AEGIS Value Fund

AEGIS FUNDS

Portfolio Manager's Letter
1st Half Ended June 30, 2026

July 28, 2026

Table 1: Performance of the Aegis Value Fund as of June 30, 2026

		Annualized				
	Six Month	One Year	Three Year	Five Year	Ten Year	Since Inception 5/15/98
Aegis Value Fund (AVALX)	11.19%	45.58%	29.58%	21.03%	19.50%	12.83%
S&P Sm. Cap 600 Pure Value Index ^	26.58%	45.11%	18.91%	11.38%	11.78%	N/A
S&P 500 Index	10.21%	22.32%	20.61%	13.41%	15.51%	8.98%

^Available performance data for the S&P SmallCap 600 Pure Value Index prior to the December 16, 2005 inception date of this Index cannot be shown as display of pre-inception Index performance data is not permitted. Performance data quoted represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. The investment return and principal value will fluctuate so that upon redemption, an investor's shares may be worth more or less than their original cost. For performance data current to the most recent month end, please call us at 800-528-3780 or visit our website at www.aegisfunds.com. The Fund has an annualized gross expense ratio of 1.36% and a net annualized expense ratio, after fee waiver and/or expense reimbursement and management fee recoupment, of 1.36%. Under the waiver, the Advisor has contractually agreed to limit certain fees and/or reimburse certain of the Fund's expenses through 4/30/2027.

Dear Aegis Investor:

The Aegis Value Fund returned 11.19 percent in the first half of 2026. While the Fund delivered nice gains outperforming the 10.21 percent return of the large-cap-focused S&P 500 Index, the Fund trailed its small-cap, deep value benchmark, the S&P SmallCap 600 Pure Value Index, which gained a blistering 26.58 percent in the first half. Despite the Fund's relatively light first-half returns, the Fund has nevertheless remained well ahead of its benchmark over the longer periods, as seen in Table 1.

The Iran Conflict Disrupted Markets as the Fed Tone Turned Hawkish in the First Half

Equity markets in the first half of 2026 were marked by heightened geopolitical tensions as the United States and Israel launched a late-February joint offensive against Iran aimed at disrupting the country's nuclear weapons program. The conflict resulted in the dramatic curtailment of traffic through the Strait of Hormuz, placing nearly a fifth of the world's global crude supply at risk. Oil prices responded swiftly to these developments, spiking from $60 per barrel to over $115 per barrel at their peak. However, a mid-June "ceasefire" and subsequent US-Iran Memorandum of Understanding led to increased cross-strait traffic and diminished supply concerns, sending crude prices plummeting back towards $70 by mid-year. Nevertheless, the surge in energy prices began to filter through the economy, driving the headline Consumer Price Index to a three-year high of 4.2 percent in May of 2026. With inflation accelerating, incoming Federal Reserve Chairman Kevin Warsh appeared to reverse course. After having previously signaled a willingness to cut rates, he used his first Fed meeting in mid-June to take a decidedly hawkish tone, emphasizing the importance of fighting inflation and stripping the post-meeting statement of its prior interest rate easing language. As the market adjusted, pricing-out previously anticipated interest rate cuts, the dollar climbed, long-term Treasury rates dropped, and gold and other commodities retreated.

AI-Related Equities Dominated the Capital Markets

Broad US equity markets, however, largely shrugged off the prospect of higher interest rates and staged a strong second quarter rally supported by exceptional earnings growth, with the S&P 500 reporting 29.4 percent year-over-year growth in first quarter earnings. Earnings gains were driven almost entirely by the hyperscalers - Amazon, Alphabet, Microsoft and Meta - and by the companies supplying the semiconductor and AI-infrastructure build-out, including Nvidia, Broadcom, Micron, and Sandisk. Benefiting from massive AI-related capital spending, the semiconductor industry showed year-over-year sales growth of 79 percent, which the World Semiconductor Trade Statistics organization noted was the strongest growth rate recorded in the organization's 40-year history, surpassing the previous record of 60 percent set in the first quarter of 2010.

