



Plumb Funds

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Commentary

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Despite the sell off in world equity markets in September, the third quarter was a very good quarter for stocks. The S&P 500 advanced almost 9% while the MSCI EAFE International Index appreciated 6.25%. Even the bond market reflected moderating interest rates and advanced 1.33%. For the year-to-date these US stocks and bond indices have both advanced over 5%, while the international market is down over 5%.

There is an old adage that “markets don’t like uncertainty.” Well, we certainly have our share of economic challenges, political uncertainty, and social unrest but the markets appeared to shrug off these concerns.

Prompt and significant action by Congress and the Federal Reserve Bank were meant to reduce the potential of cascading economic consequences to the worldwide shutdown. This has allowed markets to anticipate what a post-covid world may look like.

We believe that the disruptive changes gaining momentum before the crisis have gained even more validity since the crisis began. The digital revolution that has enabled innovations in financial transaction management, cloud computing, remote workplace capability, artificial intelligence use in engineering design, measurement and testing, on-line purchasing, business accounting, etc. have done nothing but gain more momentum.

Our focus and performance continue to reflect our concentration in those companies that are driving, enabling, or benefitting from these incredible secular trends.

Years ago, when becoming a parent for the first time, a friend assured me that things would return to “normal” soon. He then added, “of course, it will never be the normal you used to know.”

We will return to “normal.” But our new normal will reflect the lessons learned from the pandemic, the digital world we live in and the implications from government actions. As such, we believe that the interest rate environment will remain benign for the foreseeable future, federal stimulus will continue to try to reduce the negative implications from the pandemic’s economic disruption, the “old economy” will continue to restructure and the digital revolution will continue to feed significant investment opportunities.

All of us at Wisconsin Capital Management hope you that you and yours remain healthy and safe in these trying times.

Thomas G. Plumb, President

FOR MORE INFORMATION OR TO INVEST visit plumbfunds.com 866.787.7888

SPXT-S&P 500 Total Return Index. S&P 500 is an unmanaged index which is widely regarded as the standard for measuring large-cap U.S. stock market performance. Calculated intraday by S&P based on the price changes and reinvested dividends of SPX with a starting date of Jan 4, 1988.

NDUEACWZ- The MSCI ACWI ex USA Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 24 Emerging Markets (EM) countries*. With 2,148 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.

It is not possible to invest directly in an index.

The Fund's investment objectives, risks, charges, and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained on www.plumbfunds.com or by calling 1- 866-987-7888. Read it carefully before investing.

Past performance does not guarantee future results.

Opinions expressed are those of the author as of September 30, 2020 and are subject to change, are not intended to be a forecast of future events, a guarantee of future results, nor investment advice.

Earnings growth is the annual rate of growth of earnings from investments.

Mutual fund investing involves risk. Principal loss is possible.

The fund may invest in small and mid-sized companies which involve additional risks such as limited liquidity and greater volatility. The funds invest in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. Because the funds may invest in ETFs, they are subject to additional risks that do not apply to conventional mutual funds, including the risks that the market price of an ETF's shares may trade at a discount to its net asset value ("NAV"), an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact a fund's ability to sell its shares. The fund may also use options and future contracts, which have the risks of unlimited losses of the underlying holdings due to unanticipated market movements and failure to correctly predict the direction of securities prices, interest rates and currency exchange rates. The investment in options is not suitable for all investors. The Plumb Balanced Fund will invest in debt securities, which typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities.

Fund holdings are subject to change at any time and should not be considered a recommendation to buy or sell any security.

Diversification does not assure a profit nor protect against loss in a declining market.

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