



# Plumb Funds

Q3 2024

## Commentary

October 2024

Dear Fellow Shareholders,

As we enter our final quarter of the year, we are pleased to present our Third Quarter results ending September 30th, 2024.

**Our flagship Plumb Balanced Fund finished 0.00% this quarter and 13.98% year-to-date.**

The largest contributors were MercadoLibre, WEX, American Express, MasterCard and Fiserv. Detractors this quarter included Elf, Novo-Nordisk, Alphabet (aka Google), and Microsoft.

**The Plumb Equity Fund finished -2.80% this quarter and 16.93% year-to-date.** The largest contributors for the quarter were MercadoLibre, Autodesk, Apple, WEX, and American Express. Detractors included Elf, Novo-Nordisk, Montrose, Alphabet (aka Google), and VSE.

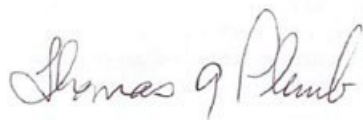
The Plumb Funds benefitted from our macroeconomic theme of growth in the Latin American consumer and payment processing segments. Unfortunately, our themes in artificial intelligence slumped this quarter as investors cycled through mostly superficial fears, but our biggest disappointment was the surprising worldwide softening of the normally consistent woman's beauty and makeup market that sent our long-term holding of Elf tumbling. Presently, we find it intuitively hard to think a downdraft in women's beauty and makeup products would persist globally for a lengthy period, especially as more luxury brands enter the Latin American market.

This quarter, we did not initiate any new positions, we added and trimmed our existing names as we normally do when managing our Plumb Funds. However, we exited the recently added position of Montrose this quarter. While we still value this company and its commitment to stem the tide of PFAS and its nasty family of forever chemicals, a major ruling on June 28th by the Supreme Court cut back sharply on the power of federal agencies to interpret the laws they administer. Although the battle against PFAS is one of the few non-bipartisan issues in our country since no one wants it in our drinking water, Montrose as a stock participated in the collateral damage of stock declines.

At the Plumb Funds, we strive to serve our shareholders through all market environments with our proprietary stock research and portfolio management. Part of our investment philosophy is to invest in companies that have the ability and capability to grow faster than the U.S. and global economy. This third quarter was a difficult market for growth investors like us. Rarely do the companies we invest in completely structurally fall apart from a traditional fundamental balance sheet perspective, but what the key driver for us is usually the expectation of growth rates and the market collectively questioned those growth figures this quarter. Again, we thank you for choosing us to be your steward as a Plumb Funds shareholder.

FOR MORE INFORMATION OR TO INVEST visit [plumbfunds.com](https://plumbfunds.com) 866.787.7888

Sincerely,



Thomas G. Plumb, CFA  
Co-Fund Portfolio Manager  
President, CEO, Chairman



Nathan M. Plumb  
Co-Fund Portfolio Manager

*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](http://www.plumbfunds.com) or by calling 1- 866-987-7888. Read it carefully before investing.*

*Performance data quoted represents past performance and does not guarantee future results. Investment returns and principal value will fluctuate and, when sold, may be worth more or less than their original cost. Performance current to the most recent month-end may be lower or higher than the performance quoted and can be obtained by calling 866-987-7888.*

**Past performance does not guarantee future results.**

Plumb Balanced Fund Standardized Performance

Plumb Equity Fund Standardized Performance

Opinions expressed are those of the author as of September 30, 2024, 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. For a list of current fund holdings, please refer to the individual fund's holding page. Plumb Balanced Holdings: [plumbfunds.com/funds/plumb-balanced-fund/](http://plumbfunds.com/funds/plumb-balanced-fund/). Plumb Equity Holdings: [plumbfunds.com/fund/plumb-equity-fund/](http://plumbfunds.com/fund/plumb-equity-fund/)

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

Dividends are not guaranteed and may fluctuate.

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