

<b>Aug 2023</b>		<b>Fund</b>			<b>S&amp;P500 Index</b>	
		<i>Performance</i>	<i>Inception to Date</i>		<i>Performance</i>	<i>Inception to Date</i>
<b>2005</b>		<b>+14.01%</b>	<b>+14.01%</b>		<b>+4.78%</b>	<b>+4.78%</b>
<b>2006</b>		<b>+16.91%</b>	<b>+33.29%</b>		<b>+13.62%</b>	<b>+19.05%</b>
<b>2007</b>		<b>+4.06%</b>	<b>+38.70%</b>		<b>+3.53%</b>	<b>+23.25%</b>
<b>2008</b>		<b>-47.99%</b>	<b>-27.86%</b>		<b>-38.49%</b>	<b>-24.18%</b>
<b>2009</b>		<b>+42.74%</b>	<b>+2.97%</b>		<b>+23.45%</b>	<b>-6.40%</b>
<b>2010</b>		<b>+24.94%</b>	<b>+28.65%</b>		<b>+12.78%</b>	<b>+5.57%</b>
<b>2011</b>		<b>+1.79%</b>	<b>+30.96%</b>		<b>0.00%</b>	<b>+5.56%</b>
<b>2012</b>		<b>+24.17%</b>	<b>+62.61%</b>		<b>+13.41%</b>	<b>+19.71%</b>
<b>2013</b>		<b>+42.96%</b>	<b>+132.46%</b>		<b>+29.60%</b>	<b>+55.15%</b>
<b>2014</b>		<b>+3.92%</b>	<b>+141.59%</b>		<b>+11.39%</b>	<b>+72.82%</b>
<b>2015</b>		<b>-2.10%</b>	<b>+136.51%</b>		<b>-0.73%</b>	<b>+71.56%</b>
<b>2016</b>		<b>+31.95%</b>	<b>+212.07%</b>		<b>+9.54%</b>	<b>+87.93%</b>

	<i>MTD</i>	<i>YTD</i>	<i>ITD</i>	<i>MTD</i>	<i>YTD</i>	<i>ITD</i>
<b>2017</b>		<b>+13.43%</b>	<b>+254.00%</b>		<b>+19.42%</b>	<b>+124.42%</b>
<b>2018</b>		<b>-20.44%</b>	<b>+181.65%</b>		<b>-6.24%</b>	<b>+110.42%</b>
<b>2019</b>		<b>+27.60%</b>	<b>+259.39%</b>		<b>+28.88%</b>	<b>+171.19%</b>
<b>2020</b>		<b>+16.17%</b>	<b>+317.49%</b>		<b>+16.26%</b>	<b>+215.28%</b>
<b>2021</b>		<b>+35.18%</b>	<b>+464.37%</b>		<b>+26.89%</b>	<b>+300.07%</b>
<b>2022</b>		<b>-10.54%</b>	<b>+404.87%</b>		<b>-19.44%</b>	<b>+222.29%</b>
<b>Jan 2023</b>	<b>+8.22%</b>	<b>+8.22%</b>	<b>+446.39%</b>	<b>+6.18%</b>	<b>+6.18%</b>	<b>+242.19%</b>
<b>Feb 2023</b>	<b>-1.04%</b>	<b>+7.10%</b>	<b>+440.74%</b>	<b>-2.61%</b>	<b>+3.40%</b>	<b>+233.25%</b>
<b>Mar 2023</b>	<b>-4.82%</b>	<b>+1.95%</b>	<b>+414.70%</b>	<b>+3.51%</b>	<b>+7.03%</b>	<b>+244.93%</b>
<b>Apr 2023</b>	<b>-2.45%</b>	<b>-0.55%</b>	<b>+402.08%</b>	<b>+1.46%</b>	<b>+8.59%</b>	<b>+249.99%</b>
<b>May 2023</b>	<b>-3.44%</b>	<b>-3.97%</b>	<b>+384.82%</b>	<b>+0.25%</b>	<b>+8.86%</b>	<b>+250.85%</b>
<b>Jun 2023</b>	<b>+10.87%</b>	<b>+6.47%</b>	<b>+437.51%</b>	<b>+6.47%</b>	<b>+15.91%</b>	<b>+273.56%</b>
<b>Jul 2023</b>	<b>+8.85%</b>	<b>+15.89%</b>	<b>+485.08%</b>	<b>+3.11%</b>	<b>+19.52%</b>	<b>+285.20%</b>
<b>Aug 2023</b>	<b>-3.15%</b>	<b>+12.23%</b>	<b>+466.62%</b>	<b>-1.77%</b>	<b>+17.40%</b>	<b>+278.37%</b>

In August the Fund fell 3.15% while the S&P500 fell 1.77%. Sterling holders fell 2.23% as the pound fell from \$1.280 to \$1.268 . There were cross-currents in a summer month but if we look at indices and sectors, we can see the dominant force was a return of fear of recession. The S&P500 sold off until August 18<sup>th</sup>, as the 30-year bond rate rose to 4.45%, its highest rate since the Great Financial Crisis. There followed a hesitant recovery but the 30-year bond rate explained how, as inflation expectations became embedded, a sector which depends on debt, utilities, was worst at -6.7%. A sector which has hollowed itself out with debt, consumer staples, was next worst at -3.8%.

Bigger did better than smaller, with an even progression from the S&P500 -1.77% to the Russell Microcap -6.56%. Growth did better than value by around 1.5% across the scale,

even though growth, which is compromised by debt, was weak. We can measure this by comparing the Russell 2000 at -5.17% with the higher quality S&P600 at -4.17%.

Where do we fit in? Our stocks have relatively low debt so we did better than the 5.01% fall in our comparable S&P600 value component. Once again, we are not in our place because of a few separate factors in our favour. Our four Uranium stocks improved with Cameco, now 4.6% of the Fund, continuing to make highs. Uranium newsflow remains positive: even when faced with China's refusal to eat Japan's Fukushima-tainted fish, the headlines side with the fish.

Our second largest position, Build-A-Bear, 3.1% of the Fund, reported and broke out to a high. Industrial stocks Sterling and Hawkins continued to make highs as did some oil services, including FTI, Weatherford and Tidewater. Our builders corrected but then recovered by month-end, showing continued relative strength. We were held back by financials and leisure consumer durables fearing a slowdown but this was a retracement of July's gains rather than breakdown.

Overall, the yawning gap between high growth and value gives comfort there is a floor below us. We had three takeovers in small holdings in the month: Earthstone (Permian Basin), Computer Task Group (distribution) and Capri (fashion). All together they only added 0.4% to the Fund but they were all cheap like so many of our holdings and that was why they went.

We are left with our analogy of the stretched elastic band; waiting for conditions to turn in our favour whence we ping back quickly. Already, on the first of September, one good set of job figures has eliminated our August deficit with the S&P500 but that story must wait for September's report.

#### **Risk Warnings and Other Important Information**

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