to fixed income markets. The company mostly operates in the trading of United States and European investment grade bonds, however, the firm has recently expanded operations to include emerging markets securities. A large value addition for the firm is the cost savings that is provided through more accurately determining prices of securities.

## Investment Rationale

The Fund's conviction in MarketAxcess lies in the continual expansion into new global credit trading markets, while maintaining its strong market share in United States and European markets. Notably, the firm has been greatly effected by decrease in overall fixed income trading volume in 2023 as a result of poor performance of the asset class. While MarketAxess' share price has dropped considerably, the Fund maintains that the company will continue to produce strong long term returns. This view is bolstered by the firm's continual ability to produce strong positive earnings while maintaining a powerful position in the market. For these reasons, the Fund believes that MarketAxcess will prove a strong investment well into the future.

## Competitors

Nasdaq, Inc. (Nasdaq:NDAQ)

Intercontinental Exchange (NYSE:ICE)

TradeWeb (NASDAQ:TW)

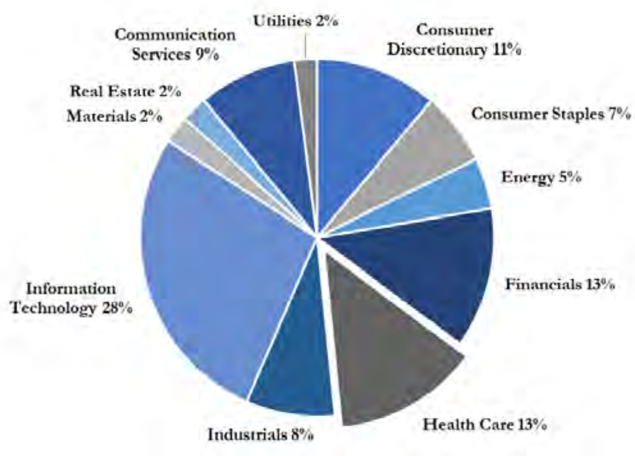
## Analyst Coverage

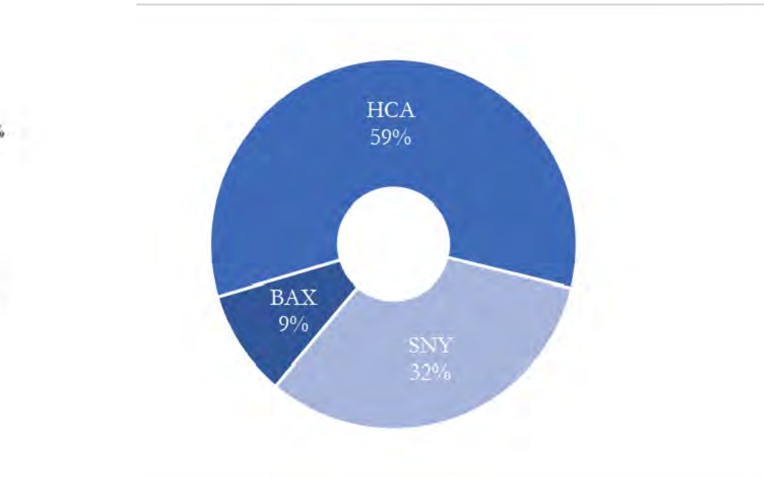
Luke Perez

# Health Care Sector Report

**Holdings as of September 30, 2023**

| Company | Ticker | Subsector | Weight in Sector (%) | Weight in Portfolio (%) | Market Value ($) | Annual Return (%) |
|---|---|---|---|---|---|---|
| Baxter International | BAX | Pharmaceuticals | 9.33 | 1.24 | 69,770 | -10.88 |
| HCA Healthcare, Inc. | HCA | Health Care Facilities | 58.45 | 7.73 | 443,248 | -6.47 |
| Sanofi | SNY | Pharmaceuticals | 32.33 | 4.29 | 244,164 | 2.73 |




## Health Care Sector Overview

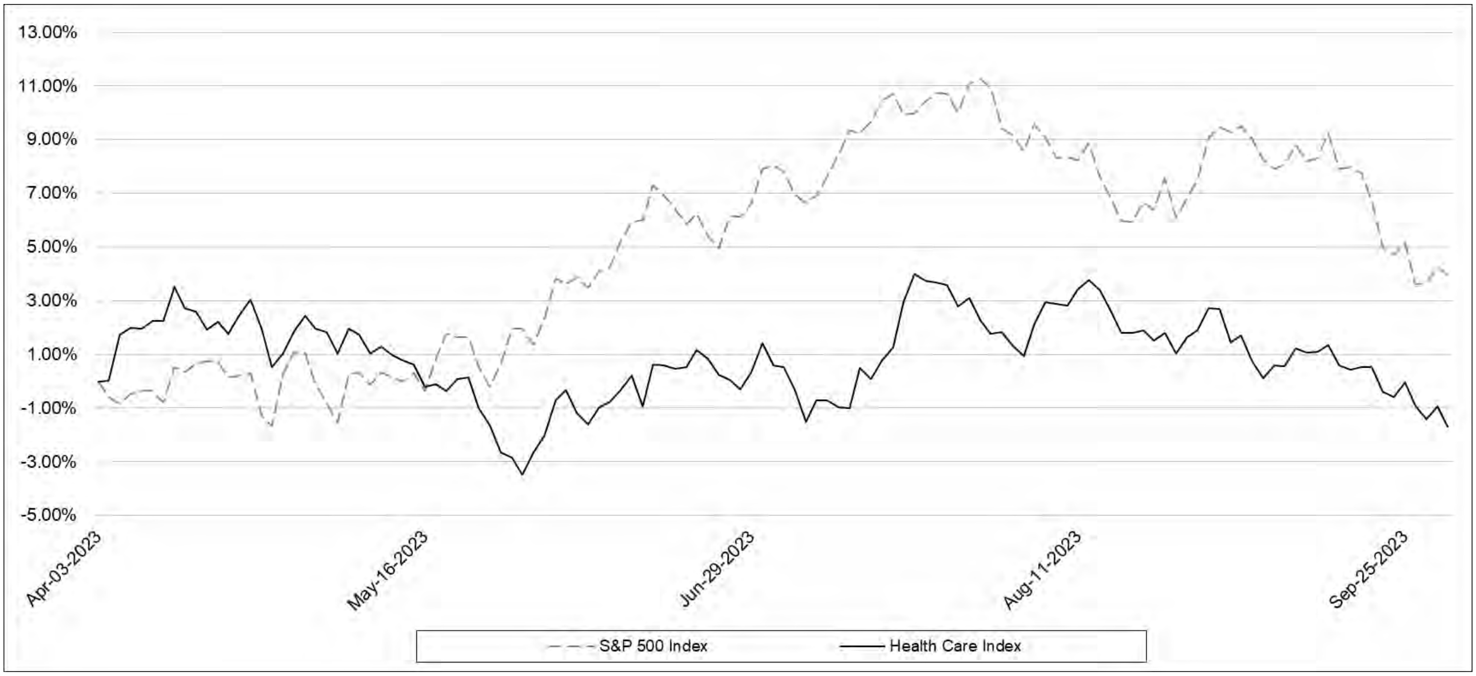
The Fund currently has positions in pharmaceuticals and healthcare services. Our focus was to mitigate risk while producing the largest return for our investor. Throughout the semi-annual period, the Fund held positions in Baxter Intl., CVS Health Corp, HCA Healthcare, Inc., and Sanofi.

The Fund exited the position in CVS Health Corp as their intrinsic value was hit during the period. With COVID-19 on the uptick these last few months, the Fund has positioned itself in the most undervalued equities in the Healthcare space. With this uptick in COVID-19, many Healthcare companies had to raise costs towards consumers to fight the macroeconomic impact of the Fed. This made for the Healthcare industry to be far worse in the month of September.

| Sector Review (%) | |
|---|---|
| DCF Sector Return: | -4.93 |
| Benchmark Sector Return: | -0.63 |
| DCF Sector Weight: | 13.70 |
| Benchmark Weight: Asset | 13.78 |
| Allocation: Security | 0.00 |
| Selection: | -0.41 |

| Sector Team | |
|---|---|
| **Sector Manager:** | Jimmy Racher |
| **Sector Analysts:** | Nick Collins |
| | Johanna Kreilick |
| | Julia Thomas |

# Industry Analysis




Overall, the Healthcare sector has been very impacted by COVID-19 over the past couple of years. Although Healthcare had a major uptick in the market during COVID-19, we have seen a decline since then. Specifically, this past month of September being especially poor.

As a sector, Healthcare as a sector is weighted as the second largest sector in the S&P 500, holding a weight of around 13 percent. The sector contributed a -4.93 percent return on the market. Healthcare has many subsectors including pharmaceuticals, biotechnology, medical equipment, and health care equipment & services. The Fund is currently holding two of these subsectors: pharmaceuticals and healthcare equipment & services. These subsectors produced returns of 2.32 percent and –8.21 percent, respectively.

With the impact that the Healthcare sector has faced in the recent months, the Fund has positioned itself to have the most undervalued stocks in an overvalued market. The Fund exited their position from CVS Health Corp due to the stock becoming overvalued through our bottom-up process. CVS Health Corp had been a bottom performer for the summer of 2023.

On the horizon, the Fund has noticed the impact the weight loss drug, Ozempic, has had on the market. This resulted in Novo Nordisk seeing large jumps in their stock price and overall market value. This outlier in the market is an example of a company that has done extremely well even in an economic downturn. The Fund hopes to find more companies with these types of market micspricings in our current economic landscape.

Post COVID-19, the fund has positioned itself well in the current market. With increases in interest rates along with downturns in the month of September, the Fund has seen the Healthcare sector grow with large contributors like HCA Healthcare. The Fund is confident that the under valuations in the portfolio will become opportunities in the near future.

# What's Changing

**Surge in COVID-19 Hospitalizations**

In the past couple of months, there has been more and more cases of COVID-19 around the world, specifically around the East coast. This resulted in an increase in hospitalizations, which escalated year-over-year by 21 percent. This summer, many companies worried about of the ramifications of these trends in COVID that influence this upcoming flu season.

Companies like HCA Healthcare, a current holding of the Fund, have been seeing this increase directly with many hospitals going back into their COVID-19 protocol. Looking back when COVID-19 first burst onto the scene, HCA Healthcare saw a large dip in stock price followed by a surge in price throughout the pandemic. For this reason, and the under-valuation of HCA Healthcare, the Fund is in a great position to generate excess return from the market with this large holding.

**Weight Lose Drug: Ozempic**

As a sector, Healthcare has been down due to the prices of drugs and the market sentiment with interest rate hikes. This made for an economic downturn for most Healthcare companies, resulting in lower stock prices. One company that seems to have been progressive through this all is Novo Nordisk, with their weight lose drug, Ozempic. This has created much noise around the company in general, allowing for a dramatic increase in the price of the stock and the sales of the drug. Along with the side-effect of weight loss, the drug also has been said by Novo Nordisk to have positive impact on fighting kidney diseases. Since the market is aware of these two factors, Ozempic has been seen as a "miracle drug" for those who struggle with these underlying conditions. For the Fund, this means that even in an overvalued market, there will usually be undervalued stocks. Being able to find them is key in created increased security selection.

# Semi-Annual Trade Report

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 4/12/2023 | Baxter Intl. | BAX | Buy | 92,453.10 |
| 4/14/2023 | CVS Health Corp. | CVS | Buy | 4,288.52 |
| 5/01/2023 | HCA Healthcare | HCA | Sell | 48,352,52 |
| 5/08/2023 | Sanofi | SNY | Sell | 5,503.71 |
| 5/08/2023 | Baxter Intl. | BAX | Buy | 5,469.14 |
| 5/15/2023 | HCA Healthcare | HCA | Buy | 17,700.53 |
| 6/05/2023 | Sanofi | SNY | Buy | 9,840.04 |
| 6/20/2023 | CVS Health Corp. | CVS | Sell | 25,693.33 |
| 7/03/2023 | CVS Health Corp | CVS | Sell | 14,213.98 |
| 7/10/2023 | HCA Healthcare | HCA | Buy | 9,158.25 |
| 7/24/2023 | Sanofi | SNY | Buy | 17,475.02 |
| 8/07/2023 | HCA Healthcare | HCA | Buy | 35,252.15 |
| 8/24/2023 | Sanofi | SNY | Sell | 3,919.68 |
| 9/11/2023 | Baxter Intl. | BAX | Sell | 15,529.37 |

