RMB International Fund

Portfolio Update: Second Quarter 2022

For the second quarter ending June 30, 2022, the RMB International Fund (the "Fund" or "RMBTX") returned -14.19%, net of fees. During the same period, the MSCI EAFE Total Return Index (dividends reinvested) returned -14.51% in USD.

	Quarter	YTD	1 Year	3 Years	Since Inception
RMBTX	-14.19%	-19.53%	-15.98%	-0.19%	-2.80%
MSCI EAFE Index	-14.51%	-19.57%	-17.77%	+1.07%	+0.44%

Inception date: 12/27/17. The performance data quoted represents past performance and is not a guarantee of future results. The investment return and principal value of an investment will fluctuate, so that those shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the data quoted. To obtain performance as of the most recent month end, please call 855-280-6423. The Fund's gross expense ratio is 0.91%.

The Fund's investment advisor, RMB Capital Management, LLC, has adapted a contractual expense limitation agreement for each fund through April 30, 2023, reducing the applicable Fund's operating expenses. This may be continued from year to year thereafter if agreed upon by all parties. In the absence of such waivers and/or reimbursements, the applicable Fund's total return and yield would be lower.

Overview of Second Quarter

The second quarter saw elevated volatility across the markets due to the mounting concerns in the outlook of the global economy. The prospect of rapid inflation is vividly materialized while the global supply chain disruption remained, pushing up costs of everything to add to the ongoing inflation trend. In addition to the geopolitical risks surrounding Ukraine, political instability in the developed countries spread out. While France's President Macron managed to win his second term, U.K.'s Prime Minister Johnson was losing his credibility toward the end of the quarter. Key central banks continued their quantitative tapering and Switzerland joined the herd. The only exception was Bank of Japan, which decisively maintained its quantitative easing policy, as Japan finally emerged from their decades-long deflation. The policy has been resulting in the further weakening of the yen, which declined by 10% during the quarter against the U.S. dollar[1].

The Fund modestly underperformed against the benchmark, mostly driven by our stock picking in health care, where we had relatively higher exposure to the growthy bio science names and underweighted traditional pharma and industrials. Consumer discretionary, financials, and real estate were contributors instead. By geography, our stock picking in Japan was a key contributor to performance, while Europe distracted from the performance.

Contributors and Detractors

Subaru Corp. (7270 JP +10.56%) and Bankinter SA (BKT-ES +6.44%) were two major contributors during the quarter.

Subaru is one of the world's major auto OEMs, producing around 1 million vehicles each year under the Subaru brand, which is known for its strong sports utility vehicle (SUV) lineup and loyal customer base. During the quarter, Subaru's shares performed strongly after the company reported expectation-beating earnings. Its strong full-year guidance was particularly impressive, as many of its peers were busy cutting their initial production outlook due to ongoing supply chain-related issues. A weak Japanese Yen also provided a further boost to Subaru's Yen-based earnings, with the company delivering c.70% of its sales from the United States. While we trimmed our position sizes across our three strategies during the rally, we still see more room for Subaru's production catchup to play out. We remain constructive on Subaru's long-term fundamentals.

Bankinter is a high-quality Eurozone Bank, with better than system growth and lower than system credit costs. During the quarter, the company reported very strong loan growth of 8.8%, nicely exceeding the overall market[2]. In addition, credit

[1] Source: Bloomberg
[2] Source: Bankinter Q1 2022 Company Earnings Report

improved and the company beat on costs as well. The stock responded favorably (+6.44% during the 2nd quarter) as guidance suggests upward revisions to come. The consolidation trends in the Spain market continue to provide growth opportunities for Bankinter, given its high service, strong culture, and consistent determination to bring in new clients or deepen existing relationships.

ASML Holding NV (ASML-NL -29.02%) and Schneider Electric SE (SU-FR -28.58%) were two major detractors during the quarter.

ASML was one of the worst performing stocks in the Fund this quarter. ASML is the leading supplier of lithography equipment to the global semiconductor manufacturing industry. While the company has strong secular demand for EUV systems, it is not immune from the overall semiconductor cycle. The company's earnings report in fact strengthened our conviction in the name from an idiosyncratic perspective. However, as demand for consumer electronics begins to wane globally and chip inventory begins to build, the market begins to see a downcycle that could last for a few quarters. While we are cautious not to "catch a falling knife", we do look for opportunities to further add to the position, given our long-term conviction.