The Expenses Associated with All the AI Investment Have Yet to Flow Through the Financials

While AI infrastructure providers are currently enjoying extraordinary profits from hyperscaler spending, those earnings appear vulnerable to any moderation in capital investment. At the same time, the hyperscalers themselves have largely deferred the earnings impact of their massive AI buildouts through capitalization of costs and through the use of opaque off-balance sheet financing structures. However, these expenditures will ultimately have to be recognized as depreciation and other associated expenses begin to flow through the income statement, leaving these companies vulnerable to substantial earnings headwinds in the years ahead.

Investors Remained Indifferent to AI Concentration Risk in the S&P 500

With hyperscalers accounting for a roughly 17-18 percent weight in the S&P 500 Index and semiconductor and hardware companies tied to the AI build-out representing another 22 percent of the Index, nearly 40 cents of every dollar invested in the Index is now exposed, directly or indirectly, to the AI-buildout – one of the largest and most rapid allocations of capital since the railroad expansion of the nineteenth century. Our concern is that, historically, periods of intense capital deployment in emerging industries have often been followed by overinvestment and disappointing returns. The railroad boom of the mid-1800s and the canal building frenzy that preceded it are notable examples. While AI is clearly a transformative technology, it is far from certain that compute manufacturing will remain the bottleneck it appears to be today, particularly given the extraordinary pace of datacenter expansion. As manufacturers race to increase production capacity, newly emerging open-source models from China and elsewhere have already demonstrated that sophisticated AI systems can be trained using substantially less compute. At the same time, engineers around the world are undoubtedly developing new models, architecture and software that make both training and everyday use increasingly efficient. We suspect these trends could ultimately lead to disappointing returns on hyperscaler investment, lower capital expenditures for compute, and potentially significant consequences for S&P 500 Index earnings.

Energy Stocks Drove Fund Returns in the First Half

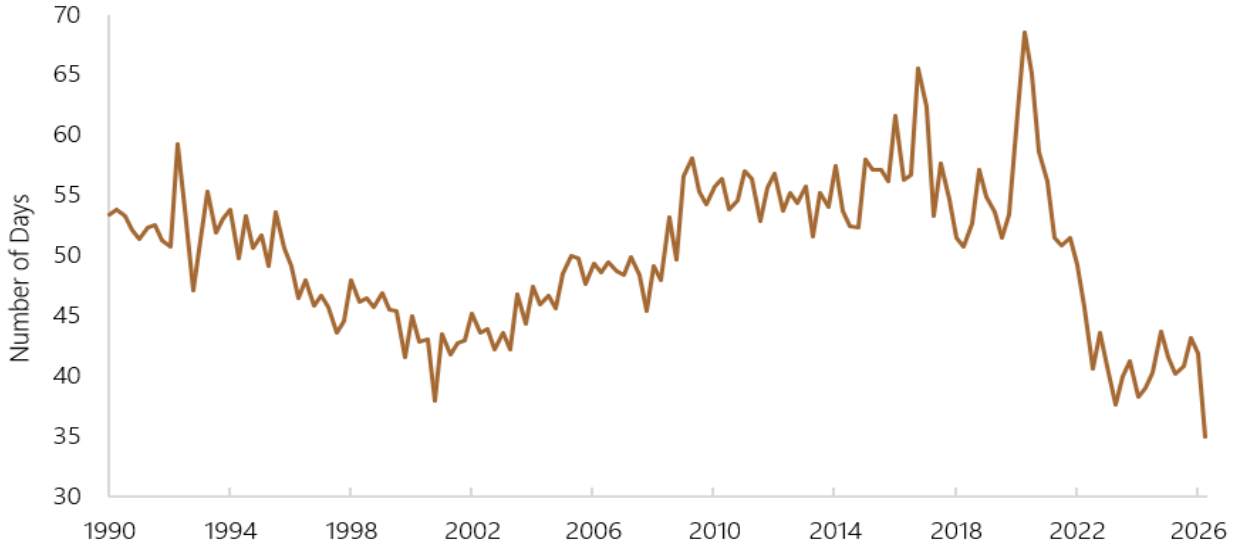
Energy sector stocks, representing 29.4 percent of Fund assets at the beginning of the year, drove a substantial portion of overall performance in the first half of 2026, positively impacting Fund returns by 8.79 percentage points. At mid-year, we held a total of 38.3 percent of Fund assets in energy sector securities. We own a number of upstream oil & gas producers, with a heavy North American focus, including Canadian oil sands producers **Cenovus (CVE-TO)**, **International Petroleum (IPCO-TO)**, **Athabasca (ATH-TO)**, and **Greenfire (GFR)**, as well as US shale producer **SM Energy (SM)**. We also hold shares in a number of international frontier producers as well, including **Parex (PXT)** and **Petrotal (TAL)** in Central and South America, **Afentra (AET-L)** and **Seplat (SEPL-L)** in Africa, and **Jadestone (JSE-L)** in Southeast Asia, making an effort to avoid overconcentration in any particular jurisdiction. Additionally, we have invested in a number of oilfield services and equipment companies, including land-drilling and equipment-rental companies like **Precision Drilling (PD-TO)**, **Noram Drilling (NORAM-OL)**, **Total Energy Services (TOT-TO)**, and **Enerflex (EFX-TO)**, and furthermore hold a position in North American refinery assets through **PBF Energy (PBF)**. Our investment approach focuses on companies with strong cash-flow generation, long-lived reserves, and shallow decline profiles. We seek assets in stable jurisdictions with favorable tax and royalty structures that can be acquired at substantial discounts to replacement value. We also look for management teams with significant insider ownership and a demonstrated commitment to balance-sheet discipline, debt reduction, and shareholder returns.