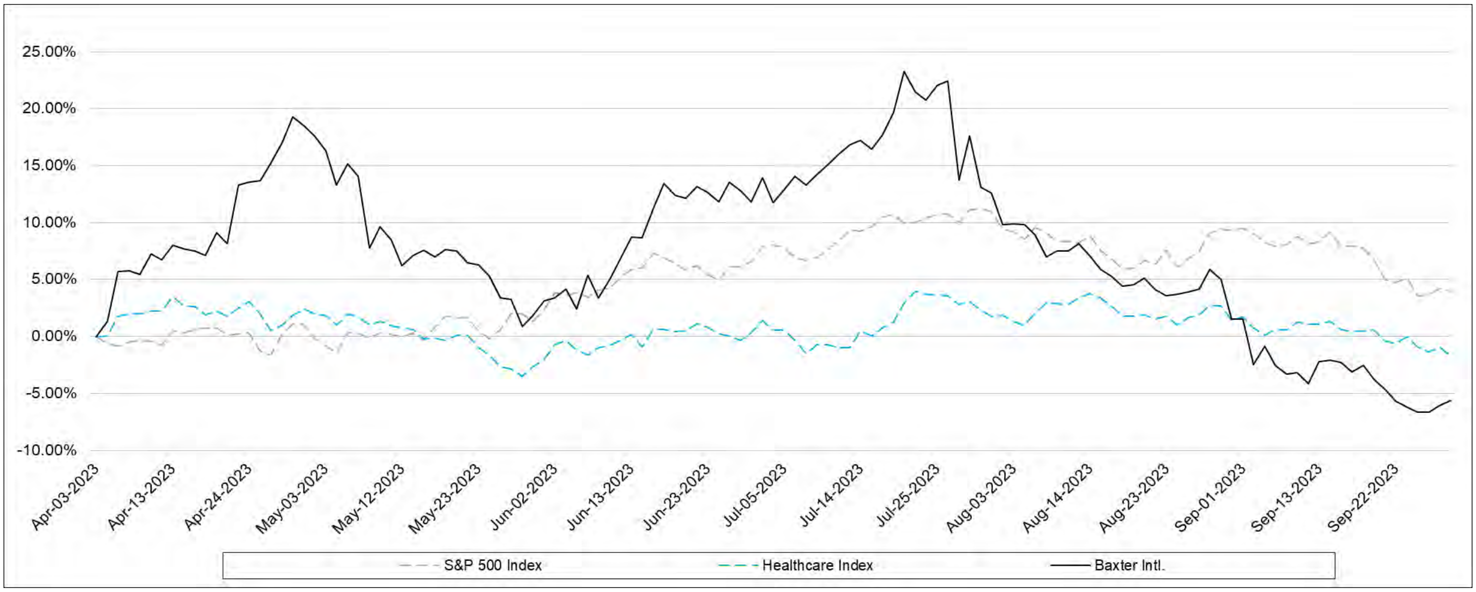
# Semi-Annual Trade Report

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 9/26/2023 | Sanofi | SNY | Buy | 12,502.49 |
| 9/26/2023 | HCA Healthcare, Inc | HCA | Buy | 11,266.50 |

**Baxter International INC (NYSE:BAX)** *Health Care Equipment & Services*

| **Shares** | **Weight in Portfolio** | **Weight in Sector** | **Annual Return** |
|---|---|---|---|
| 70,498 | 1.24% | 9.33% | -10.88% |

| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
|---|---|---|---|
| 0.61 | $37.74 | $56.78 | 50.45% |




## Company Description

Baxter International is a Healthcare company that focuses on kidney disease through dialysis treatment with various pharmaceutical drug options. For context, dialysis is the removal of excess water in the kidneys. Baxter focuses on growing their company through leadership, governance, innovation, and more. They are headquartered in Illinois, but work internationally to improve and expand global healthcare.

## Investment Rationale

Baxter Intl. acquired Hillrom in late 2021 and has added a great portion of revenues to their company. Hillrom is a medical technology company that also works internationally. This merger made Baxter International expand their global footprint, and gave them more opportunities to find growth opportunities in International markets. The Fund sees this acquisition paying off in the long-term as both companies are now able to share costs in similar industries. The Fund forecasted that their revenues are continuing to grow with the exception of their BioPharma segment.

**Competitors**

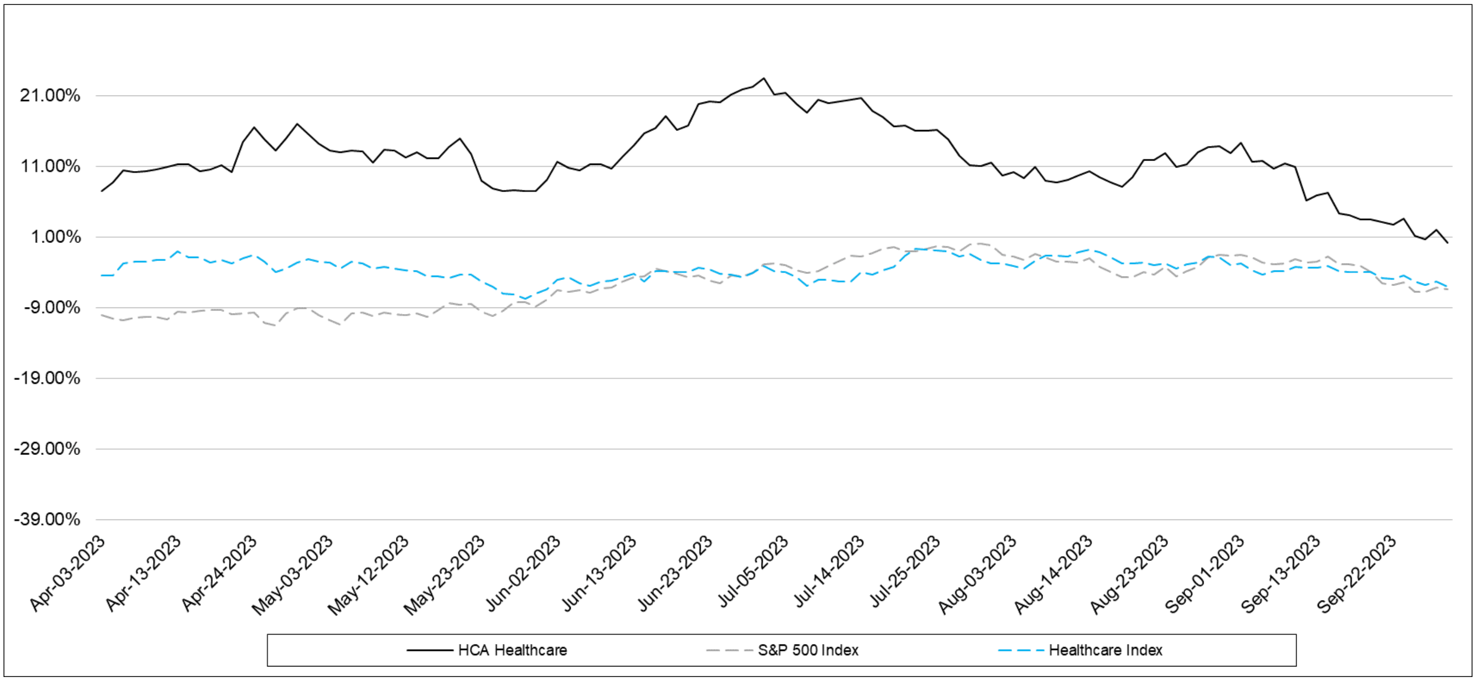
Medtronic Plc (NYSE: MDT)
Becton, Dickinson, and Co. (NYSE: BDX)

**Analyst Coverage**

Julia Thomas

**HCA Healthcare, Inc. (NYSE:HCA)** *Health Care Equipment & Services*

| Shares | Weight in Portfolio | Weight in Sector | Annual Return |
|---|---|---|---|
| 1,793 | 7.73% | 58.45% | -6.47% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 1.65 | $245.98 | $290.11 | 17.94% |




**Company Description**

HCA is a company that operates in the United States and the United Kingdom. They own and operate nearly 200 hospitals and over 2,000 other sites of care. They are the largest player in this space and have seen massive growth in the past, which the Fund capitalized on. Throughout the Covid-19 pandemic, HCA presented many issues like hospital occupancy being nearly 100% everyday.

**Investment Rationale**

HCA has been the largest holding in the Healthcare sector for the the last year. They have seen major growth since the start of COVID-19 by owning and operating numerous medical facilities. Given that COVID-19 resulted in many hospitals to be full at all times, this allowed for HCA to gain market control. Along with this, COVID-19 allowed for more research to be done while also hastening research done by doctors. Along with this, HCA has diversified its revenue streams, and now sell insurance through MediCare Advantage and Medicaid.

**Competitors**

Encompass Health Corporation (NYSE:EHC)

Universal Health Services, Inc. (NYSE:UHS)

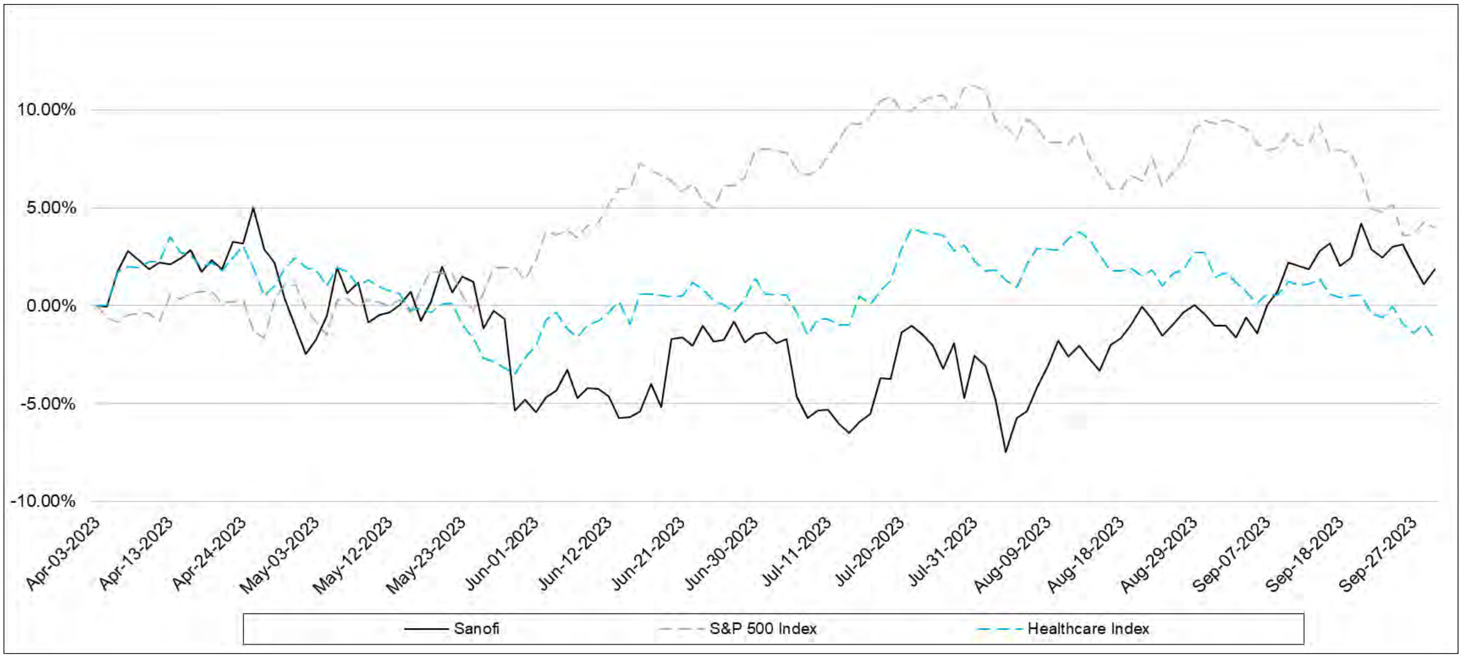
**Analyst Coverage**

Johanna Kreilick

**Sanofi SA (NASDAQ: SNY)** *Pharmaceuticals, Biotechnology & Bio Sciences*

| Shares | Weight in Portfolio | Weight in Sector | Annual Return |
|---|---|---|---|
| 4,557 | 4.29% | 32.33% | 2.73% |

| Beta | Current Price | Target Value | Growth Potential |
|---|---|---|---|
| 0.40 | $53.64 | $145.57 | 171.38% |




## Company Description

Sanofi SA is a French Healthcare company that operates in Pharmaceuticals, Vaccines, and Consumer Health sectors with a strong presence in the US and Europe and an expanding international focus. The company specializes in areas like neurology, immunology, rare diseases, oncology, and rare blood disorders. With their main products being Dupixent and Insulin. These products aid with vaccines & individuals suffering from diabetes.

## Investment Rationale

Sanofi's diversification, both in terms of products and geographic revenue segments, provides the added benefit of exposure to foreign equities. In Q2 2023, Sanofi experienced a 3.3 percent year-over-year growth in sales, driven by strong performance in Specialty Care (notably Dupixent) and Vaccines. Although there may be slight sales projections for 2023 due to currency challenges and exclusivity loss for certain products, Sanofi's business operating income margin improved in Q2 2023, indicating operational efficiency gains.

## Competitors

Bristol-Myers Squibb Company (NYSE:BMY)

Merck & Co., Inc. (NYSE:MRK)

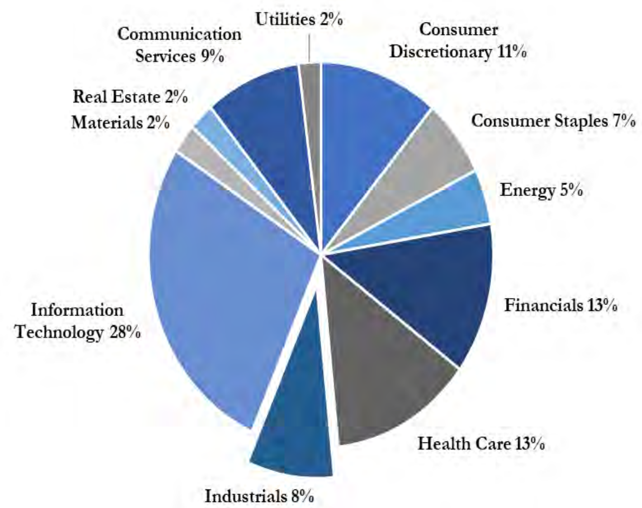
## Analyst Coverage

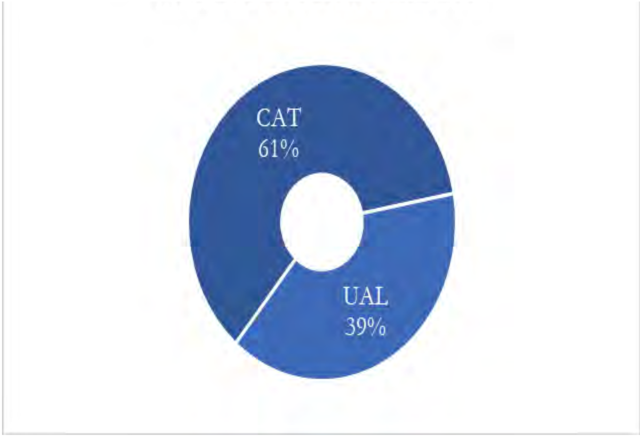
Nick Collins

# Industrials Sector Report

**Holdings as of September 30th, 2023**

| Company | Ticker | Subsector | Weight in Sector (%) | Weight in Portfolio (%) | Market Value ($) | Annual Return (%) |
|---|---|---|---|---|---|---|
| Caterpillar Inc. | CAT | Construction Machinery | 61 | 4.32 | 285,831 | 20.00 |
| United Airlines | UAL | Transportation | 39 | 3.72 | 184,301 | -2.42 |