Schneider Electric is the global leader in electrical energy management and industrial automation. A big part of their business is converting older buildings in Europe to be energy efficient. These secular trends in energy efficiency have supported strong organic growth well in excess of global GDP. In fact, organic growth of 10% this quarter easily exceeded expectations and the outlook for the year remained strong. However, the stock declined nearly 29% this quarter, as growth stocks underperformed on rising discount rates, as well as expectations for a recession in Europe. The market believes that Schneider will not achieve the outlook of 7-9% organic growth for the year if in fact industrial activity recedes. While this creates near-term pressure on profitability, our longer-term thesis is fully intact, as nearly 80% of buildings in developed markets are still not energy efficient today.

RMB International Fund
SECOND QUARTER 2022 CONTRIBUTION REPORT
Ranked by Basis Point Contribution

	Basis Point Contribution	Return
Top Contributors		
Subaru Corp.	+33	+10.56%
Bankinter SA	+21	+6.44%
Mitsui Fudosan Co. Ltd.	-1	-0.51%
ONO Pharmaceutical Co. Ltd.	-1	-1.01%
Stanley Electric Co. Ltd.	-13	-14.34%
Bottom Detractors		
ASML Holding NV	-105	-29.02%
Anglo American PLC	-105	-29.17%
Schneider Electric SE	-97	-28.58%
Lonza Group AG	-91	-26.80%
National Australia Bank Ltd.	-69	-22.47%

The performance presented above is sourced through the Factset Research Systems Inc. Past performance is not indicative of future results, and there is a risk of loss of all or part of your investment. The above does not represent all holdings in the Fund. To obtain a copy of RMB's calculation methodology and a list of all holdings with contribution analysis, please contact your service team. The data provided is supplemental. Please see important disclosures at the end of this document.

Portfolio Activity

The second quarter was slightly more active from a trading perspective as we exited five of our smaller, lower-conviction, holdings and added two new high-quality names in the Healthcare and Materials sector. In the Healthcare sector, we adapted our sector playbook to be slightly more defensive, by reducing some of our overweight in Life Sciences while increasing our exposure to Pharma. While we still believe in the long-term outlook and strong innovation pipeline in names like Lonza Group AG (LONN-CH) and Stevanato Group SpA (STVN-US), exiting Sartorius Stedium Biotech SA (DIM FR) and Evotec SE (EVT-DE) was more of a risk control decision. The Fund also exited two Japanese holdings; SoftBank Group Corp. (9984-JP) and Nitto Denko Corp. (6988-JP). SoftBank's valuation continued to look more vulnerable to the rising discount rate environment given its leveraged business model to software and private companies. Nitto Denko is a Specialty Chemicals company that makes industrial tape and polarizing film used in automotive, consumer electronics, and mobile phones. We exited the company following deteriorating milestones and an outlook where we see further slowdown in demand.

The Fund purchased two new names this quarter; Novozymes A/S (NZYM.B DK) and ONO Pharmaceutical Co. Ltd. (4528-JP). Novozymes is a global leader in industrial enzymes that are used in everything from food, beverages, laundry detergent, animal nutrition, agriculture, and bioenergy. The company's competitive edge largely comes from innovation, supported by strong commitment to R&D, as well as large scale, with more than 40% market share of global enzyme market. In addition to the core markets, there are couple of new areas receiving high attention from management, including Bio-Agriculture, Bioenergy, Animal Healthy & Nutrition. We believe the market is not appreciating the long-term growth opportunities as well as potential for margins to inflect higher, as the company is beginning to take pricing actions for the first time in several years.

Founded in 1717 in Osaka, Ono Pharmaceutical focuses on prescription pharmaceuticals, including treatment for cancer, diabetes, and osteoporosis. Unlike other pharmaceutical companies specializing themselves in specific diseases to target, Ono takes compound-oriented R&D strategy, looking for compounds in the library that can be used to treat different diseases. We think the market is reluctant to fully price in the potential success of Opdivo as 1L treatment for gastric cancer, leaving further upside to the stock price if the result turns out to be successful. With its rival Keytruda's 1L gastric cancer treatment unable to confirm higher efficacy vs. existing options, Opdivo's market potential in this field has become even larger. We cannot confirm whether the result will be successful, but we believe the stock provides a favorable symmetricity of outcomes at the current valuation level.