Despite Gains, the Investment Case for Energy Stocks Remains Very Strong Today

The investment case for energy stocks is currently quite compelling. Wood Mackenzie has estimated that the closure of the Strait of Hormuz has resulted in the shut-in production of approximately 11 million barrels per day, representing nearly 10 percent of overall global supply. So far, oil consuming nations have been counteracting the drop in supply by draining commercial inventories and tapping emergency reserves to keep a lid on pricing. However, after more than four months of restricted Gulf output from the conflict, the global inventory cushion against future supply shocks appears particularly thin, with emergency strategic reserves substantially depleted (See Figure 2). In early July, the US Strategic Petroleum Reserve sat at 319.5 million barrels, reportedly the lowest levels since April 1983, sparking debate over operational minimums and SPR integrity. While China's inventory statistics are murky, China appears to have been doing particularly surprising level reserve releases, cutting its oil imports by more than 4 million barrels per day since the conflict began, and drawing instead on its own purportedly substantial inventories of crude to balance the market and keep oil prices in check.

With tensions in the region heating-up again over the past week, the risk to Gulf oil production infrastructure looms large over what strikes us as a remarkably complacent oil market. Investors have appeared to have largely dismissed the possibility of substantial oil gains should critical Gulf energy infrastructure be damaged by either side. Just a few months earlier, an Iranian attack reportedly damaged two of Qatar's 14 massive LNG trains, taking approximately 17 percent of the nation's liquefied natural gas capacity offline. Repair times are currently estimated at three to five years. If Iran possesses both the capability and the willingness to target additional energy infrastructure, the risk of a severe energy shortage cannot be dismissed. Even absent direct attacks on production facilities, continued interference of oil tanker transit through the Strait of Hormuz could create significant supply challenges. With global inventories and spare reserves already depleted, the ability to offset disruptions through stock draws appears increasingly limited. Further compounding the risk, the Houthis in Yemen, allies of Iran, may intensify efforts to impede flow of marine traffic through the Bab-al-

Figure 2: US Crude Oil Inventories (Incl. Strategic Petroleum Reserve) As Days Of Domestic Consumption



Source: Bloomberg DOE Crude Oil Total Inventory and DOE Oil Total Products Supplied Data (Data from 3/31/90 to 6/30/26)

Mandab Strait, a route through which a substantial portion of redirected Saudi oil now accesses the market. At the same time, China, having apparently drawn down inventories the most so far in the conflict, may soon be forced to resume substantially higher levels of oil imports. Under such scenarios, we suspect oil prices would have to substantially rise to restore market balance by curbing demand.

Even if the conflict were to end tomorrow with no further damage to infrastructure and the full reopening of maritime shipping lanes, prices would likely settle at levels meaningfully above those prevailing in late 2025. The restoration of shut-in Gulf production may prove more time consuming and challenging than markets currently anticipate. In addition, the replenishment of depleted commercial inventories and the rebuilding of strategic reserves are likely to create incremental demand for crude in the years ahead.