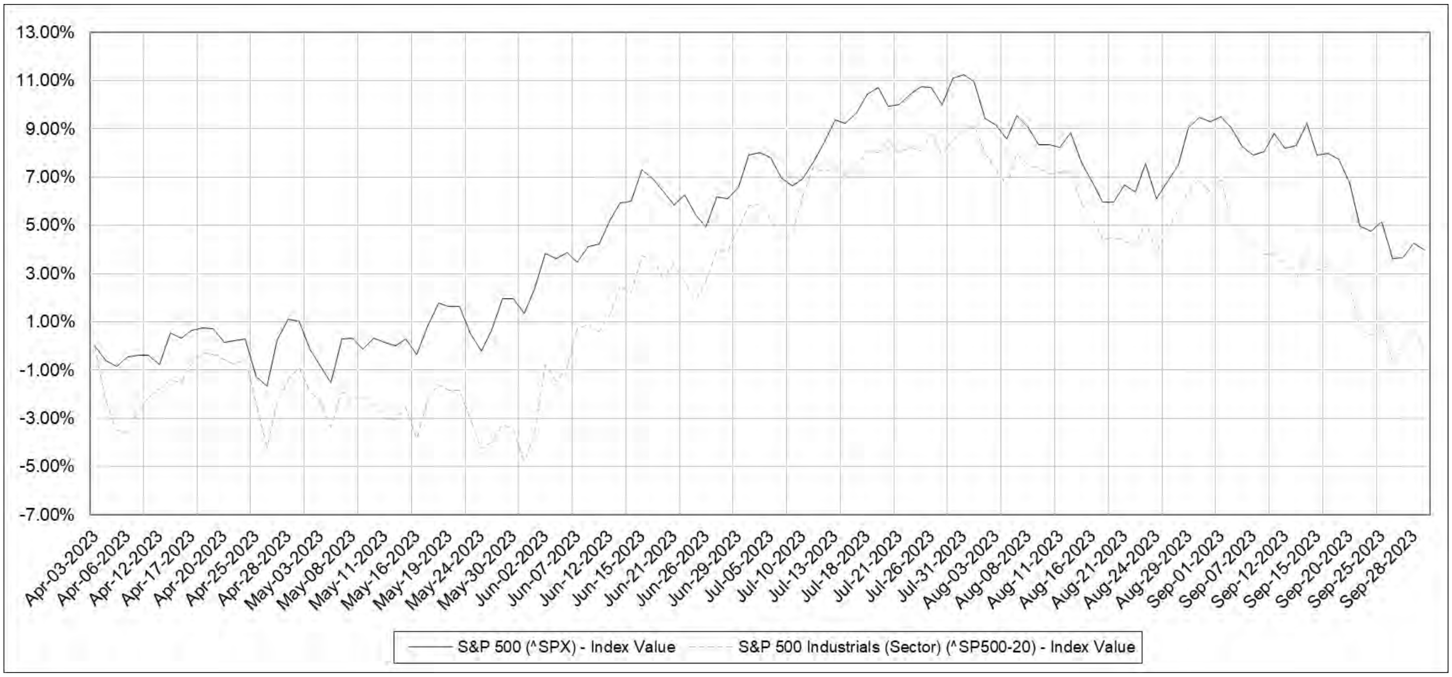

## Industrials Sector Overview

During the reporting period, the D'Artagnan Capital Fund held three securities, Caterpillar, United Airlines Holdings, and 3M. After thorough discussion and revaluation, it was determined that 3M no longer provided significant value to the Fund, and that there was far more opportunity in Caterpillar and United Airlines. Therefore, 3M was sold through the rebalance process and the Fund continually purchased more equity in Caterpillar, which proved to be one of the Funds top performers.

| Sector Review (%) | |
|---|---|
| DCF Sector Return: | 8.34 |
| Benchmark Sector Return: | 7.67 |
| DCF Sector Weight: | 8.46 |
| Benchmark Weight: Asset | 8.48 |
| Allocation: Security | 0.00 |
| Selection: | 0.67 |

| Sector Team | |
|---|---|
| **Sector Manager:** | Henry Nebesky |
| **Sector Analyst:** | Nick Boyle |

# Industry Analysis




During the semi-annual period, the Fund took the initiative to exit our position of 3M Co. Through further valuation, we found that the company underwent significant changes that led to a decline in the intrinsic value of the company. With these funds, we increased our position in Caterpillar.

Although United Airlines under-performed significantly during the reporting period, the Fund still holds strong conviction in the markets current undervaluation of the company. The transportation subsector has been disproportionately affected by many geopolitical issues, as well as a prolonged recovery from the pandemic. Nonetheless, we believe the market will correct this undervaluation in the next few years as the sector recovers.

The Fund also holds a significant proportion of Caterpillar which operates primarily in the Construction Machinery & Heavy Trucks. This subsector has been heavily affected by interest rate hikes and infrastructure spending. Rate hikes have negatively impacted commercial spending on large scale construction. On the other hand, government spending on domestic infrastructure has supported growth in this sector, leading to Caterpillar's exceptional performance.

Looking forward, the Fund looks to expand our valuation horizon into more subsectors as we seek to identify undervalued companies. Robust conversations about the Aerospace and Defense subsector have taken place, but no action has been taken to invest in companies in this subsector. The Industrials sector continues to present a lot of promising opportunity to the portfolio and we look forward to positioning ourselves in the best possible stocks to take advantage of these opportunities.

# What's Changing?

**Energy Costs**

Global energy costs have been steadily on the rise following the pandemic as well as geopolitical issues surrounding the Russia-Ukraine war. The Industrials sector is exposed to these prices more so than other sectors and have been forced to adapt to tighter crude oil and natural gas supplies, as well as higher prices. Both Caterpillar and United Airlines rely heavily on natural gas prices in their operations. Caterpillar has seen benefits to natural gas price increases because of their diversified operating model, which includes diesel engine production and the production of oil mining equipment. United Airlines, on the other hand, is seeing increased costs to fuel their planes which is an irreplaceable portion of their business model. However, their investment in more efficient technology is acting as a hedge against these higher prices.

**Increased Emphasis on Sustainability**

Globally, we are moving towards more sustainable future with an emphasis on lowering our carbon footprint. This has led to Industrial companies increasing their investment into R&D with the intention of finding feasible solutions to limiting carbon emissions. Companies like Caterpillar and United Airlines have made efforts to reduce their carbon emissions and reduce waste which have seen noticeable increases to their ESG scores and even tax incentives. The inclusion of Artificial Intelligence into Industrial business models have also made a significant impact on reducing waste and finding solutions to operational barriers in a more cost efficient manner.

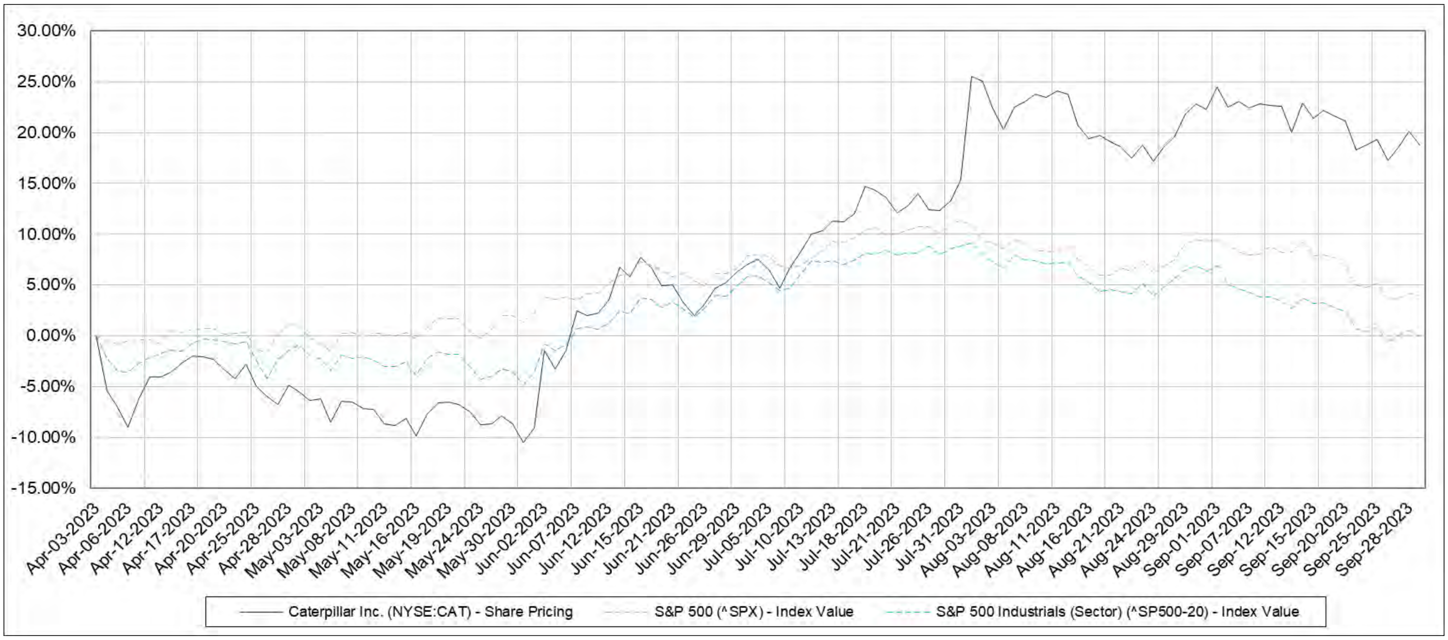
# Semi-Annual Trade Report

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 04/14/2023 | United Airlines | UAL | Buy | 5,215.72 |
| 05/01/2023 | Caterpillar | CAT | Sell | 11,430.60 |
| 05/15/2023 | 3M | MMM | Buy | 2,414.03 |
| 06/05/2023 | 3M | MMM | Sell | 25,239.73 |
| 06/20/2023 | 3M | MMM | Sell | 11,471.08 |
| 07/03/2023 | Caterpillar | CAT | Buy | 2,482.14 |
| 07/10/2023 | 3M | MMM | Sell | 9,909.68 |
| 07/24/2023 | 3M | MMM | Sell | 1,353.70 |
| 08/07/2023 | 3M | MMM | Sell | 4,437.26 |
| 09/11/2023 | United Airlines | UAL | Sell | 2,434.11 |
| 09/11/2023 | 3M | MMM | Sell | 1,073.79 |
| 09/26/2023 | Caterpillar | CAT | Buy | 9,252.91 |

*Construction Machinery and Heavy Trucks*

**Caterpillar, Inc. (NYSE: CAT)**

| **Shares** | **Weight in Portfolio** | **Weight in Sector** | **Annual Return** |
| --- | --- | --- | --- |
| 1047 | 5.01% | 61% | 18.43% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 1.05 | $271.72 | $304.37 | 12% |




**Company Description**

Caterpillar is the Fund's largest holding in the Industrials Sector, accounting for 5.01 percent of the portfolio. Caterpillar is an industry leader in manufacturing construction & mining equipment, off-highway diesel & natural gas engines, and industrial turbines. The company operates in the construction machinery and heavy transportation equipment sub-industry of the Industrials sector. The Fund holds 1,047 shares of Caterpillar's common stock which, as of September 30th, holds a market value of $284,490.

**Investment Rationale**

Caterpillar is currently in a very advantageous position with their industry leading investment in renewable engineering technologies surrounding battery pack development as global markets are shifting towards greener forms of energy. CAT is also seeing significant support from government policy in the attempt to rebuild the US infrastructure sector following the pandemic.

**Competitors**

Deere & Company (NYSE: DE)

CNHI Industrial N.V., Inc. (NYSE: CNHI)

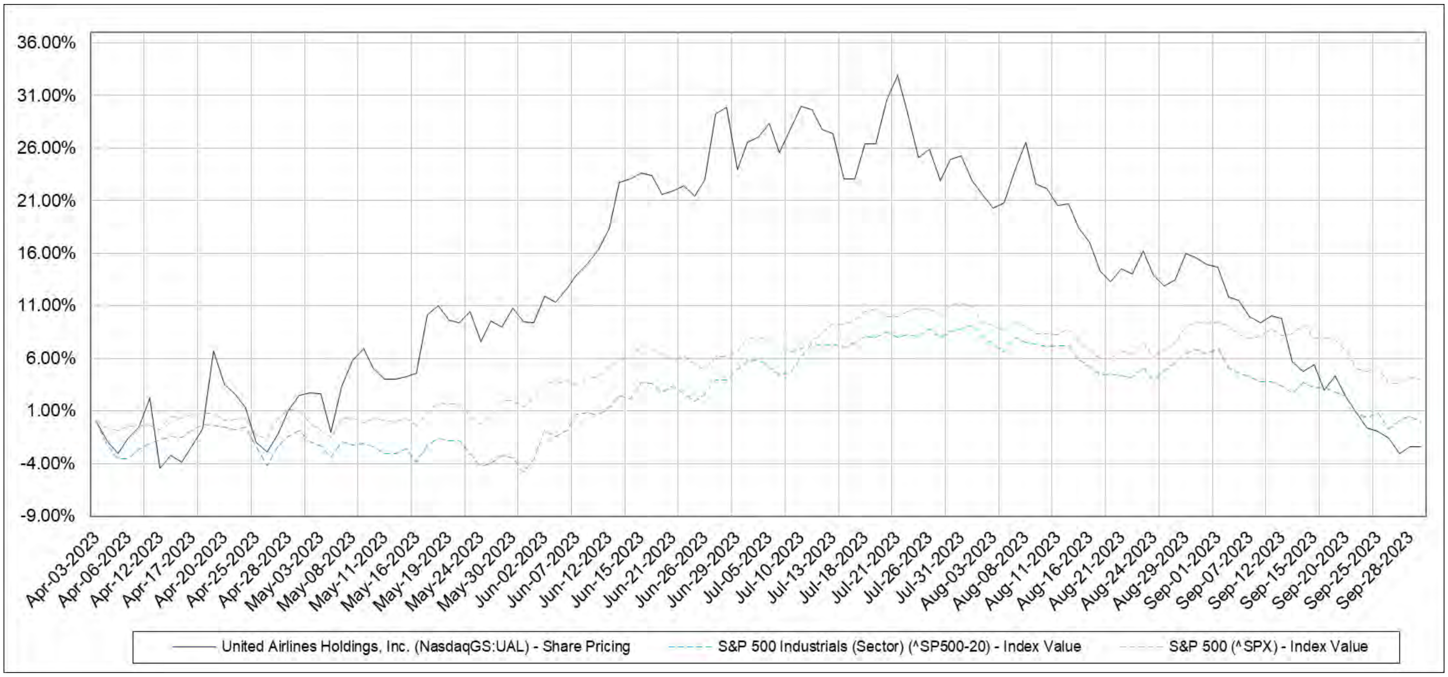
AGCO Corporation (NYSE: AGCO)

**Analyst Coverage**

Nick Boyle

**United Airlines Holdings, Inc. (NasdaqGS: UAL)** *Transportation*

| Shares | Weight in Portfolio | Weight in Sector | Semi Annual Return |
|---|---|---|---|
| 4357 | 3.72% | 39% | -2.42% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 1.47 | $41.62 | $85.95 | 106% |




## Company Description

United Airlines Holdings provides commercial transportation services to its consumers across the globe. The firm also operates in the cargo transportation segment where they transport cargo via their mainline and regional fleets. The company was founded in 1968 and in 2019 the company changed its name from United Continental Holdings to United Airlines Holdings. The profitability of this company is heavily reliant on consumer demand, fuel prices, and labor supply.

