RMB Fund

Portfolio Update: Third Quarter 2023

During the third quarter ending September 30, 2023, the RMB Fund (the "Fund") decreased, -3.70% net of fees, trailing the -3.27% decrease in the S&P 500 Index (the "Benchmark") return for the for the same period. Year to date, the Fund increased +7.71% versus +13.07% for the Benchmark.

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
RMBHX	-3.70%	+7.71%	+13.26%	+8.77%	+8.74%	+9.64%	+10.30%
S&P 500 Index	-3.27%	+13.07%	+21.62%	+10.15%	+9.92%	+11.91%	+11.27%
RMBHX (Load Adjusted)	-8.52%	+2.31%	+7.61%	+6.93%	+7.63%	+9.08%	+10.18%

Performance listed is as of September 30, 2023. Performance over one year is annualized. 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 expense ratio is 1.20%.

The Fund's investment advisor, RMB Capital Management, LLC, has adapted a contractual expense limitation agreement for each fund through April 30, 2024 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. The Funds have a maximum front-end sales charge of 5.00%. Sales charges are waived for clients of investment intermediaries, or for those who purchase shares via no-transaction-fee platforms.

The third quarter paused the "risk on" environment for risk assets, particularly in the month of September as market interest rates climbed higher, creating a headwind for domestic equities. As we penned last quarter, the market has been extremely narrow, with a handful of mega capitalization stocks driving overall market returns year to date, although the market did broaden out modestly this quarter. From a traditional attribution perspective, the Fund's slight under performance in the third quarter relative to the S&P500 was all driven by negative sector allocation, with a moderately positive contribution from stock selection. The Energy, Consumer Staples, and Health Care sectors were notable detractors to performance, partially offset by positive contribution in the Consumer Discretionary, Information Technology, and Materials sectors.

Macroeconomics continued to play an important factor in the backdrop of the third quarter of 2023, with rising interest rates taking center stage. The Fed has been messaging to the market "higher for longer" for a while now, but the bond market had been skeptical, pricing in rate cuts a year out. Given how resilient the U.S. economy has been so far this year, the bond market had been adjusting the probability of a recession lower and thus we've seen a further increase in longer dated interest rates. The 10-year Treasury yield moved from 3.84% to 4.58% in the quarter and escalated higher in the first few trading days of October. We've all read the debate around an economic hard vs. soft landing and we've been leaning towards a higher probability of recession, but perhaps not arriving until next year. We still think this is the case as history shows that it's extremely rare to not go through a rough patch for the economy after significant Fed tightening. The Fed rate hikes over the past year and a half are the fastest and most dramatic moves in history, so we're skeptical that the economy can escape unharmed. Fed tightening typically has a 12-to-18-month lag effect on the real economy, so it's likely we're only in the early innings of their effect. In our opinion, Chairman Powell is likely to err on the side of being overly tight to fully kill off inflation, even if that means the economy contracts and unemployment moves a couple of points higher from the current very low levels. The labor market has remained quite strong with low unemployment and high levels of job openings, although job statistics can be a lagging indicator. Given how scarce quality labor has been the last couple of years, employers may hesitate to let employees go until they absolutely must. On a positive note, the year over year impact of inflation has been steadily decreasing over the past several months to more manageable levels, although it may be difficult to get it to or below the Fed's long-term 2% target.

The stock market was clearly not priced for rates to move up as quickly as they did over the past few weeks. As a reminder, higher long-term interest rates increase the discount rate that stocks are priced from. In simpler terms, a higher discount rate equals lower price earnings ratios. We expect movement in the 10-year Treasury yield will continue to highly influence the daily direction of the stock market for the rest of the year or until it settles in at some new normal. The narrowness of the stock market in the mega cap technology stocks that we experienced in the first half of the year did broaden out a bit in the third quarter. A sustained broader market and lower correlations between individual securities would be welcomed as it allows for better opportunities for stock selection in the Fund. Our bias towards owning companies with manageable debt loads on their balance sheets should work in our favor as a relative performance tailwind in a higher interest rate environment. We will continue to look for opportunities in new names within our high quality, GARP (growth at a reasonable price) universe, while adhering to our long-term investment philosophy.

Contributors and Detractors

Google's parent company Alphabet Inc. (GOOGL) was the largest contributor to the quarter after being the second largest last quarter. The stock benefited from a reasonably good earnings report and continues to receive some love from the market for its position in artificial intelligence (AI). Alphabet has been investing heavily into AI for many years, long before the current "fashion trend" of 2023. While AI is both a threat and an opportunity to the core Google search business in both the short and long run, we come out in the camp that there is more upside than downside from this emerging technology and the market seems to be agreeing with us. Alphabet is the Fund's second largest position at quarter end. On-line travel agent Booking Holdings Inc. (BKNG) was the second largest contributor for the quarter. Booking reported a very strong second quarter as global leisure travel continues to substantially recover from the pandemic. We believe the secular theme of "experiences over physical things" has legs to it, as people seek out travel experiences throughout the world. That said, we do have some reservations (pun intended) about a weaker consumer on forward bookings in the intermediate term, given that travel is a very discretionary purchase. While we still like the stock for the long-term, we did modestly trim our position during the quarter.