Beyond the Gulf, several important supply trends continue to tighten the long-term outlook. Russian crude production has been declining as key energy infrastructure faces increasing bombardment from Ukrainian drones. Additionally, the US shale patch, the single largest source of global incremental oil supply for over a decade, has largely ceased growing as the inventory of high quality, Tier-1 drilling locations are increasingly drilled-out. Unlike the potentially excessive investment now occurring in parts of the AI infrastructure ecosystem, the oil industry has experienced years of under-investment. Saudi Aramco CEO Amin Nasser noted last year that annual upstream capital spending has been running $200-250 billion short of the level required to avoid an oil supply shortage later this decade. Against this backdrop, we believe the long-term fundamentals for oil and natural-gas-related assets remain compelling, regardless of the speed with which the current Gulf conflict is ultimately resolved.

Cenovus Energy Was the Fund's Top Performer in the First Half

The Fund's second largest holding at the start of 2026, Canadian oil sands producer **Cenovus Energy (CVE-TO)**, was the strongest contributor to Fund performance in the first half, adding 2.34 percentage points to Fund returns as shares soared nearly 45 percent. While the disruption of Middle East energy exports improved oil prices and drove a substantial increase in refinery crack margins, Cenovus also benefitted from the successful integration of last year's well-timed and highly synergistic MEG Energy acquisition, which added scale and synergies through the addition of MEG's neighboring, high-quality Christina Lake SAGD oil sands assets. The result of these factors was a nearly 80 percent jump in Cenovus per-share earnings year-over-year in the first quarter. The company's cash flow continues to fund material debt reduction, as well as stock buybacks and increased dividends. Cenovus, with its refinery-integrated, high-quality, long reserve-life, low-decline assets, offers investors a risk reward profile that appears to be rapidly improving over time, not to mention the opportunity to capture excellent returns should a substantial Middle East oil price shock emerge. We continue to maintain our sizable position in Cenovus, which represented 7.35 percent of Fund assets at the end of June.

Gold Stocks Corrected Hard After an Early Year Rally

After delivering extraordinary gains in 2025, gold and silver continued to advance through late January, supported by ongoing central-bank buying and skepticism toward the U.S. dollar. However, precious metals pricing began to retreat from their highs as rising oil prices fueled concerns over a renewed inflationary surge. The correction accelerated late in the first half as Fed Chair Kevin Warsh signaled a more hawkish policy stance, which squashed expectations for near-term interest rate cuts and firmed-up the dollar. Both metals ultimately posted their first half-year decline since 2022-2023, with gold falling roughly 6-7 percent and silver off approximately 18 percent. Gold mining equities also struggled, with the MVIS Global Junior Gold Miners Index declining 14.07 percent during the period. The Fund's investments in 24 precious metals mining companies, which represented 22.83 percent of assets at the beginning of 2026, reduced Fund performance by an estimated 2.22 percentage points.

Equinox Gold Most Negatively Impacted the Fund

Equinox Gold (EQX-CA), the Fund's top holding entering the year, gave back a portion of its 2025 gains as gold retreated from its January record high above $5,500/oz to close near $4,000/oz at period-end. In May, Equinox announced an all-stock merger with Orla Mining to create what today would be an $11 billion North American senior producer targeting 1.1 million ounces of annual gold production, with a pathway to organically grow to 1.9 million ounces. While we believe the at-market deal adding Orla's Canadian Musselwhite mine to Equinox's own Canadian Greenstone and Valentine assets holds some strategic merit, shareholder sentiment appears to have soured as the transaction requires the issue of up to 421.8 million new shares, raising fears of dilutive deal impacts. Fortunately, the underlying business has continued to perform well, with Equinox delivering a $310 million profit in the first quarter, versus a loss in the previous year. The company has repaid nearly $1 billion of debt, has initiated a dividend and a buyback. Furthermore, Equinox recently resolved a long-standing conflict with one of the host communities which had idled the Los Filos mine, securing a new 20-year land access agreement which clears the path towards an eventual restart of the currently underappreciated asset. While the Fund did lighten-up on a portion of the Fund's position early in the year at excellent valuations, we paused selling as share prices dropped back to more modest valuation levels. We currently intend to hold the remaining position pending the completion of the merger with Orla and the restart of Los Filos, which should benefit sentiment. At mid-year, Equinox shares represented 3.19 percent of Fund assets.