## Investment Rationale

As the transportation industry continues to recover from significant declines in consumer demand following the pandemic, United Airlines is positioned extremely well for significant growth that has not yet been factored into the company's stock price. The company's consistent investment in new fuel-efficient airplanes that will reduce ticket prices reflects their plans to stimulate long-term growth by increasing consumer demand, while suppressing costs.

## Competitors

Delta Air Lines, Inc. (NYSE: DAL)

American Airlines Group Inc. (NasdaqGS: AAL) Southwest Airlines Co. (NYSE: LUV)

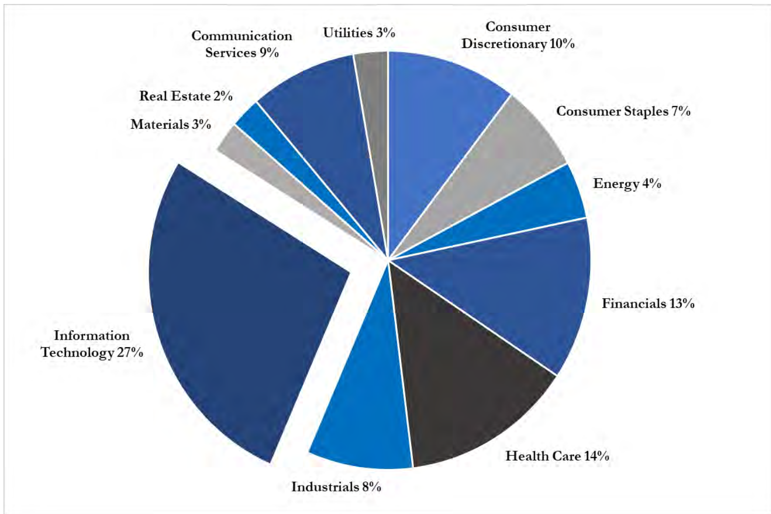
## Analyst Coverage

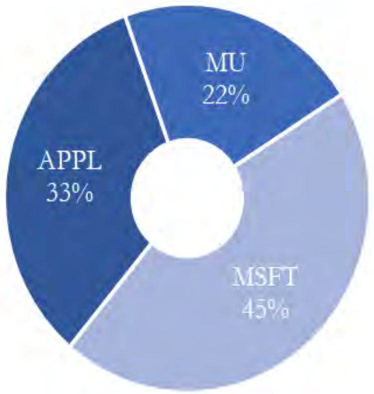
Nick Boyle

# Information Technology Sector Report

**Holdings as of September 30th, 2023**

| Company | Ticker | Subsector | Weight in Sector (%) | Weight in Portfolio (%) | Market Value ($) | Semi - Annual Return (%) |
|---|---|---|---|---|---|---|
| Apple Inc. | APPL | Technology Hardware | 33.36 | 9.17 | 523,508 | 1.48 |
| Micron Technology, Inc. | MU | Semiconductors | 21.58 | 5.93 | 338,644 | -0.10 |
| Microsoft Corporation | MSFT | Software Services | 45.07 | 12.40 | 707,316 | 1.92 |




**Information Technology Sector Overview**

The Fund maintained three positions within the Information Technology sector: Apple, Micron Technology Inc., and Microsoft Corporation. These holdings operate in multiple sub-sectors with significant possibility for growth.

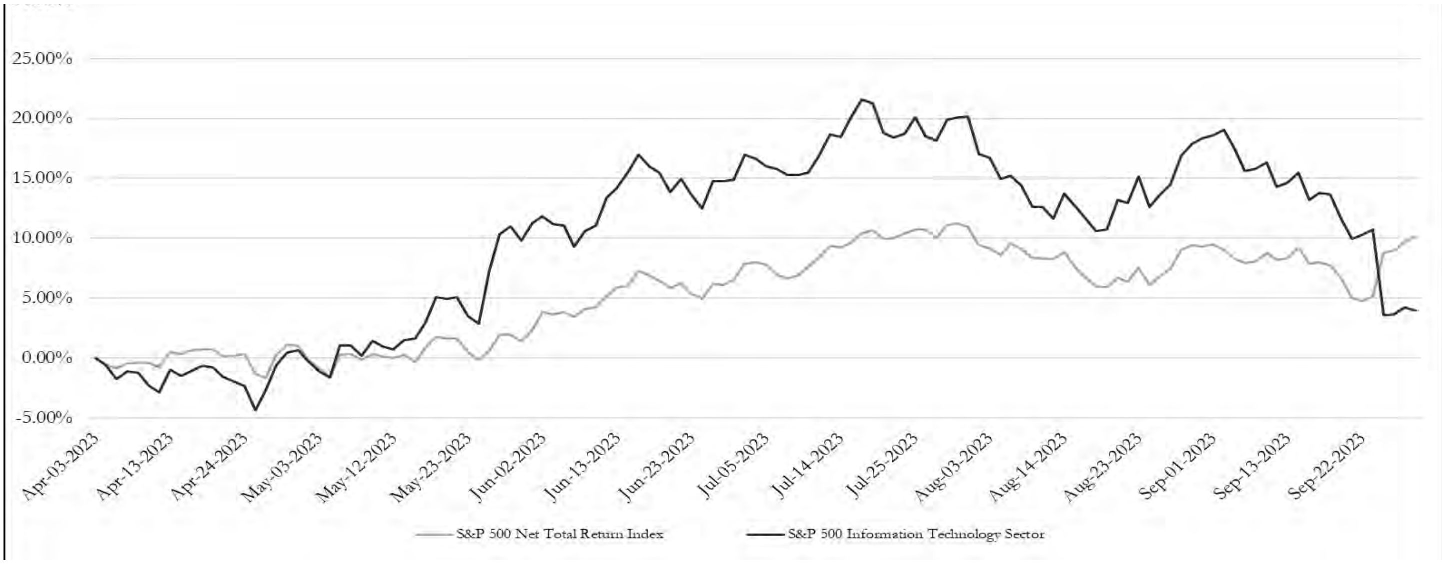
The Fund removed itself from its Hewlett Packard Enterprise position because they have reached intrinsic value. The returns from this hold were reinvested into our current position of Microsoft and Micron Technology Inc.

The IT sector is forward looking into the semi-conductor industry as well as potential AI developments. The sector will continue to seek out undervalued companies with strong fundamentals.

| Sector Review | |
|---|---|
| Sector Return: | 6.78 |
| Benchmark Sector Return: | 10.10 |
| DCF Sector Weight: | 27.24 |
| Benchmark Weight: | 26.77 |
| Asset Allocation: | 0.07 |
| Security Selection: | -2.06 |

| Sector Team | |
|---|---|
| **Sector Manager:** | Mike Andes |
| **Sector Analysts:** | Audrey Wagner<br>Joey Baur<br>Forest Armstead<br>Brenden Hall<br>Mike Becker |

# Industry Analysis




The Information Technology has seen an up and down throughout the semi-annual period due to fluctuation with typical business operations as well as many sector rules & regulations alterations. Through the initial months, the benchmark slightly out-performed the Information Technology sector. This could be attributed to some supply chain issues within the semi-conductor industry as companies prepared themselves for increased seasonal demand. As the summer months picked up, beginning in May, the Information Technology sector began to rapidly outpaced the peak by over 1,000bps. This can be attributed to many reasons, such as increased consumer spending, and overall market inflation.

Within our positions at the time, namely with our Microsoft Corporation & Apple holdings, we saw explosive growth. During this period, these two companies played a critical role in the development and market communication with artificial intelligence. They also performed their own notable actions, like the introduction of the new iPhone from Apple, and the changing of specializations in the Microsoft AI Cloud Partner program. In the month of September, the IT sector saw yet another jump of about 750bps. This can be seen from our Apple, Inc. holding thanks to the release of the new iPhone 15 Pro.

Shortly after this rise, the IT sector fell below our benchmark. This could be from a lack in holding semi-conductor positions as well as mainly NVIDIA. NVIDIA saw massive growth with their integral part in the development of AI. Due to our lack of our position in this business, the DCF did not follow the movement of the market. Along with the booming in AI market, these in tandem could be attributed to moving the Information Technology sector. The Fund continues to actively monitor companies in the Information Technology sector and to find new opportunities for undervaluations and new positions to enter.

# Whats Changing?

**Artificial Intelligence**

Artificial Intelligence, also known as AI, has been around since the term was coined in the early 50s. Since then, IBM's Deep Blue beat the world chess champion Gary Kasparov in 1997, Apple's Siri was introduced in 2011, and Amazon's Alexa was introduced in 2014. In late 2022 and 2023, we began to see a form of AI really take off, large language learning models or LLMs, the most popular example being OpenAi's ChatGPT. AI is currently being used in applications such as speech recognition, customer service, computer vision, recommendation engines, and automated stock trading. The Artificial Intelligence market is estimated to be a 100-billion-dollar business and is expected to grow into the trillions in the coming decade. We expect to see AI applications expanding into fintech, healthcare, education, cybersecurity, and other markets in a massive way.

Fueled by the spur in AI, the IT sector is changing rapidly. New innovations in edge computing bring us closer and closer to commercial self-driving cars. The ever-expanding Metaverse, along with the Apple Vision Pro are revolutionizing what we can do with VR and AR technology. Companies like Google, Apple and Microsoft are racing to see who can do the most with AI, while NVIDIA, Intel, and AMD are supplying them with the hardware necessary to push the boundaries. More companies are being modernized daily, putting their data Online in cloud storage, bolstering the demand for strong network infrastructure and cybersecurity. We are in the beginning stages in terms of what these technologies are capable of, and we don't know the full scope of how these technologies will affect our future.

**Augmented Reality**

Augmented Reality, also known as AR, brings the virtual world to the real world. Using a combination of software and hardware AR overlays digital content onto real-life environments and objects. This technology is already being used in entertainment such as in face filters, games, and other apps. In the industry, AR is being used for design, product development, maintenance, safety, training, learning, and in quality control. This technology is rapidly advancing and is being incorporated in products from companies such as Google, Apple, and Meta. These products have the potential to change entire industries and consumers' lives in a positive and unique way.

# Semi-Annual Trade Report

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 04/14/2023 | Micron Technology, Inc. | MU | Sell | 32,526.22 |
| 05/01/2023 | Micron Technology, Inc. | MU | Sell | 7,537.91 |
| 05/15/2023 | Hewlett Packard Enterprise | HPE | Sell | 3,086.54 |
| 06/05/2023 | Micron Technology, Inc. | MU | Buy | 69,442.96 |
| 06/20/2023 | Hewlett Packard Enterprise | HPE | Sell | 10,181.20 |
| 07/03/2023 | Micron Technology, Inc. | MU | Buy | 10,605.18 |
| 07/24/2023 | Microsoft Corporation | MSFT | Buy | 26,516.51 |
| 08/07/2023 | Apple, Inc. | APPL | Buy | 7,330.52 |
| 08/24/2023 | Hewlett Packard Enterprise | HPE | Sell | 6,800.15 |
| 09/06/2023 | Hewlett Packard Enterprise | HPE | Sell | 370,727.22 |
| 09/06/2023 | Micron Technology, Inc. | MU | Buy | 185,660.96 |
| 09/06/2023 | Microsoft Corporation | MSFT | Buy | 185,283.02 |
| 09/11/2023 | Microsoft Corporation | MSFT | Sell | 17,561.82 |
| 09/26/2023 | Apple, Inc. | APPL | Sell | 34,642.47 |

# Information Technology

**Apple, Inc. (NASDAQ:AAPL)** *Technology Hardware*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 3013 | 9.17% | 33.36% | 1.48% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 1.25 | $173.75 | $198.94 | 4.49% |


## Company Description

Apple Inc. is an global corporation, headquartered in the US, and world leader in the design, production, and marketing of smartphones, tablets, computers, and wearable devices. Physical products include but are not limited to: iPhone, iPad, Mac PC, Airpods, Beats by Dr. Dre, and the Apple Watch. Services include but are not limited to: iCloud, iTunes Store, iPhone App Store, Apple Pay, and Apple TV. The CEO of Apple is Tim Cook, who has held this position since 2011. The company is headquartered at Apple Park, located in Cupertino, California.

