Plumb Funds

Q3 2025

Commentary

September 2025

Dear Fellow Shareholders,

The Plumb Funds are pleased to present our Q3 2025 results to you.

Overall, the stock market experienced a broad-based rally powered by AI themed stocks after a surprisingly poor July jobs report on August 1st and its political fallout sent the stock market tumbling. Subsequently, the August jobs report released on September 3rd showed 254,000 non-farm jobs that eased fears of a possible recession. Additionally, the Federal Reserve lowered its discount rate (the interest rates it charges big banks) on September 18th by 25 basis points for its first rate cut since the pandemic, further boosting the stock market.

Our flagship Plumb Balanced Fund finished up 4.91% (PLIBX 4.96%) this quarter and up 9.72% (PLIBX 9.93%) year-to-date.

The largest contributors to the Plumb Balanced Fund included: Alphabet (aka Google), Nvidia, Modine Manufacturing, VSE Corp, and AAR Corp. Besides our AI themed names, our airport parts companies highlighted in our previous letter benefited from a strong quarter as well. Detractors this quarter included Fiserv, MercardoLibre, Toast, and Intuitive Surgical.

New positions to the quarter included Cellebrite and repurchasing Microchip. Positions eliminated during the quarter were Ansys, which was bought by Synopsis, Copart, and CoreWeave after its huge run up in the previous Q2 quarter.

The Plumb Equity Fund finished up 4.83% (PLIEX 4.91%) this quarter and up 9.90% (PLIEX 10.11) year-to-date.

The largest contributors to the Plumb Equity Fund included: Nvidia, Alphabet (aka Google), VSE Corp, Apple, and AMD. Detractors this quarter included: Fiserv, Intuitive Surgical, Toast, MercardoLibre and CoreWeave.

New positions to the quarter included Cellebrite, Microchip, and Genius Sports. The only position eliminated was CoreWeave as we look for another tactical entry point to repurchase the company. Highlighting Genius Sports, it is a London based company that provides all the AI sports odds data to all the major gambling websites, apps, and casinos including the National Football League (NFL) and English Premier League (soccer)

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. Our core belief is that we believe the world is in the midst of modern industrial revolution that is now being coined the 5th Industrial Revolution or Industry 5.0. This is the new cognitive age with artificial intelligence (AI).

Again, we thank you for choosing us to be your steward as a Plumb Funds shareholder.

Sincerely,

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

Nathan M. Plumb, CTFA
Co-Fund Portfolio Manager
President, Treasurer

The Funds' investment objectives, risks, charges, and expenses must be considered carefully before investing. The prospectus contains this and other information about the Funds. You may obtain a free hard-copy version by calling 1-866.987.7888 or you may download a prospectus here. Read it carefully before investing.

Opinions expressed are those of the author or Plumb Funds and are subject to change, are not intended to be a forecast of future events, a guarantee of future results, nor investment advice. References to other mutual funds should not be interpreted as an offer of these securities.

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

Past performance does not guarantee future results.

Mutual fund investing involves risk. Principal loss is possible.

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