The Long-Term Investment Case for Precious Metals Continues to Strengthen

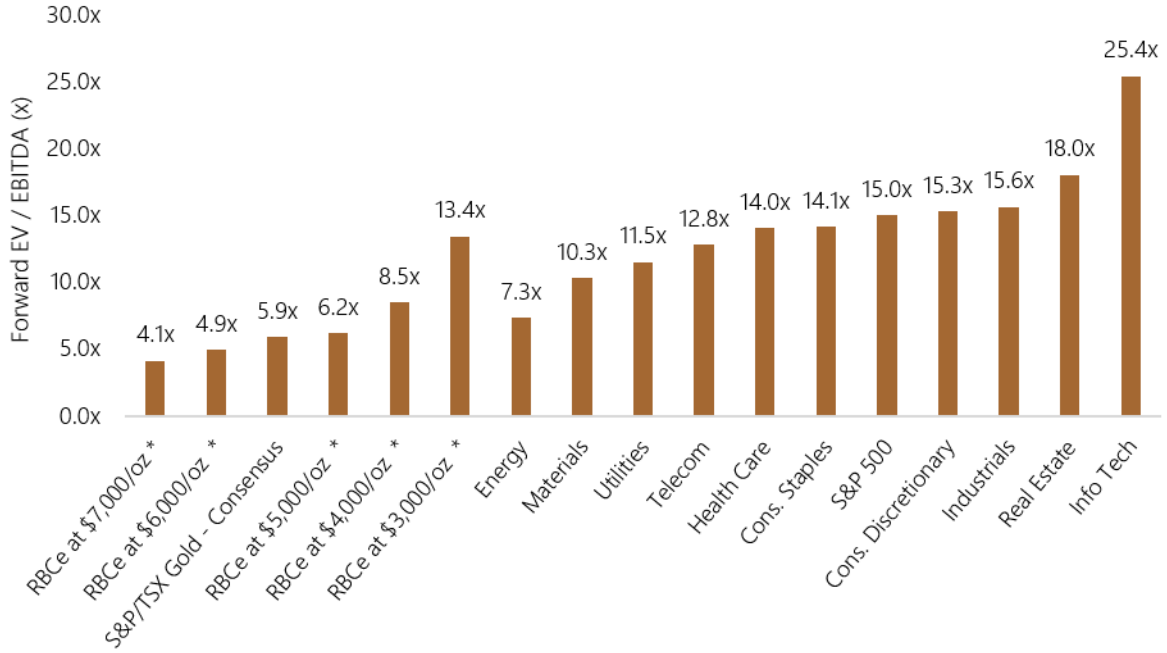
Despite the nearly 30 percent drop in gold prices from the high, we believe the long-term case for further appreciation in precious metals has strengthened. With the federal government continuing to run annual deficits of approximately six percent of GDP amid an increasingly speculatively priced market, we suspect the Federal Reserve will increasingly be in the very difficult bind of either hawkishly fighting inflation risking fiscal strain and market collapse or alternatively capitulating to the political demands of a fiscally profligate government risking an even more accelerated pace of currency debasement. We suspect it will not be long before markets begin testing to see whether the Fed's latest hawkish rhetoric will ultimately be backed by action. With the war against Iran in full swing, and with Gallup polls most recently showing 39 percent of Americans today viewing socialism positively, prospects for diminished government spending outside of a major crisis appear limited. The basic mathematics of interest rates on what will soon be $40 trillion in government debt has already set the scene for a probable Fed capitulation. Central banks have already been preparing for a shift in the global financial architecture, as evidenced by their sustained net purchases of gold over the past several years. As a consequence of this repositioning, gold has now overtaken US Treasuries as the primary reserve asset held by global central banks. Quarterly bar and coin physical demand hit a 12-year high in 2025.

We intend to hold on to our gold mining investments despite the declines experienced in 2026. Gold mining companies on the whole continue to screen cheaply both on an absolute basis and relative to the overall market, as can be seen in Figure 3. At today's gold price, many of the Fund's precious metals producers currently trade at double-digit free cash-flow yields, while our developers trade at remarkable discounts implied by their engineering studies. Precious metals mining corporate cash flows from gold's surge over the last year have driven balance sheet strengthening, with a number of our holdings using the growing cash flows to pay down debt, fund mine expansions, and return capital via buybacks. While we believe that further gold price appreciation is a strong probability that could give our investment returns enormous tailwinds, our underwriting thesis is typically company specific, focusing on companies with truthful management teams that can drive substantial cash flow growth by derisking projects, progressing them to completion and into production.