## Investment Rationale

The Fund maintains a positive outlook on Apple as they are well positioned to maintain long-term growth in both their products and services segments. Apple, as a brand, has a loyal customer base that is continuing to grow with new innovations such as the iPhone 15, and the Vision Pro mixed reality headset which is set to release in 2024. Apple Card is also continuing to bring in new users, offering an attractive 4.15 percent APY savings account. Apple has strong fundamentals and continuously releases popular products with new innovations. This company presents a long-term growth opportunity for the Fund.

## Competitors

Alphabet, Inc. (NasdaqGS:GOOGL)

Microsoft Corporation (NasdaqGS:MSFT)

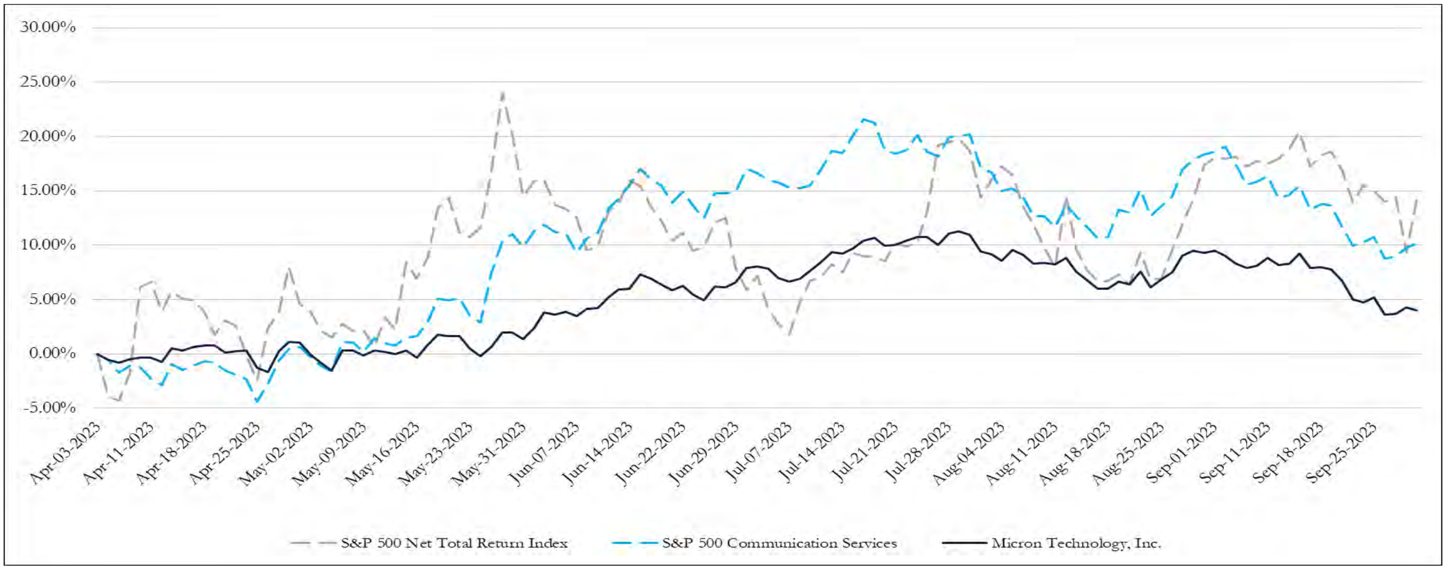
Electronics Co., ltd. (KOSE:A005930)

## Analyst Coverage

Braden Hall

**Micron Technology, Inc. (NASDAQ:MU)** *Semiconductors*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 4983 | 5.93% | 21.28% | -0.10% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 47 | $67.96 | $96.29 | 41.69% |




## Company Description

Micron Technology was founded in 1978 and is headquartered in Boise, Idaho. Micron is a multinational corporation that specializes in designing and manufacturing semiconductor devices. Micron creates memory and storage products for the Healthcare and Automotive industries, as well as personal computers, data centers, and networks. Micron is a fortune 500 company who produces their products for major companies like Apple, IBM, and Microsoft.

## Investment Rationale

The Fund entered into a position with Micron Technologies based on these strong beliefs: the demand for DRAM and NAND (memory and storage) will increase for smartphones, automobiles and industrial markets, the growth of AI use in products and businesses will result in an increased need for memory and storage to run these systems, and the declining HDD market creates an opportunity for Micron to capitalize on the rapid advancement of the SSD market. These beliefs imply that the Fund expects Micron to continue to have strong growth in new and existing markets after rebounding from some COVID-19 impacted years.

## Competitors

Samsung Electronics Co., Ltd (KRX: 005930)

Advanced Micro Devices, Inc. (NASDAQ: AMD)

Western Digital Corporation (NASDAQ:WDC)

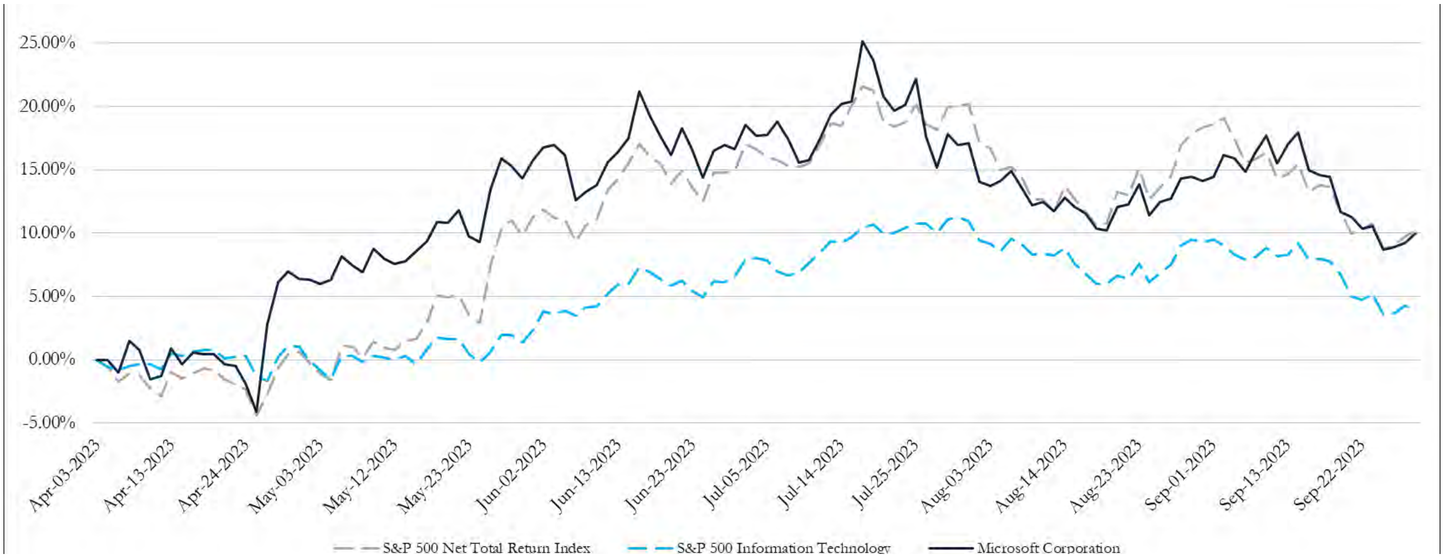
## Analyst Coverage

Mike Becker

*Software Services*

**Microsoft Corporation (NASDAQ:MSFT)**

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 2198 | 12.40% | 45.07% | 1.92% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 1.20 | $331.36 | $347.90 | 4.99% |




## Company Description

Microsoft Corporation was founded in 1975 and is headquartered in Redmond, Washington. Microsoft has since become a leading global technology whose products include Windows operating system, cross-device productivity, collaboration application, Azure cloud services, licensing and support for its portfolio of software products which include PCs, Tablets, and gaming and entertainment consoles. Microsoft is also credited with the creation of the social media platform, "Linked-In" which helps professionals connect with each other.

## Investment Rationale

The Fund maintains a positive outlook on Microsoft as they are well positioned to continue their forecasted long-term future growth. Microsoft's continued focus on mergers and acquisitions will allow them to capitalize on new frontiers for video game offerings and subscription revenue. Along with this, Microsoft's partnership with OpenAI has placed them in a unique position allowing for consistent growth and profitability. Microsoft Corporation remains a growing defensive stock despite the volatility of the market, allowing for a lucrative opportunity of the Fund

## Competitors

Alphabet Inc. (NasdaqGS:GOOGL)
Apple Inc. (NasdaqGS:APPL) Oracle Corporation (NYSE:ORCL)

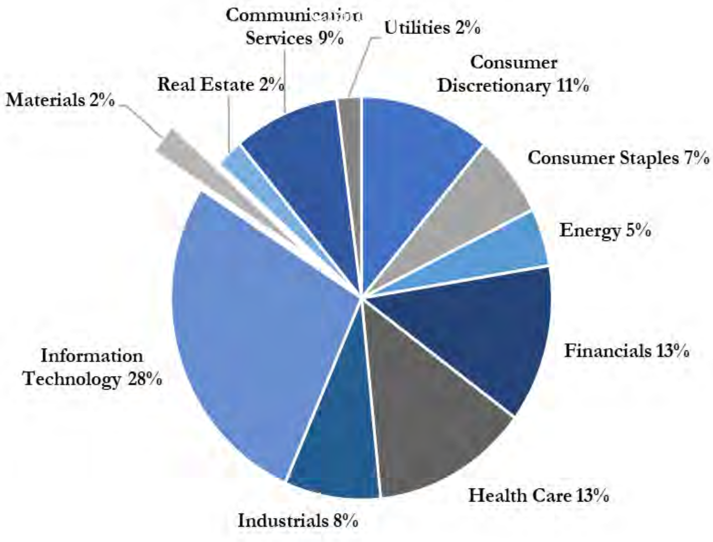
## Analyst Coverage

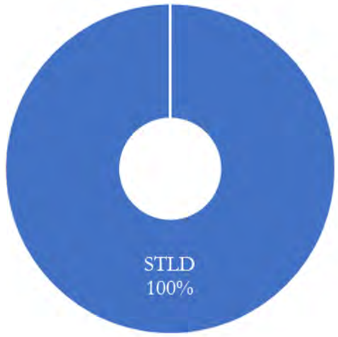
Audrey Wagner

# Materials Sector Report

**Holdings as of September 30th, 2023**

| Company | Ticker | Subsector | Weight in Sector (%) | Weight in Portfolio (%) | Market Value ($) | Annual Return (%) |
|---|---|---|---|---|---|---|
| Steel Dynamics | STLD | Steel Manufacturing | 100 | 2.50 | 143,460 | -4.5 |




**Materials Sector Overview**

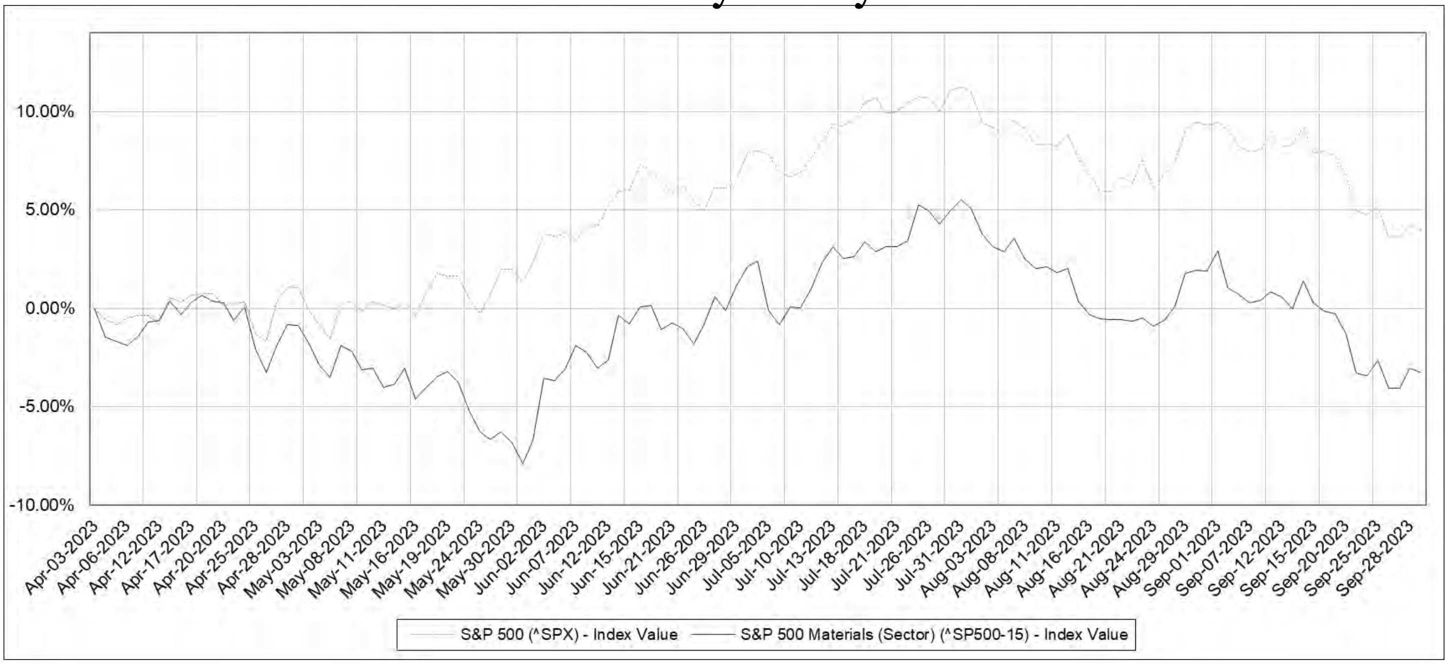
During the course of the reporting period, The D'Artagnan Capital Fund held one security in the materials sector, Steel Dynamics. Of the companies that were valued over the reporting period, we believe that Steel Dynamics presents the Fund with the most upside potential.