Outlook

As discussed in our previous letter in the first quarter, we remain cautious on the outlook of the global macro economy and equity market, given the mounting concerns around the macro issues. The war in Ukraine does not seem to be ending anytime soon, posing significant risks across the world, especially among European countries close to the region geographically, while they are dependent on the energy supply from Russia historically. In addition to the energy costs, global supply chain is not fully recovered from the COVID related disruptions, and China’s zero-COVID policy and its tight lock down measurements only add to the risk. Supply-demand imbalance persists on the back of the strong consumer demands for goods and services, which was ironically supported by the excess saving accumulated during the COVID lock-down. While there are thousands of reasons to push the already high inflation further, central banks have limited options to fight against it by keeping the tightening of their monetary policies until inflation cools down. Given there is no immediate solution to increase the supply of goods and services, central banks need to suppress the demand to meet the balance, and historically, they tend to overkill the economy.

As discussed in the previous letter, I think we should consider a potential scenario of stagflation in coming years, though we do not think such scenario is imminent at this point. With this cautious macro view, we have been upgrading the Fund positions and exposures proactively. We manage our sector exposure so that we are not significantly deviating from the benchmark, while we focus on our stock picking in the respective sectors to generate returns based on company-specific, idiosyncratic opportunities. We have an elevated cash level in the Fund but started to deploy the cash to high-quality companies with compelling risk reward profiles presented under the volatile market.

TOP 5 HOLDINGS AS OF 6/30/22

Company	% of Assets
Novartis AG	4.73%
Shell PLC	4.60%
LVMH Moet Hennessy Louis Vuitton SE	3.89%
Sampo PLC	3.87%
Nestle SA	3.63%

Holdings are subject to change. The above is a list of all securities that composed 20.72% of holdings managed as of 6/30/2022 under the RMB International Fund (“Fund”) of RMB Capital Management, LLC (“RMB Capital”) based on the aggregate dollar value. This list is provided for informational purposes only and may or may not represent the current securities managed. It does not represent all of the securities purchased, sold, or recommended for advisory clients (under the Fund or otherwise) during the calendar quarter ending 6/30/2022. The reader should not assume that investments in the securities identified and discussed were or will be profitable. For a complete list of historical recommendation for the Fund, please contact RMB Investors Trust at 855-280-6423.

As always, thank you for your support and trust in the Fund. We look forward to updating to you next quarter.

Sincerely yours,

Masakazu Hosomizu, CFA
Partner, Portfolio Manager

The opinions and analyses expressed in this letter are based on RMB Capital Management, LLC's ("RMB Capital") research and professional experience are expressed as of the date of our mailing of this letter. Certain information expressed represents an assessment at a specific point in time and is not intended to be a forecast or guarantee of future performance, nor is it intended to speak to any future time periods. RMB Capital makes no warranty or representation, express or implied, nor does RMB Capital accept any liability, with respect to the information and data set forth herein, and RMB Capital specifically disclaims any duty to update any of the information and data contained in this letter. The information and data in this newsletter does not constitute legal, tax, accounting, investment or other professional advice. Past performance is not indicative of future results, and there is a risk of loss of all or part of your investment. This information is confidential and may not be reproduced or redistributed to any other part without the permission of RMB Capital.

Investors should consider the investment objectives, risks, charges, and expenses carefully before investing. For complete information about the Fund, including a free prospectus, please contact RMB Investors Trust at 855-280-6423, or visit the website at www.rmbfunds.com. The prospectus contains important information about the funds, including investment objectives, risks, management fees, sales charges, and other expenses, which you should consider carefully before you invest or send money.

All investing involves risk including the possible loss of principal. The RMB International Fund invests in larger, more established companies, which may not respond as quickly to competitive challenges or have higher growth rates than smaller companies might have during periods of economic expansion. There can be no assurance that the Fund will achieve its investment objective. Investments in foreign markets involve risks, such as currency rate fluctuations, potential differences in accounting and taxation policies, as well as possible political, economic, and market risks.

An investment cannot be made directly in an index. The index data assumes reinvestment of all income and does not bear fees, taxes or transaction costs. The investment strategy and types of securities held by the comparison index may be substantially different from the investment strategy and types of securities held by your account. MSCI Europe, Australasia, and Far East (EAFE®) Index is an equity index, which captures large- and mid-cap representation across Developed Markets[1] countries around the world, excluding the U.S. and Canada. With 924 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

[1] Developed Markets countries include: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the U.K.

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