The Fund Liquidated its Investment in Amerigo Resources at an Extraordinary Gain

Amerigo Resources (ARG) entered the year as the Fund's third largest holding, at roughly 4 percent of assets. We sold the entire position in our largest disposition in the first half. Shares had returned more than 400 percent over the trailing five years, pushing the stock price to nearly 20 times earnings, substantially higher than those still typical amongst Amerigo's Canadian metals & mining company peers. Following the exceptional run-up, shares of the Chilean company, which processes copper from both fresh and historic tailings from Codelco's El Teniente mine, were no longer trading at a compelling valuation and as a result carried substantially more valuation risk. We had also grown anxious over the potential for disruption of Amerigo's feed source after a serious seismic event last year substantially impacted fresh tailings

Figure 3: EV / EBITDA Valuation by Sector (2026E)



** Forward RBCe multiples use RBC estimates for senior gold producer coverage*
Source: Bloomberg, RBC Capital Markets estimates

production at El Teniente, particularly since the company's fortunes remain tied to a single counterparty and a single mine. Furthermore, the company's highly profitable processing of the historic Cauquenes tailings has been expected to wind down by 2033 as those reserves are exhausted. On top of these concerns, the CEO, who we have long respected, established an automatic disposition plan to sell off a portion of her position, which we read as a signal that those closest to the business may share our own sense that a substantial portion of value in the company may have been realized. Accordingly, we chose to exit and redeploy proceeds in more attractively priced opportunities elsewhere.

We Found a Number of Good Opportunities Outside of Energy and Precious Metals

Outside of our core material and energy holdings, we continue to hunt for mispriced businesses across the value spectrum. Our largest purchase in the first half of 2026 was **Radian Group (RDN)**. We bought into Radian at a modest price of roughly book value and approximately 7-8 times earnings - low valuations on both an absolute basis and relative to both its mortgage insurance peers and the broader universe of diversified financial companies. Radian's valuation is particularly low given the company has successfully compounded book value per share at a consistently solid pace in recent years. Radian's core mortgage insurance portfolio, now at a record $280 billion of insurance in force, benefits from a well-seasoned, high-credit-quality book written largely in the post-financial-crisis underwriting regime, robust excess capital well above PMIERs regulatory requirements. Furthermore, Radian now transfers a portion of its tail risk to third-party reinsurers, protecting the balance sheet against a sharp deterioration in mortgage credit, insulating the company should the economy experience a severe economic downturn. In February, Radian closed on the acquisition of Lloyd's specialty insurer Inigo, Ltd. in a cash buyout, paying approximately 1.4 times book value. While the deal was dilutive to tangible book value in the near-term, the deal was done at levels below where specialty Lloyd's syndicates and reinsurers of comparable quality have been trading and overall appears to be a reasonable price for a business that meaningfully diversifies Radian's earnings towards higher-margin specialty insurance, a shift not fully appreciated by the market. As with our energy and materials holdings, we see Radian as a well-capitalized, cash generative business trading quite inexpensively relative to the market. As of mid-year, Radian shares represented 2.66 percent of Fund assets.

In the first half, the Fund also built positions in select hotel REITs, as well as **Jet2 plc (JET2-L)**, and **Harley Davidson (HOG)**, all at modest prices compared to tangible book value. Within hotel REITs, we continued to build our position in **RLJ Lodging Trust (RLJ)** and initiated a new position in **Park Hotels & Resorts (PK)**, complementing our position in **Chatham Lodging Trust (CLDT)** established late last year. These companies had been trading at steep discounts to replacement cost ahead of a favorable 2026 demand calendar, which included the FIFA World Cup across several US host cities and America's 250th anniversary. With hotel supply growth remaining unusually subdued in recent years, industry fundamentals appeared favorable. Jet2, the UK's largest package holiday operator with a loyal customer base, trades at just 6-9 times earnings despite continued strong financial results and a balance sheet holding roughly £2 billion in net cash against a £3 billion market capitalization. Jet2 capitalized on the pandemic downturn, placing substantial Airbus aircraft orders in August 2021 and October 2022, likely at attractive prices. These fleet commitments support the company's