Over the reporting period the materials sector fluctuated with the uptick in drilling and mining costs, as well as an extremely tight debt market. With the Materials sector also being mostly cyclical it has also seen a downturn in performance with immense uncertainty about the future state of the economy.

| Sector Review (%) | |
|---|---|
| DCF Sector Return: | 4.51 |
| Benchmark Sector Return: | -2.63 |
| DCF Sector Weight: | -2.50 |
| Benchmark Weight: | -2.54 |
| Asset Allocation: | 0.00 |
| Security Selection: | -0.04 |

| Sector Team | |
|---|---|
| **Sector Manager:** | Henry Nebesky |
| **Sector Analysts:** | Connor Bailey<br>Ben Coyle |

# Industry Analysis




The Materials sector is one of the most cyclical sectors in the S&P 500 and tends to do extremely well during economic expansion. During the reporting period, the sector under-performed the benchmark significantly. This is primarily the result of increased energy and drilling costs that have negatively impacted the profitability margins of companies in this sector.

Over the course of the reporting period, the D'Artagnan Capital Fund has held one company in the Materials sector, Steel Dynamics. The Fund feels confident that this company is extremely undervalued and provides the portfolio with significant upside potential. The steel industry itself has seen multiple disruptions through the reporting period, the most significant being the commercial construction industry lacking demand due to record high interest rates. The result of this was a decline in steel demand which negatively impacted revenue figures for companies across the industry.

Through the reporting period, the Fund has completed several valuations across many subsectors in the Materials sector. The gold mining industry has garnered significant attention as investor fear an upcoming recession and look to diversify into other investment securities like gold. While the price of gold is continually increasing, many companies are struggling to control costs, specifically related to energy and mining. The Fund continues to monitor securities in this sector with the intention of finding ones that the market is currently undervaluing.

# What's Changing?

**Sustainability**

There has been a global shift towards more environmentally conscious mining operations that have created significant headwinds for companies in the Materials sector. This shift caused companies to invest significant resources into research and development of greener machinery to limit the carbon footprint of the sector. Additionally, many subsectors in this industry mine and sell finite resources. Therefore, companies are looking to diversify their operations to include production of recyclable resources in sustainable ways.

**Commodity Price Fluctuation**

The performance of companies in the Materials sector is highly dependent on the prices of the commodities being produced. Over the reporting period, gold and silver prices have increased significantly as a result of global economic turmoil. Gold and silver are two of the most popular commodities to invest in and as investors look to diversify in times of economic struggle, they typically look towards safer commodities such as gold and silver. On the contrary, commodity prices used in construction like steel and titanium are often tied to the demand in construction markets which have suffered significantly due to rising interest rates. As the economy looks toward its recovery it is likely to see there commodity prices move in the opposite direction as investors look back in-to security markets and construction demand picks back up.

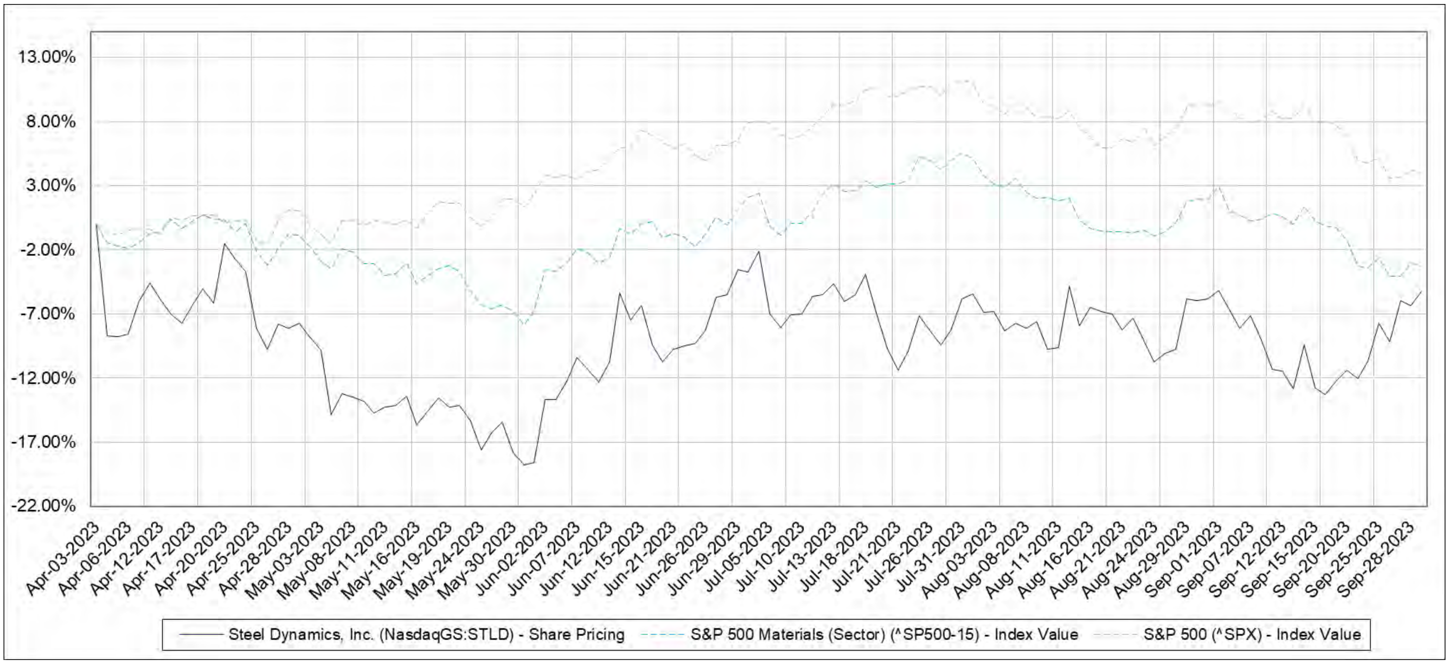
# Semi-Annual Trade Report

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 4/14/2023 | Steel Dynamics | STLD | Buy | 11,441.31 |
| 5/01/2023 | Steel Dynamics | STLD | Sell | 2,829.73 |
| 5/15/2023 | Steel Dynamics | STLD | Buy | 4,713.33 |
| 6/05/2023 | Steel Dynamics | STLD | Sell | 2,739.29 |
| 6/20/2023 | Steel Dynamics | STLD | Buy | 1,617.27 |
| 7/03/2023 | Steel Dynamics | STLD | Sell | 4,993.09 |
| 7/24/2023 | Steel Dynamics | STLD | Buy | 13,438.84 |
| 8/07/2023 | Steel Dynamics | STLD | Sell | 6,293.05 |
| 8/24/2023 | Steel Dynamics | STLD | Sell | 1,626.26 |
| 9/11/2023 | Steel Dynamics | STLD | Sell | 2,110.48 |
| 9/26/2023 | Steel Dynamics | STLD | Sell | 7,148.06 |

# Materials

**Steel Dynamics (NYSE:STLD)** *Steel*

| Shares | Weight in Portfolio | Weight in Sector | Annual Return |
|---|---|---|---|
| 1,338 | 2.50% | 100% | -4.51% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 1.49 | $106.31 | $139.87 | 32% |




## Company Description

Steel Dynamics was founded in 1993 and is headquartered in Fort Wayne, Indiana. The firm is one of the largest domestic steel producers and recyclers, and operates through a circular business model that incorporates all three of their business segments, Steel Operations, Steel Fabrication, and Metal Recycling. Holistically, Steel Dynamics produces various steel products including car parts, steel beams, and reinforcement bars, using recycled steel.

## Investment Rationale

The Fund believes that the market has not yet recognized the potential of Steel Dynamics to perform very well in the Mexican auto-manufacturing space, specifically with the shift towards electric vehicles and the increased production of them in Mexico. Steel Dynamics has also been in industry leader in the M&A market, acquiring four companies in the last five years, keeping the firm in an advantageous position and ahead of the competition.

## Competitors

Cleveland Cliffs Inc. (NYSE:CLF)

Commercial Metals Company (NYSE:CMC)

United States Steel Corporation (NYSE:X)

## Analyst Coverage

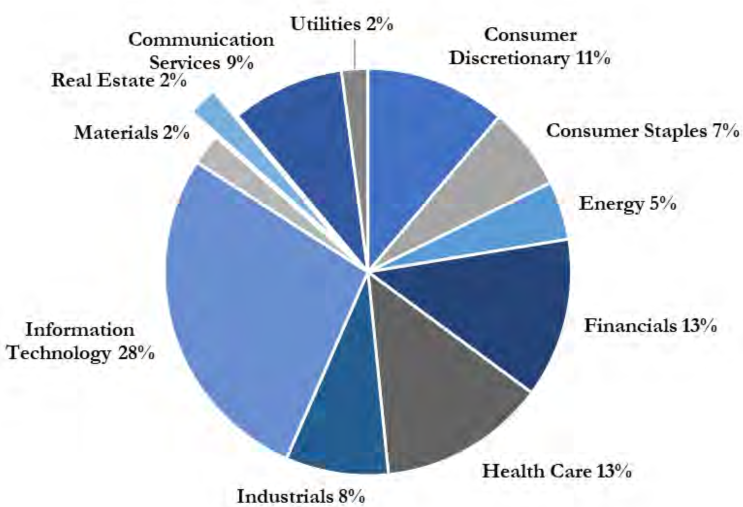
Connor Bailey

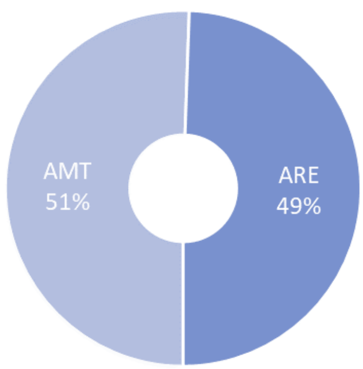
Ben Coyle

# Real Estate Sector Report

**Holdings as of September 30th, 2023**

| Company | Ticker | Subsector | Weight in Sector (%) | Weight in Portfolio (%) | Market Value ($) | Annual Return (%) |
|---|---|---|---|---|---|---|
| American Tower Corp. | AMT | Cell Tower REIT | 50.55 | 1.23 | 67,433 | -16.95 |
| Alexandria Real Estate | ARE | Urban Office REIT | 49.45 | 1.22 | 65,977 | -17.61 |




**Real Estate Sector Overview**

Over the course of the semi-annual period, the Fund held two REITs within the Real Estate sector. These current holdings are American Tower (AMT) and Alexandria Real Estate (ARE). American Tower's demand for cellular communication is the highest its been, and their future plans for growth will allow them to succeed in the market. Alexandria's industry is seen as a necessity post pandemic, where employees must be in person. Both of these companies have been deemed the best fit for the Fund to invest in.

Supply chain issues, interest rates, vacancy rates, and now exploding insurance costs have negatively impacted the real estate industry recently. We have looked at different opportunities in multi-tenant, office space, as well as self storage. We plan to look more into commercial real estate going forward.

| Sector Overview | |
|---|---|
| DCF Sector Return: | -17.18 |
| Benchmark Sector Return: | 11.64 |
| DCF Sector Weight: | 2.44 |
| Benchmark Weight: | 2.47 |
| Asset Allocation: | 0.00 |
| Security Selection: | -0.18 |

| Sector Team | |
|---|---|
| **Sector Manager:** | Ethan Biacsi |
| **Sector Analysts:** | Blake Manthei |
| | Dylan Bank |

# Industry Analysis


In the Real Estate sector, the S&P 500 consists of different markets and industries that adjusts to the market in various ways. In our Real Estate portfolio, this includes industrial, retail, life science laboratories, offices, and data centers. Overall, The S&P 500 did not have the best performance coming in at 0.42 percent, and the Real Estate sector came in with a weighted return of -0.42 percent. The Fund held positions in two equities during the period, which were American Tower and Alexandria Real Estate.

The Fund believes in American Tower because of how involved they are with the rapidly changing advancements in communication technology as well forecasted growth over the next few years. On the other hand, Alexandria Real Estate brings value for us by being well positioned for the future. They provide office space for life science companies to do their research which is growing in popularity. We see both companies as still having room for growth in the future, and plan on holding them, especially in a down market for real estate.

Class A office space has been very attractive for investors over this semi-annual period. With life science research becoming a necessity to the United States ever since the pandemic, we see those specific Class A offices as having the potential to grow and therefore require office space, from a place like ARE.

Moving forward, we are looking to avoid residential equities, as the housing market is not performing well with prices being unusually high and interest rates not helping the cause. We are looking to potentially add Boston Properties to the portfolio, as our analyst concluded they were heavily undervalued. The company owns and develops Class A offices and retail properties in the United States. Another company that we are also considering is Public Storage, as they operate in self-storage which is a popular industry.

# What's Changing?

**Rising Interest Rates**

The rising interest rate environment we are currently experiencing in the United States is a major risk to Real Estate Investment Trusts. Interest rates impact cap rates, which are a main driver of pricing and sales in the Real Estate industry. Cap rates are the return on a REIT property based on the income the property is expected to generate. American Tower Corp and Alexandria Real Estate Equities will be able to fight this risk because of their reputations of being reliable companies for their customers. They will continue to grow in any interest rate environment.

The current average 30-year fixed mortgage interest rate is 7.89 percent. This rate is having a negative impact on the overall performance for both American Tower and Alexandria Real Estate. Additionally, it is important to note that commercial property owners are struggling with high interest rates, rising vacancies, and now exploding insurance costs that keep hitting new highs. Commercial real estate insurance costs have risen 7.60 percent annually on average since 2017. This is making it difficult for real estate companies to continue to be profitable. In-terest rates are expecting to finally cool down after the November 2024 presidential election. With this information, the D'Artagnan Capital Fund still holds true to its values, with AMT and ARE being extremely undervalued REITs.

