

Cantor Fitzgerald Large Cap Focused Fund

4Q 2024 MARKET COMMENTARY

December 31, 2024

Institutional Class: FICHX | Class A: FIGGX
Class R6: FICIX

Market Review

As the U.S. economy heads into 2025, policymakers and investors alike are bracing for an evolving fiscal and monetary landscape. Following 100 basis points of rate cuts in 2024, the Federal Reserve has pivoted from tightening to easing, but any additional reductions look increasingly uncertain. Instead, officials appear poised to adopt a wait-and-see approach, recalibrating monetary policy toward what they view as a neutral rate—now estimated to hover between 3.25% and 3.75%. Yet, this rate remains a moving target, particularly as economic growth and inflation dynamics continue to unfold.

Meanwhile, inflation remains stubbornly above target. With core CPI stalled at 3.3%, it appears increasingly likely that the Federal Reserve may fall short of returning inflation to its long-held 2% objective unless officials are prepared to tighten the reins once more. In addition, proposed tariffs and an aggressive immigration policy by the incoming Trump Administration could keep inflation at elevated levels for longer.

Within the Fund

For the quarter ended December 31, 2024, the Cantor Fitzgerald Large Cap Focused Fund Institutional Class shares net of fee return of 5.8% was ahead of the Fund's benchmark, the S&P 500 Index, which posted a return of 2.4%.

The Fund's holdings within the Information Technology and Health Care sectors contributed positively to relative performance, while the Fund's positioning in the Consumer Discretionary and Financials sectors had the most negative effect on performance. Security selection provided the most contribution to positive relative performance, slightly augmented by sector allocation.

The **Information Technology** sector delivered the best relative performance with the Fund's holdings returning 19.1% compared to a 4.9% return in the benchmark sector.

- **AppLovin Corp.** (4.0% of net assets) was the top contributor in the portfolio. The software developer of an advanced advertising platform, driven by AI and machine learning, has positioned itself as a leader in optimizing ad campaigns and delivering value for developers and advertisers. The company reported a positive quarter where earnings beat expectations by more than 34% and management raised the earnings outlook going forward. Shares gained 142.3% during the quarter.

The Fund holdings in the **Health Care** sector delivered better relative performance with a negative 4.5% return while in the benchmark the sector declined 10.3%.

- **McKesson Corp.** (2.3% of net assets), was the top contributor in the sector. The pharmaceutical wholesaler is riding tailwinds of higher utilization of specialty and oncology drugs and higher volumes of GLP-1 drugs and redeploying capital into its core growth strategy. The company reported quarterly earnings that beat analysts' expectations by almost 3%. Investors rewarded shares with a return of 15.3%.

Within the Fund (cont'd)

On the negative side, the Fund's positioning in the **Consumer Discretionary** and **Financials** sectors caused most of the lagging performance.

The Fund's holdings in the **Consumer Discretionary** sector declined 1.0% during the period, compared to a benchmark sector gain of 14.2%.

- **Hasbro, Inc.** (2.1% of net assets), was the primary detractor among stocks held in the portfolio. The company reported a positive earnings surprise of 34%, but expectations for future earnings decreased by 4% as the company reduced its Consumer Products sales outlook on pressure from fewer closeout sales and weakness in the Star Wars franchise. As a result, shares in Hasbro declined 21.7% for the quarter. In addition, the portfolio did not hold positions in Tesla or Amazon. The two companies make up just over 50% of the sector weight in the index and returned 54.4% and 17.7%, respectively, for the period. Not owning these two positions resulted in an added headwind of 1.4% to relative performance.

In the **Financials** sector, the Fund's holdings posted a quarterly return of 3.5%, worse than the 7.1% gain for the sector in the index.

- **Arch Capital Group, Ltd.** (2.6% of net assets), was the primary contributor to underperformance in the sector. In late October the specialty insurer and reinsurer reported earnings that topped consensus expectations by more than 2%; however, multiple catastrophic events—including Hurricanes Helene and Milton—have investors concerned over future losses which caused shares to decline 13.3% during the quarter.

Outlook

The broader economy is projected to moderate, with real GDP growth expected to be around 2%. This performance reflects support from a resilient labor market and steady consumer spending. At the same time, investments in artificial intelligence could provide an extra spark to overall output, although still-elevated interest rates loom as a drag on both business capital spending and household consumption.