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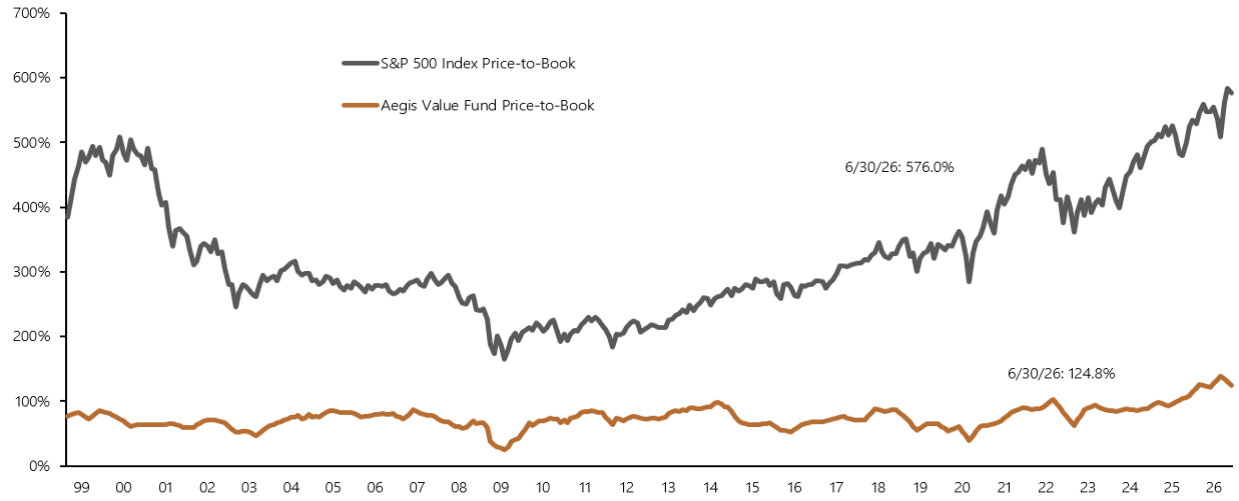
Figure 4: Aegis Value Fund and S&P 500 Index Historical Price-to-Book Ratio



Source: Aegis Financial Corp and Bloomberg (Data from 9/30/1998 to 6/30/2026)

continued expansion into underpenetrated markets such as Gatwick. And in Harley Davidson, we bought into a century-old American brand at multi-year low levels well below book value as a sorely needed new management team under Artie Starrs initiated a "Back to the Bricks" turnaround plan, with the goal of repairing dealer relationships and providing a better priced assortment of entry-level motorcycles to attract a new generation of riders.

Our Portfolio Represents Good Value in an Otherwise Frothy Equity Market

Overall, we continue to view the U.S. equity market as overly concentrated in a small group of richly valued mega-cap companies, with the S&P 500 having now become overly dependent on sustained AI-related capital spending at unprecedented levels. At the same time, rising war-driven fiscal expenditures and persistently large government deficits has only heightened the risk of future currency debasement, making the case for long-term hard-asset-backed deep-value investing increasingly compelling.

Despite today's frothy equity markets, fortunately many companies outside the mega-cap growth universe continue to trade at attractive valuations. As can be seen in Figure 4, the Fund's portfolio today remains invested in companies trading at substantial discounts to the broader market on a price-to-book multiple. We continue to work diligently to identify and invest in companies offering the most attractive risk-reward opportunities available in the current market. Aegis employees and our families continue to hold more than $100 million of Fund shares, reflecting our confidence in the Fund's prospects over the long-term. We continue to monitor the portfolio closely for emerging risks as we navigate today's complex investment environment.

Should you have any questions, our shareholder representatives are available at (800) 528-3780. You are also welcome to call me personally any time at (571) 250-0051.

Sincerely,

Scott L. Barbee
Portfolio Manager
Aegis Value Fund

Please see the following page for important information.

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The Aegis Value Fund is offered by prospectus only. Investors should carefully consider the investment objectives, risks, charges and expenses of the fund. The Statutory and Summary Prospectuses contain this and other information about the Fund and should be read carefully before investing. To obtain a copy of the Fund's Prospectus please call 1- 800-528-3780 or visit our website www.aegisfunds.com, where an on-line version is available.