**Inflation**

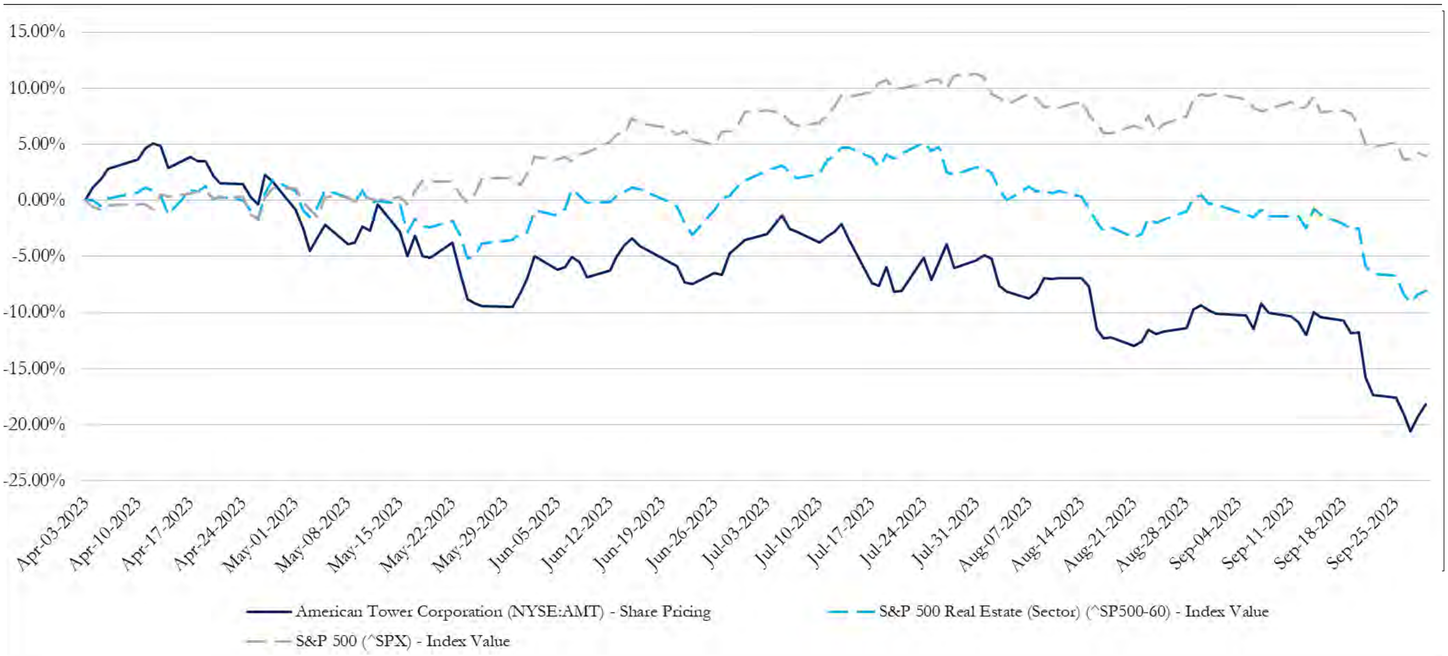
A majority of American Tower's and Alexandria Real Estate's costs, such as general and administration expenses, real estate acquisition, and construction costs are subject to inflation. Currently, the United States has been experiencing high inflation, which is a concern for both of these companies. Their 10ks specifically state that increased inflation could have a more pronounced negative impact on any variable rate debt they incur in the future and on their results of operations. During times when inflation is greater than increases in rent, as provided for in their leases, rent increases may not keep up with the rate of inflation. Likewise, even though net leases reduce their exposure to rising property expenses due to inflation, substantial inflationary pressures and increased costs may have an adverse impact on their clients if increases in their operating expenses exceed increases in revenue. This may adversely affect their clients' ability to pay rent. However, their top clients will have no need to change companies since American Tower and Alexandria Real Estate have proven themselves to be reliable companies.

# Semi-Annual Trade Report

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 4/14/2023 | Alexandria Real Estate | ARE | Sell | 951.50 |
| 5/1/2023 | American Tower | AMT | Buy | 207.52 |
| 5/15/2023 | Alexandria Real Estate | ARE | Buy | 245.62 |
| 6/5/2023 | Alexandria Real Estate | ARE | Buy | 4,295.33 |
| 6/20/2023 | Alexandria Real Estate | ARE | Buy | 3,436.05 |
| 7/3/2023 | Alexandria Real Estate | ARE | Buy | 10,524.36 |
| 7/10/2023 | American Tower | AMT | Sell | 2,509.32 |
| 7/24/2023 | American Tower | AMT | Buy | 1,502.73 |
| 8/7/2023 | American Tower | AMT | Sell | 1,284.18 |
| 9/11/2023 | American Tower | AMT | Buy | 1,807.74 |
| 9/26/2023 | American Tower | AMT | Buy | 6,729.91 |

**American Tower Corp. (AMT)** *Retail REIT*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 417 | 1.23% | 50.55% | -16.95% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 0.56 | $166.96 | $292.30 | 77.74% |




## Company Description

American Tower Corporation is one of the largest global REITs and leading owner, operator, and developer of wireless and broadcast communications real estate. Their portfolio consists of about 225,000 communications sites in 25 countries, as well as all 50 states. Their sites are multi-tenant which are mostly occupied by AT&T, T-Mobile, and Verizon.

## Investment Rationale

Being one of the largest global REITS and having one of the highest market caps in their industry, they provide great value for the DCF moving forward. Their expansion abroad continues to be a reason they are the leader in the wireless connectivity industry. They continue to be in high demand as their tenets want AMT's properties for their fast and efficient services.

## Competitors

Digital Realty Trust, Inc. (NYSE: DLR)

Crown Castle, Inc. (NYSE: CCI)

SBA Communications Corp., Inc. (NYSE: SBAC)

**Analyst Coverage**

Blake Manthei

Dylan Bank

# *Real Estate*

**Alexandria Real Estate (NYSE: ARE)** *Class A Office Space*

| Shares | Weight in Portfolio | Weight in Sector | Annual Return |
|---|---|---|---|
| 672 | 1.22% | 49.45% | -17.61% |

| Beta | Current Price | Target Value | Growth Potential |
|---|---|---|---|
| 1.00 | $98.27 | $213.41 | 117.17% |


**Company Description**

Alexandria Real Estate Equities, Inc. is an urban office real estate, which engages in ownership, operation, development, and redevelopment of life science and technology properties. They are focused on ag-tech campuses in AAA innovation cluster locations. Founded in 1994, Alexandria has since established a significant market presence in key locations, including Greater Boston, New York City, San Diego, Seattle, Maryland, and the Research Triangle. They currently have an asset base of 74.9 million square feet in North America.

**Investment Rationale**

The DCF found value in ARE because of how dominant they have been in the life sciences and technology industries. Since the pandemic, the world has seen a need for life science labs, and ARE will be able to survive the current market turbulence with real estate. With ARE's location in the research triangle between multiple research universities, this was a leading factor in the decision to invest in the company.

**Competitors**

Healthpeak Properties, Inc. (NYSE:PEAK)

Boston Properties, Inc, (NYSE:BXP)

**Analyst Coverage**

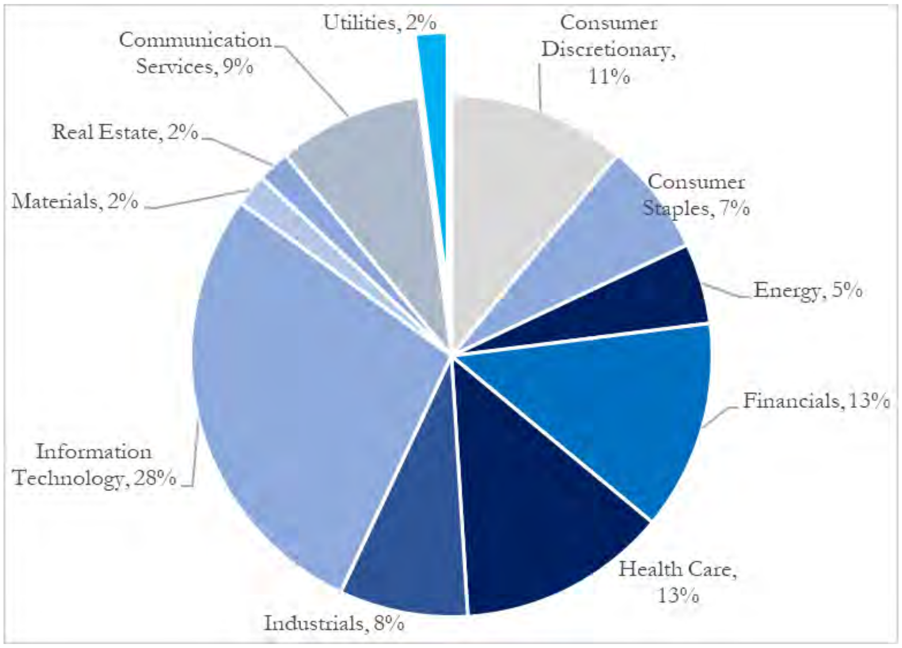
Blake Manthei

Dylan Bank

# Utilities Sector Report

**Holdings as of September 30th, 2023**

| Company | Ticker | Subsector | Weight in Sector (%) | Weight in Portfolio (%) | Market Value ($) | Semi-Annual Return (%) |
|---|---|---|---|---|---|---|
| NextEra Energy | NEE | Electric Power | 100 | 2.75 | 145,756 | -1.66 |



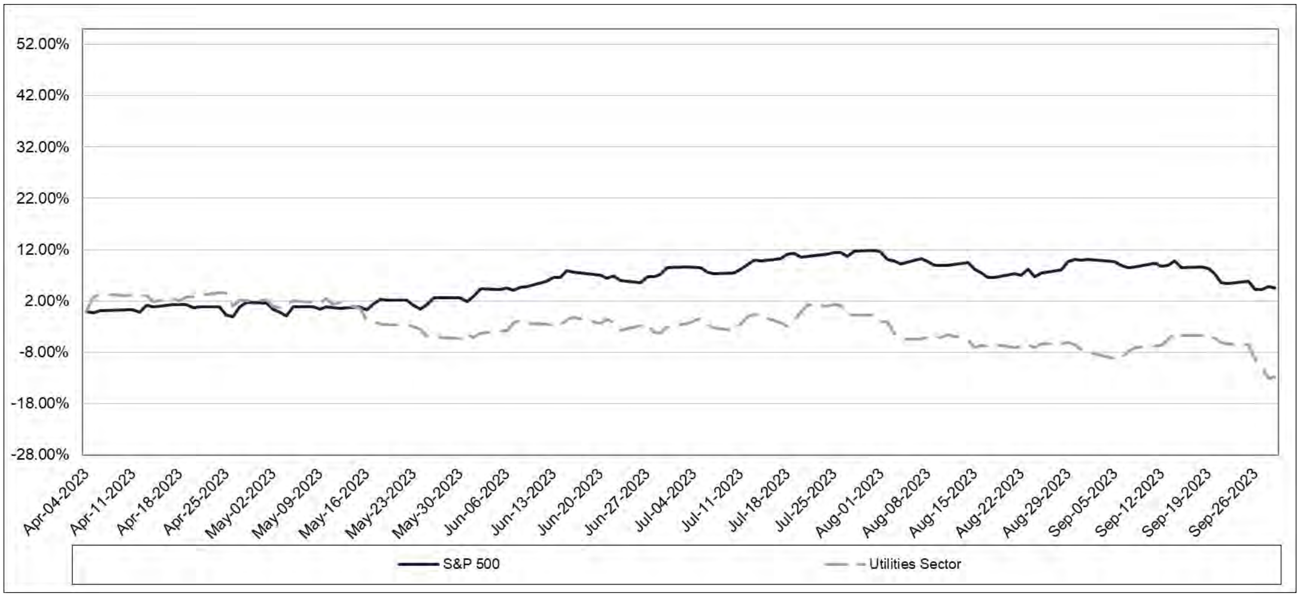

**Utilities Sector Overview**

NextEra Energy is the sole holding in the Utilities sector. As this winter is expected to be relatively warmer one, utility bills will most likely be lower and revenues generated from such operations in gas and electric we can expect to be lower as well. With that, Next Era holds long-term contracts which help hedge against these events. NextEra Energy is at the forefront of renewable energy and energy storage markets and the Fund continues to hold strong conviction in this company despite earnings calls showing a lack of performance. We believe in the company's industry edge as well as our bottom-up valuation techniques.

| Sector Overview (%) | |
|---|---|
| DCF Sector Return: | 24.28 |
| Benchmark Sector Return: | -13.01 |
| DCF Sector Weight: | -2.75 |
| Benchmark Weight: | 2.64 |
| Asset Allocation: | 0.02 |
| Security Selection: | -0.18 |

| Sector Team | |
|---|---|
| **Sector Manager:** | Aidan Cusumano |
| **Sector Analysts:** | Billy Hennessy<br>Andrew Normington |

# Industry Analysis




In the last quarter, the Utilities sector has seen unprecedented changes in value due to the growth of other sectors within the S&P 500. For decades, utilities as a market has been extremely consistent in its earnings and low in volatility due to the nature of the sector. In recent times, the Utilities sector has become the target of criticism for climate control activists and government regulation. Coupling this with the unprecedented growth of the IT sector, and a decline in telecommunications utilities, the outlook on the Utilities sector appears, at first glance, to be a grim one. However, with large scale conversion being made to energy grids across the United States and various political tides shifting, we believe climate concerns regarding the sector are beginning to change. At the same time, analysts in the sector have been properly applied to value companies which have publicly stated clear and legitimate conviction in making transitions to clean energy.

NextEra Energy, being our only current holding in the sector, from its inception has been dedicated to this climate change mission. From 2021, nearly all power produced within their facilities is generated by a diverse mix of renewable and clean sources which include nuclear, wind, solar, and combined-cycle natural gas. We believe that a diverse portfolio of assets and forms of energy generation, coupled with a quicker start to this transition, has given this company an edge above most others.