Despite these crosscurrents, the outlook for corporate earnings remains robust. Consensus forecasts currently anticipate about a 15% jump in S&P 500 earnings for 2025, though history tells us this figure is likely to be revised down over the coming months. Even so, high single-digit to low double-digit profit gains—coupled with minimal recession risk—should offer an attractive backdrop for capital markets as the new year unfolds.

Top Ten Equity Holdings (%)

HOLDING	% OF NET ASSETS
Apple Inc	4.5%
Microsoft Corp	4.4%
AppLovin Corporation	4.0%
Costco Wholesale Corp	3.7%
Parker-Hannifin Corp	3.5%

HOLDING	% OF NET ASSETS
Booking Holdings Inc	3.3%
Alphabet Inc	3.2%
Meta Platforms Inc	3.2%
American Express Co	3.1%
Ameriprise Financial Inc	3.1%

Annualized Total Returns (As of 12/31/2024)

	4Q 2024	YTD	1 YEAR	3 YEARS	5 YEARS	10 YEARS	INCEPTION
Institutional Class	5.76	24.14	24.14	6.62	16.74	14.01	04/01/2013
Class A (at NAV)	5.63	23.81	23.81	6.28	16.40	13.63	10/25/2000
Class A (at Offer)	-0.46	16.70	16.70	4.20	15.03	12.96	10/25/2000
Class R6	5.74	24.29	24.29	6.68	16.82	14.07	04/01/2013
S&P 500	2.41	25.02	25.02	8.94	14.53	13.10	
Russell 1000 Growth	7.07	33.36	33.36	10.47	18.96	16.78	
Morningstar Category	5.41	28.99	28.99	6.74	15.42	14.02	

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. Performance data for all share classes current to the most recent month end may be obtained by calling (833) 764-2266 or visiting <https://growthequityfund.cantorassetmanagement.com/>.

Total returns may reflect waivers and/or expense reimbursements by the Fund Advisor and/or distributor for some or all periods shown. Performance would have been lower without such waivers and reimbursements. Performance at NAV assumes that no front-end sales charge applied or the investment was not redeemed. Performance at offer assumes that a front-end sales charge applied to the extent applicable.

EXPENSE RATIOS	NET	GROSS
Institutional Class	0.86%	0.94%
Class A	1.17%	1.17%
Class R6	0.79%	0.87%

In the interest of limiting expenses of the Fund, the Fund Advisor has entered into an Expense Limitation Agreement with the Trust, pursuant to which the Fund Advisor has agreed to waive or reduce its management fees and to assume other expenses of the Fund in an amount that limits the Total Annual Operating Expenses of the Fund but inclusive of to not more than 1.17%, 0.86% and 0.79% of the average daily net assets of the Class A, Institutional Class, and Class R6 shares of the Fund, respectively. This contractual arrangement is in effect until January 31, 2026, unless terminated by the Board of Trustees of the Fund at any time. Defined terms not defined herein are given the meaning ascribed to them in the prospectus. Please see the prospectus for additional information.



Investors should consider the investment objectives, risks, and charges and expenses of the Fund(s) before investing. The prospectus contains this and other information about the Fund and should be read carefully before investing. The prospectus may be obtained at (833) 764-2266 or visiting <https://largecapfocusedfund.cantorassetmanagement.com/>.

Important Risk Information

Investing involves risk, including loss of principal. There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses. The Fund will be subject to the following principal risks: market risk, growth stock risk, limited number of securities risk, sector risk, company size risk, liquidity risk, active management and selection risk, COVID-19 risk, and cybersecurity risk.

Definitions

Holdings is a count of all Fund holdings excluding any cash or cash equivalents held by the Fund..

The **S&P 500** and **Russell 1000 Growth Indices** are unmanaged indices of the shares of large U.S. corporations. All index performance includes capital appreciation and reinvested dividends and is presented gross of fees.

The Fund is distributed by Ultimus Fund Distributors, LLC,
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Not a Deposit	May Lose Value	No Bank Guarantee
Not insured by the FDIC, NCUA or any other government agency		

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