Mutual fund investing involves risk. Principal loss is possible. Investments in foreign securities involve greater volatility and political, economic and currency risks and differences in accounting methods. Investments in smaller and mid-cap companies involve additional risks such as limited liquidity and greater volatility. Investment concentration in a particular sector involves risk of greater volatility and principal loss. Value stocks may fall out of favor with investors and underperform growth stocks during given periods.

The Fund's top ten holdings are Cenovus Energy Inc., International Petroleum Corp., Precision Drilling Corp., Equinox Gold Corp., Bank of Cyprus Holdings, Harley Davidson Inc., Capital Ltd., Hallador Energy Company, Vermillion Energy Inc., and Radian Group Inc. As of June 30, 2026, the stocks represent 7.4%, 3.5%, 3.4%, 3.2%, 3.0%, 3.0%, 2.8%, 2.7%, 2.7%, and 2.7% of total Fund assets respectively. Fund holdings are subject to change and should not be considered a recommendation to buy or sell a security. Current and future portfolio holdings are subject to risk.

Price to Book: A ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share. **Book Value:** A company's common stock equity as it appears on a balance sheet. **S&P 500 Index:** An index of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe. **Cash Flow:** A revenue or expense stream that changes a cash account over a given period. **MVIS Global Junior Gold Miners Index:** The modified market cap-weighted index tracks the performance of the most liquid junior companies in the global gold and silver mining industry. **The S&P SmallCap 600 Pure Value Index:** An index maintained and selected by the S&P Index Committee. It contains companies with market caps in the range of US$ 300 million up to US$1.4 billion and with public floats of at least 50% and with strong value characteristics. **S&P 500 Energy Sector** comprises those companies included in the S&P 500 that are classified as members of the GICS® energy sector. **The MSCI World ex USA Index:** A stock market index that tracks the performance of large and mid-cap companies in 22 developed markets, excluding the United States. **OPEC**: The Organization of Petroleum Exporting Countries is a group consisting of 12 of the world's major oil-exporting nations. **Gross domestic product (GDP)**: the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period. As a broad measure of overall domestic production, it functions as a comprehensive scorecard of a given country's economic health. **Liquefied natural gas (LNG)** : is natural gas that has been cooled to a liquid state, at about -260° Fahrenheit, for shipping and storage. The volume of natural gas in its liquid state is about 600 times smaller than its volume in its gaseous state. This process makes it possible to transport natural gas to places pipelines do not reach. **EBITDA:** Earnings before interest, taxes, depreciation and amortization expenses. **Free-cash flow yield**: an overall return evaluation ratio of a stock, which standardizes the free cash flow per share a company is expected to earn against its market price per share. **CAPEX (Capital Expenditure):** Money spent by a business or organization on acquiring or maintaining fixed assets, such as land, buildings and equipment. **Consumer Price Index:** A measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. The CPI is calculated by taking price changes for each item in the predetermined basket of goods and averaging them; the goods are weighted according to their importance. Changes in CPI are used to assess price changes associated with the cost of living. **World Semiconductor Trade Statistics (WSTS)** is a non-profit organization founded in 1986 that serves as the semiconductor industry's authoritative source for monthly shipment statistics and market forecasts. It gathers and publishes granular, industry-wide data on semiconductor revenues, unit sales, and average sales prices. **US Strategic Petroleum Reserve:** The world's largest supply of emergency crude oil. It was established primarily to reduce the impact of disruptions in supplies of petroleum products and to carry out obligations of the United States under the international energy program. **Tangible Book Value:** The net asset value of a company, calculated by total assets minus intangible assets (patents, goodwill) and liabilities. **PMIERs** (Private Mortgage Insurer Eligibility Requirements) are the financial and operational standards that private mortgage insurance companies must meet to insure low-down-payment loans acquired by Fannie Mae and Freddie Mac. **Enterprise Value (EV):** The market capitalization plus debt, less cash.

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Diversification does not guarantee a profit or protect from loss in a declining market.

An investment cannot be made directly in an index.

Earnings growth is not representative of the Fund's future performance. Dividends are not guaranteed and may fluctuate.

Opinions expressed are subject to change at any time, are not guaranteed and should not be considered investment advice.

References to other investment products should not be interpreted as an offer of these securities.

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