RMB Japan Fund

Portfolio Update: Third Quarter 2024

During the quarter ending September 30, 2024, the RMB Japan Fund (the "Fund" or "RMBPX") returned +3.27%, net of fees. During the same period, the MSCI Japan Total Return Index (dividends reinvested), which represents large capitalization companies in Japan, returned +5.72% in USD.

	Quarter	YTD	1 Year	3 Years	5 Years	Since Inception (12/27/2017)
RMBPX (net of fees)	+3.27%	+12.76%	+22.31%	+3.36%	+6.33%	+3.76%
MSCI Japan Index	+5.72%	+12.35%	+21.55%	+2.67%	+7.15%	+4.72%

Performance listed is as of September 30, 2024. 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 gross expense ratio is 1.88% and the net expense ratio is 1.30%.

Curi RMB Capital, LLC (the ''Adviser'') has contractually agreed to reduce its compensation due from and/or assume expenses of the Fund to the extent necessary to ensure that the Fund's operating expenses (excluding interest, taxes, brokerage commissions and other transaction costs, expenditures that are capitalized in accordance with generally accepted accounting principles, acquired fund fees and expenses, short sale dividends, and extraordinary expenses not incurred in the ordinary course of business) do not exceed 1.30% of the average daily net assets of the Class I shares (the ''Expense Cap''). The Expense Cap is in effect until April 30, 2025 and cannot be terminated prior thereto without the approval of the Fund's Board of Trustees.

Overview of the Quarter

After a strong first half of 2024, the Fund lagged the benchmark as the market began to rotate away from some of the early winners. In Technology, our increased exposure in semiconductors during the first half became the single largest headwind to performance. Reduced exposure in Consumer and Healthcare prior to the rotation also had a negative impact on performance. On the other hand, core Industrial holdings such as Hitachi Ltd. (6501 JP) and Itochu Corp. (8001 JP) continued to make positive contributions to the Fund. Remaining holdings in Consumer and Healthcare, such as Kao Corp. (4452 JP) and Sysmex Corp. (6869 JP), also significantly outperformed the market to offset our reduced exposures in those areas.

For those who remember all the headlines about historical market selloffs in Japan during August, it might be surprising to find that the country's equity market managed to end the quarter in positive return territory. Indeed, the final return of +5.72% for the MSCI Japan Total Return Index during the quarter was not too far behind most of its major peers in the developed world. However, the better-than-expected USD return was largely due to the appreciation of the Japanese Yen, which offset negative equity returns in local currency terms. Observing the wild market gyrations, the perceived level of risk associated with the country's equity market was also raised, leading to elevated equity risk premia during the period.

The market debacle in August followed shortly after the market celebrated new historical highs in local currency terms just a month earlier. The combination of a more hawkish Bank of Japan (BOJ) and weak U.S. employment numbers triggered an unwinding of the Yen carry trade, which led to a rapid appreciation of the currency, the main driver of the country's equity market rally in recent quarters. The 12.4% drop in the Nikkei 225 index on August 5th was the largest single-day decline recorded since 1987.

However, this unprecedented magnitude of volatility observed over such a short period of time triggered the BOJ to step back from its initially hawkish rhetoric. The central bank instead communicated with the market that there would be no more interest rate hikes while market volatility was elevated. Global equity markets applauded this latest example of a central bank reversing course in the face of market volatility and adversity. Japanese equities were able to quickly recover a large portion of their losses over the next few trading days.

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Towards the end of the quarter, the equity market's gradual recovery faced another round of sharp selloffs following Ishiba's election as the new prime minister of Japan. However, the market quickly shrugged off the so-called 'Ishiba shock' and moved forward, as the prime minister-elect proactively clarified his hawkish pre-election comments. The new prime minister's commitment to supporting the country's full economic recovery from decades-long deflation was welcomed by investors, and the market resumed its recovery trajectory.

Contributors and Detractors

Hitachi Ltd. (6501 JP) and Kao Corp. (4452 JP) were two major contributors during the quarter.