Our manager and analysts have identified multiple companies entering this space and seeing newfound profit margins. Unfortunately, dealing with public spaces, regulation, and communities means that the utilities industry often sees lagging returns from new technology developments and while the sector is currently facing average returns below that of the S&P 500 as a whole, it is the belief of management that these returns will rebound back to their original consistency.

Regardless of current changes in the market, the Utilities sector remains an essential service. While we are currently seeing large growth in the IT markets pulling away from Utilities, we believe that these developments in technology will actually show better returns for utilities in the long run. For instance, the growth in public charging stations for EV's on interstate roads, as well as the development of uniquely efficient batteries provides unique opportunities in the Utilities sector opportunities we are eager to explore.

# What's Changing?

**The State Of Utilities**

The Utilities sector in these last six months has seen a period of unprecedented fluctuations. With extreme growth and high returns being witnessed in other sectors particularly in IT, there is a general consensus amongst investors that their money is better spent elsewhere. On top of this, many utilities companies have found themselves in the reticle of climate change activists who claim these companies have been negligent in their operations which have an adverse effect on the environment. Lastly, utilities faces one last issue; this coming winter is set to be relatively mild temperature–wise in comparison to years prior. Winter is usually the season in which utility companies see the largest increases in services required due to heating expenses being more prevalent. With a mild upcoming winter, we can expect that revenues generated from these companies will most likely be of similar ilk. As increasing amounts of capital is removed and applied elsewhere, the Utilities sector of the DCF has witnessed very few outliers which are pushing against the grain. Security selection has become more crucial then ever during this period of sector-wide struggle. Companies we have valued such as Vistra and NextEra energy are a synthesis, and perhaps, resolution to the issues facing the sector at this point in time.

With strides being made in IT, technological developments allow for new ways to store and transfer energy at larger scales, faster, and more sustainably. We have found a niche market development for environmentally conscious companies unlike those seen in the energy sector which still have a strong systematic and infrastructure based dependency on fossil fuels. With companies more heavily emphasizing battery storage products, smarter and more reliant energy grids, and renewable energy sources, we feel that the Utilities sector has a higher potential for future returns then ever before. While in the short-term these changes will take considerable time to execute and put into place, we feel that these sector-wide challenges previously mentioned have allowed for generally lower pricing and therefore higher long-term returns. NextEra Energy is at the forefront of renewable energy production in the utility space and years ahead of its competitors with an extremely versatile portfolio of energy production. Utilising a wide array of different avenues NextEra is nearing complete renewable energy status. No other company in the space has made such large strides and taken risks to see higher upsides. Although they recently missed certain expectations in their most recent earnings call, we continue to hold high conviction in our decision to buy this stock. NextEra has reached the optimal point of sustainability in which they are capable of providing their services and products at a price which is not discernible from that of competitors. In this event, long-term government contracts and regulation tend to rule in favor of products and services which are more environmentally responsible.

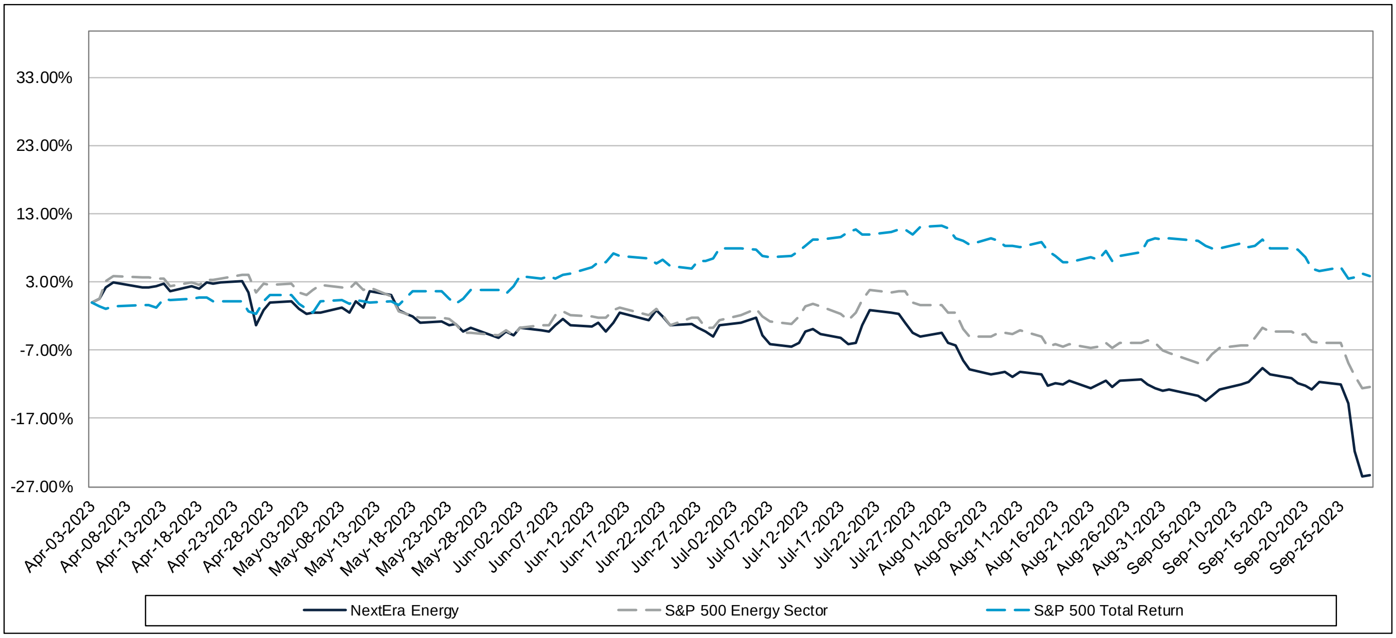
This is different from that which we have seen in the Energy sector. While installation of new services takes more time than that of most other sectors due to government bureaucracy, we believe that the market has largely underestimated the clean energy effect that we will see in coming years. It is important to note that this conclusion was derived from our bottom-up valuation approach of these companies who have market edge and are seeing unprecedented revenue growth rates in this space, not from a political or moral commitment to clean energy itself. While the Utilities sector currently suffers from the growth in other sectors, we believe that in the long run, technological developments will lead to an increase in stock price for these select companies. In the EV market for example, there is tremendous growth. With this, comes a new market requirement for interstate charging systems and efficient battery production. As these markets continue to grow, we see utilities benefiting long-term from off-shoot subsectors such as these.

# Semi-Annual Trade Report

| Date | Company | Ticker | Buy/Sell | Amount ($) |
|---|---|---|---|---|
| 04/14/2023 | NextEra Energy | NEE | Buy | 628.05 |
| 05/01/2023 | NextEra Energy | NEE | Buy | 773.89 |
| 05/15/2023 | NextEra Energy | NEE | Sell | 3,933.20 |
| 06/05/2023 | NextEra Energy | NEE | Buy | 374.87 |
| 6/20/2023 | NextEra Energy | NEE | Sell | 144.89 |
| 07/03/2023 | NextEra Energy | NEE | Buy | 2,753.43 |
| 07/10/2023 | NextEra Energy | NEE | Buy | 15,268.62 |
| 07/24/2023 | NextEra Energy | NEE | Sell | 14,329.35 |
| 08/07/2023 | NextEra Energy | NEE | Buy | 6,330.66 |
| 09/11/2023 | NextEra Energy | NEE | Buy | 207.98 |
| 09/26/2023 | NextEra Energy | NEE | Buy | 797.66 |

**NextEra Energy (NYSE: NEE)** *Electric Power Distribution*

| Shares | Weight in Portfolio | Weight in Sector | Semi-Annual Return |
|---|---|---|---|
| 2,184 | 2.58% | 100% | -25.28% |
| **Beta** | **Current Price** | **Target Value** | **Growth Potential** |
| 1.32 | $57.29 | $83.87 | 46.4% |




## Company Description

NextEra Energy is an electric utility company that operates through the following two subsidiaries: NextEra Energy Resources, Florida Power & Light Company. Through these subsidiaries, the company operates over 5.8 million customer accounts. NextEra Energy is the largest regulated utility and renewable energy utility in the world. The company leads the industry in renewable energy and battery storage.

## Investment Rationale

NextEra Energy missed earnings expectations over the course of the holding period and we believe the market has overreacted to this news. We believe NextEra Energy is positioned to be the highest growing utilities stock available in the industry. This is due to NextEra's early transition into clean energy which gives the company an edge in the industry, and regardless of recently poor performance, we continue to hold our conviction in this company and its supremacy amongst competitors.

## Manager Coverage

Aidan Cusumano

## Competitors

The Southern Company

Duke Energy Corporation

PG&E Corporation

## Analyst Coverage

Billy Hennessy

# *Definitions*

**Asset Allocation**: Investment strategy involving sector weights or asset classes for a portfolio that aims to balance risk and reward by apportioning a portfolio's assets according to its benchmark.

**Benchmark:** An index used to measure the performance of a portfolio an example might include the S&P 500.

**Beta**: The measurement of a security's systematic risk, relative to the S&P 500 (in this case). The market has a beta of 1. Any beta higher than 1 indicates greater risk relative to the market, conversely any beta lower than 1 indicates less risk than the market.

**Bottom-Up Approach**: Methodology utilized in security selection, which involves initiating research on micro-economic factors and company analysis then expanding to macroeconomic factors.

**Contribution to Return**: The measurement of contribution to return of an individual sector or equity.

**ESG Score**: A standardized scoring methodology used to assess the quality of a company's environmental, social, and governance policies. It provides social context for investors to evaluate a potential investment.

**Excess Return**: Derived from the return on the portfolio less the return of the benchmark.

**Jensen's Alpha**: A risk-adjusted performance metric that takes the average return on a portfolio or investment and examines it relative to the capital asset pricing model (CAPM, given the portfolio's or investment's beta and the average market return.

**Large Capitalization**: Categorized as assets with a market cap greater than or equal to $1 billion.

**M-Squared**: Ratio determined by subtracting the return on the market from the return on a portfolio. This measure has the advantage of providing a percentage return, adjusted for risk.

**Rebalance:** Trades executed to adjust portfolio sector weights to equal the corresponding sector weights of the benchmark.

**Relative Weight**: Measures the allocation of a specific company or industry making up the portfolio.

**Returns:** Change in price of a investment over a given period of time.

**Sector Neutral**: When the portfolio's holdings in a specific asset are neither over or underweight relative to the specific benchmark.

**Security Selection**: The picking of individual securities for the portfolio.

**Sharpe Ratio**: Risk adjusted ratio based on volatility utilized to determine the return of an investment per unit of risk. Calculated by subtracting the risk-free rate from the return on an investment, then dividing that number by the standard deviation of The Fund or invest-ment.

**Standard Deviation:** Measures the range of return values that The Fund can statistically expect from the portfolio compared to the mean return.

**S&P 500 Total Return Index**: Measures the price changes of the securities in the S&P 500 in addition to dividend payments that companies in the index make. The total return index differs from a nominal index because it also considers dividend payments, providing a more accurate method of measuring returns.

**Total Return**: The rate of return an investment provides over a certain period of time.

**Treynor Ratio**: Is a performance metric for determining how much excess return was generated for each unit of risk taken on by a portfolio. It is calculated by subtracting the risk-free rate from the return on The Fund or portfolio, and then dividing that number by the beta of the portfolio.

**Turnover Ratio**: A measure of how frequently securities within a portfolio are either bought or sold over a given period.

**Value at Risk**: A measure of risk calculating the potential losses for an investment.

# *Disclosures*

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Past performance is not indicative of future results and should not be used as such. Additionally, diversification does not guarantee investment returns and does not eliminate the risk of loss.

# *Final Thanks*

As the semi-annual period draws to a close, the members of the D'Artagnan Capital Fund extend their heartfelt gratitude to the following groups for their unwavering support and belief in the Fund's mission and the potential of our students.

**Board of Directors**

The members of the D'Artagnan Capital Fund wish to convey our profound gratitude to the Board of Executive Advisors for their steadfast confidence in entrusting us with the responsibility of overseeing 5.4 million dollars. We understand the importance of this responsibility and we appreciate the privilege granted to us in managing funds for the school. We feel greatly honored to continue the rich tradition of the Fund.

**Xavier Faculty**

To all the dedicated members of the Xavier faculty, with a special salute to those in the finance department, who consistently invest their time, expertise, and energy into nurturing the growth and advancement of their students, the members of the Fund extend our heartfelt appreciation. The enduring dedication exhibited by the entire finance faculty in fostering a culture of academic excellence and achievement has played a pivotal role in shaping us into the individuals we have become. Your commitment to development is felt and seen throughout our academic career. Thank you for everything that you do.

We would like to extend a special acknowledgment to Dr. Hyland for his unwavering mentorship, which has been invaluable to every member of the Fund. His dedication to our success is a constant source of reassurance, even through hard times we faced over the past six months. He had instilled a passion for excellence and a commitment to lifelong learning in all of us. Dr. Hyland, your impact went beyond the walls of our classroom, and we are all grateful for your presence and the wisdom you have shared.

**D'Artagnan Capital Fund Alumni**

Lastly, but certainly not least, we extend our appreciation to the esteemed members of the D'Artagnan Capital Fund alumni community. Each cohort of students has contributed their own distinctive building blocks, which have collectively shaped the Fund into the formidable entity it stands as today. To all of you, we offer our sincerest thanks.

For those alumni who have generously shared their insight at our events or lent assistance in various capabilities, such as the Alumni Networking Event and more, we deeply value the investment of your time and the enduring commitment you demonstrate to the success and legacy of the D'Artagnan Capital Fund. Your ongoing involvement resonates deeply with us and strengthens the shared bond the Fund holds on many.

In conclusion, thank you to every person who has made this possible. As we reflect on the challenges and accomplishments of the past six months, we are reminded of the collective strength and passion that drive us forward. Thank you for being an essential part of our journey.