On the negative side of the performance ledger, we had names adversely affecting the Fund's overall return. After being the Fund's largest positive contributor in the second quarter, Microsoft Corp. (MSFT) was the Fund's largest detractor this quarter, due to its large position size despite only being down 7%. There is not that much fundamentally to attribute the modest decline to other than normal expected volatility after such a strong year to date and multiyear run up in the stock. We continue to like Microsoft's potential for

RMB Fund
THIRD QUARTER 2023 CONTRIBUTION REPORT
Ranked by Basis Point Contribution

	Basis Point Contribution	Return
Top Contributors		
Alphabet Inc.	+55	+9.3%
CDW Corp.	+29	+10.27%
Booking Holdings Inc.	+28	+14.21%
CME Group Inc.	+17	+8.64%
Chubb Ltd.	+16	+8.55%
Bottom Detractors		
Microsoft Corp.	-66	-7.08%
Apple Inc.	-59	-11.61%
Cooper Companies Inc.	-46	-17.06%
Dollar General Corp.	-44	-23.00%
Edwards Lifesciences Corp.	-41	-26.56%

The performance presented above is sourced through 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. Holdings listed might not have been held for the full period. 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.

compounding in coming years and it is the Fund's largest position at quarter end. Apple Inc. (AAPL) was the Fund's second largest detractor in the quarter, although it did have more fundamental news associated with the stock's decline compared to Microsoft. China is a very significant market for Apple and news reports that the Chinese government was cracking down on Apple devices being used by government workers spooked the market. In addition, local competitor Huawei Technologies unveiled a new high-end phone that could become more of a rival to the iPhone. While these are important developments to keep an eye on, we don't believe they will have a material impact on financial performance in the near-term. However, with the stock trading at a substantial premium to the market, there is less margin for error in fundamentals. Apple is the Fund's third largest position at quarter end, although we are under-weight the name by a couple percent relative to the S&P500's weighting. The Fund also has an extremely low-cost basis in Apple which, as tax sensitive investors, we remain well aware of before transacting in the name.

Outlook

U.S. corporate earnings, which are the biggest long-term driver of stock prices, have held up quite well thus far in 2023, although we are about to get the third quarter corporate updates in the coming weeks, which will provide a fresh perspective on companies current fundamentals. Part of the reason why earnings haven't been worse is the resilience of the domestic economy and the fact that many corporations found pricing power to offset inflationary forces. Both factors could abate in coming quarters. We view current 2024 estimates for 12% growth for S&P500 earnings as quite optimistic and may require downward revisions in coming quarters. Of course, as bottom-up investors, we focus our efforts on individual companies and sectors which can have much different fundamentals than viewing the market as one homogenous entity. Given the market is a forward discounting mechanism, the outlook for 2024 earnings and beyond is what is most important. Typically, it's difficult for stocks to sustainably rise when forward estimates are being lowered and valuations are already high. Market interest rates in their influence on the long-term discount rate is the other major variable to equity valuations and, as we discussed earlier, rising rates has created another significant headwind for equities.

As always, while we may opine on our view of the market as a whole, we do not pretend to have excess skill in predicting where the market is heading in the short or intermediate term. It's a very difficult, if not impossible, task to add value by timing the market. We remain somewhat cautious on stocks in general and think it's prudent to keep return expectations modest for the next couple of years. With Treasury bills hovering around 5%, there are alternatives to stocks in low-risk fixed income securities without having to take much duration risk. In the very long-run, equities are still the best way to compound wealth and we believe the best long-term returns will still be found by owning stocks. We continue to focus the Fund's efforts on owning companies with good secular growth prospects, strong economic moats, underleveraged balance sheets, and what we believe to be superior management teams. These are companies we believe can compound value for shareholders for years into the future. The opportunities to find high-quality growth companies selling at attractive valuations are not overly abundant today, but we will continue to use our bottom-up search to optimize the Fund. If we adhere to our disciplined investment process and manage portfolio risk, we aim to add value to market returns in subsequent years.

We'd like to extend a sincere thank you for the continued trust you place in us to manage your assets. If you have any questions, please do not hesitate to contact us.

Sincerely,

Todd Griesbach

Todd Griesbach
Portfolio Manager

RMB Fund

TOP 10 HOLDINGS AS OF 9/30/23	
Company	**% of Assets**
Microsoft Corp.	9.54%
Alphabet Inc.	7.55%
Apple Inc.	4.84%
Amazon.com Inc.	4.12%
Visa Inc.	3.76%
Becton Dickinson and Co.	2.82%
Keurig Dr Pepper Inc.	2.76%
UnitedHealth Group Inc.	2.65%
CME Group Inc.	2.56%
The TJX Companies Inc.	2.45%

Holdings are subject to change. The above is a list of all securities that composed 43.05% of holdings managed as of 9/30/2023 under the RMB 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 9/30/2023. 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.

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 letter 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 party of your investment. This information is confidential and may not be reproduced or redistributed to any other part without the permission of RMB Capital.

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. The S&P 500® is widely regarded as the best single gauge of large-cap U.S. equities. There is over USD 7.8 trillion benchmarked to the index, with index assets comprising approximately USD 2.2 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

High-quality stocks are those that we believe offer greater reliability and less risk. The quality assessment is made based on a combination of soft (e.g., management credibility) and hard (e.g., balance sheet stability) criteria.

Basis Point (bps) is a unit that is equal to 1/100th of 1% and is used to denote the change in a financial instrument.

The **price-earnings ratio** (**P/E ratio**) relates a company's share price to its earnings per share. A high P/E ratio could mean that a company's stock is over-valued, or else that investors are expecting high growth rates in the future.

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 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.

Foreside Fund Services, LLC, Distributor