Hitachi is a leading diversified conglomerate in Japan, providing a wide range of products and services such as electronic equipment, IT services, power systems, railway systems, building systems, and analysis systems. Hitachi's Lumada business offers a differentiated data analytics capability by leveraging data collected from its extensive hardware installation base across various industries. Hitachi has set an exemplary case for business restructuring in Japan, aggressively divesting capital-intensive, cyclical, and low-profitability non-core businesses, while shifting resources on high-value-added growth areas. All the progress that Hitachi has made has been well rewarded by the market with high stock valuation that is comparable to its European peers, and many Japanese industrial conglomerates are currently closely benchmarking their own restructuring programs against Hitachi's achievements. Now that the company's business portfolio restructuring process is largely behind it, the impact of the changes is becoming more visible in the form of improvements in profitability. In the meantime, shareholder-aware management remains mindful of the stock's valuation and has returned capital to shareholders, with more share buybacks and dividends.

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THIRD QUARTER 2024 CONTRIBUTION REPORT (in USD[1])
Ranked by Basis Point Contribution

	Basis Point Contribution	Return
Top Contributors		
Hitachi Ltd.	+88	+18.55%
Kao Corp.	+67	+22.54%
Itochu Corp.	+60	+11.32%
NEC Corp.	+42	+17.32%
Sysmex Corp.	+40	+23.33%
Bottom Detractors		
Toyota Motor Corp.	-71	-12.15%
ULVAC Inc.	-61	-18.48%
Mitsubishi UFJ Financial Group Inc.	-49	-3.83%
Tokyo Electron Ltd.	-40	-17.81%
Inpex Corp.	-18	-7.92%

[1] All return figures above are lower than the returns in local currency due to the +12.0% appreciation of the Japanese Yen during the quarter.

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 Asset Management'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.

Kao is the largest toiletries company in Japan, engaging in the manufacture and sale of consumer and chemical products. Kao offers unique value as a fully diversified consumer product manufacturer across various market segments such as home care products, shampoo, facewash, skincare, and cosmetics. While the domestic Japanese market is the single largest market for Kao, it also operates in various regions around the world, including greater Asia, the Americas, and Europe, with several globally recognized consumer brands. Kao's stock performed strongly during the quarter, as domestic consumption recovery in Japan continued to drive earnings improvements, while the effects of structural reform also started contributing to offset the drag from inventory buildups in China. Full-year guidance was also raised accordingly. The reversal of the Yen's depreciation and the market's focus shift onto Japan's domestic consumption story in general also helped support the stock's valuation, which has been part of our thesis throughout the year.

Toyota Motor Corp. (7203 JP) and Tokyo Electron Ltd. (8035 JP) were two major detractors during the quarter.

Toyota is one of the world's largest automotive OEMs, producing around 10 million units annually under the Toyota and Lexus brands. After posting a strong rally driven by increased hybrid sales in the first quarter, Toyota's stock underperformed the market for the next two consecutive quarters, haunted by a series of test scandals first at its subsidiary Daihatsu and then at Toyota itself, amid a deteriorating demand outlook for discretionary spending in the US and other developed markets, as well as China's structural issues related to the industry. The quarter's large earnings miss and the rapid appreciation of the Yen raised concerns among investors about the company's near-term earnings outlook, which further worsened the market's already negative sentiment towards the stock and the industry in general.

Established in 1963 in Tokyo, Tokyo Electron is one of the leading diversified semiconductor production equipment manufacturers in the world. The company holds the second or third largest market shares in some core front-end processes, such as deposition and dry etching, while being a dominant market leader in the niche coater and developer equipment market. During the quarter, Tokyo Electron was no exception to the global equity market rotation away from the semiconductor industry, amid growing concerns about the sustainability of the industry's demand growth to support stretched market valuations. Japanese manufacturers were hit particularly hard due to their elevated relative valuation levels as they entered the rotation, combined with the appreciation of the Yen.

Portfolio Activity

During the quarter, we fully exited Cosmos Pharmaceutical Corp. (3349 JP), one of the major drugstore chain operators in Japan; Hamamatsu Photonics K.K. (6965 JP), a manufacturer of optical sensors and devices; Nikon Corp.(7731 JP), a manufacturer of digital cameras, lenses, and semiconductor manufacturing equipment; Takeda Pharmaceutical Co. Ltd. (4502 JP), a diversified pharmaceutical company; and Yakult Honsha Co. Ltd. (2267 JP), a major probiotic drink manufacturer in Japan. In general, the holdings were sold to fund other new and existing holdings with clearer secular growth themes at the moment.

We added Central Japan Railway Co. (9022 JP), one of the passenger railway operators in Japan operating in the central region of Japan; Daiichi Sankyo Co. Ltd. (4568 JP), one of the major pharmaceutical companies specializing in developing antibody-drug conjugates (ADCs); Mitsubishi Electric Corp. (6503 JP), a major industrial conglomerate going through a process of streamlining its complex business portfolio and improving capital efficiency; and Toyo Suisan Kaisha Ltd. (2875 JP), one of the leading instant noodle manufacturers with the largest market share in the U.S. and Mexico.

The quarter's turnovers were higher considering the Fund's typical target investment horizon of three years, and the net impact of these activities has so far been net negative, particularly for trades in the Consumer and Pharmaceuticals sectors. While it is too early to conclude the long-term impact of our recent trading activities, the quarter serves as a good reminder of the importance of risk management and patient trading discipline, especially in times when momentum builds up rapidly in certain sectors.

Outlook

We maintain our view that Japan's macroeconomic outlook remains more favorable relative to those of other developed countries. Japan is one of the few developed countries still sitting on excess savings from the pandemic era. While its rate cycle is likely heading upward, reflecting the country's improving economic cycle and rising wages, real rates remain in negative territory, making the country's monetary policy effectively expansive. Despite the market's initial concerns about the new prime minister's historically hawkish monetary and fiscal stance, we believe the new administration will most likely continue the current policies, with only cautious, incremental changes. Also, after the snap election scheduled for 2024, the LDP will face both the upper house and Tokyo Metropolitan Assembly elections in 2025. At a minimum, the topic of tax hikes is likely to be avoided until then.

With Japan's macroeconomic fundamentals improving, some segments of the country's equity market, especially in the large-cap space, have been increasingly pricing in those positive developments. At the broader market level, however, Japanese equities continue to look undervalued compared to their developed market peers. Overall, we believe that Japanese equities remain reasonably valued and offer a favorable risk-reward balance, with some pockets of highly attractive opportunities still existing. We are committed to identifying and investing in stocks that are attractively valued and have the potential to outperform over a full market cycle.

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

Sincerely yours,

Ilhwa Lee, CFA
S.V.P., Portfolio Manager

TOP TEN HOLDINGS AS OF 9/30/24	
Position	**% of Assets**
Mitsubishi UFJ Financial Group Inc.	7.74%
ITOCHU Corp.	6.12%
Toyota Motor Corp.	5.35%
Mitsui Fudosan Co. Ltd.	4.72%
Tokio Marine Holdings Inc.	4.41%
Orix Corp.	4.34%
Nintendo Co. Ltd.	4.02%
Stanley Electric Co. Ltd.	3.29%
Shin-Etsu Chemical Co. Ltd.	3.13%
Isuzu Motors Ltd.	3.11%

Holdings are subject to change. The above is a list of all securities that composed 46.22% of holdings managed as of 9/30/2024 under the RMB Japan Fund ("Fund") of Curi RMB Capital, LLC ("Curi 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 9/30/2024. 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 Curi RMB Capital, LLC's ("Curi 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. Curi RMB Capital makes no warranty or representation, express or implied, nor does Curi RMB Capital accept any liability, with respect to the information and data set forth herein, and Curi 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 party of your investment. This information is confidential and may not be reproduced or redistributed to any other part without the permission of Curi 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 Fund invests in foreign securities which may be less liquid, subject to currency-rate fluctuations, be in areas with political and economic instability and be subject to less strict regulation of the securities markets.

***The Nikkei 225 Index**, or the Nikkei Stock Average, more commonly called the Nikkei or the Nikkei index, is a stock market index for the Tokyo Stock Exchange that tracks 225 top blue-chip companies listed on the Tokyo Stock Exchange from a range of industries.*

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 the Fund. The MSCI Japan Index is designed to measure the performance of the large- and mid-cap segments of the Japanese market. With approximately 320 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.

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