RMB FUNDS

RMB MENDON FINANCIAL LONG/SHORT FUND

Portfolio Update: Third Quarter 2017

For the three months ending September 30, 2017, the RMB Mendon Financial Long/Short Fund (the "Fund") gained +1.59%, while the long-only KBW Bank Index increased +4.40%.

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
RMBFX	+1.59%	-1.87%	+12.05%	+10.46%	+12.27%	+7.92%	+9.11%
KBW Bank Index	+4.40%	+9.75%	+42.95%	+13.91%	+17.29%	+1.59%	+2.84%
RMBFX (Load Adjusted)	-3.51%	-6.77%	+6.47%	+8.59%	+11.12%	+7.37%	+8.70%

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 2.11%.

During the quarter, the top two contributors to the Fund's returns were located in the Southeast – Triumph Bancorp, Inc. (TBK) and Pinnacle Financial Partners (PNFP). TBK announced a merger in the third quarter, further boosting its funding base. As part of the transaction, TBK raised capital and the Fund increased its position. PNFP acquired BNC Bancorp, Inc. earlier in the year, which created a compelling super-community bank located in the states of North Carolina, South Carolina, Tennessee, and Virginia. We believe that the combination creates a powerful franchise that started to receive recognition in the quarter as the integration was implemented.

The Fund's top detractors for the period were a business services sector short and Atlantic Capital Bancshares, Inc. (ACBI). Despite being priced for perfection, the debt markets benefited the business services company during the quarter. ACBI was affected by a large shareholder exiting the position in the quarter. As one of the largest community banks in Atlanta, GA, we do not believe that the current valuation represents the true value of the franchise.

The third quarter of 2017 featured 15 record closes for the S&P 500, which represented almost 25% of the trading days. Conversely, bank indices made zero 52-week or all-time highs during the quarter. Although the fundamentals of the financial sector remained healthy during the quarter, there was a wide dispersion around many of the perceived drivers of financials' valuations.

As it pertains to rates, the quarter began with a 51.6% chance of a federal funds rate hike in December, dropping to a low 22% chance on September 7, before ending the quarter at a 70% probability. Similarly, the U.S. 10-year yield began the quarter at 2.31%, reached 2.04% on September 8, and ended the quarter right back at 2.31%. We continue to maintain that the banking industry is much more sensitive to changes in short-term rates than long-term rates.

On the tax reform side, just when it looked like there was no hope for any progress with the administration's agenda, Treasury Secretary Steven Mnuchin declared at an investor conference that tax reform would be handled by year end with a possibility that it could be backdated to January 1. As a reminder, banks pay the highest tax rate of any S&P industry group as there are very few offsets, resulting in the group paying close to statutory rates. As always, the devil will be in the details, but the administration seems to be all in on tax reform, much more so than healthcare reform. Deutsche Bank estimates that the banks it follows would enjoy earnings upside of 5-8% for each 5% reduction in the corporate tax rate. Not all banks are created equal, and some will have a greater tax-based tailwind than others. For example, banks with international earnings streams or significant tax mitigation strategies will benefit less than domestic, plain vanilla peers. While we cannot predict what form tax reform will take, we think it is important that all 435 House of Representative seats will be contested in 2018, and that incumbents' inherent advantage in most elections could materially dissipate if there is a dearth of legislative progress in D.C. Cynically, we believe that most politicians will act in their own best interests and meaningful tax reform could be a tangible marker of progress by elected officials seeking to sustain their positions.

The quarter also witnessed three major hurricanes making landfall in the U.S. and its territories, the first time in over 10 years that a major hurricane hit the U.S. (Sandy in 2015 is technically considered a "superstorm" despite the amount of damage it caused). Using Houston as a case study, banks are likely to increase loan loss reserves due to massive property losses in the third quarter. Auto sales will be brisk, business interruption and property insurance should keep operating businesses running while they are rebuilding, and massive amounts of labor will likely move into Houston, removing the oversupply of apartment stock. This infrastructure spending may create a dynamic environment for the South Texas economy for years to come. We believe deposits will grow at an accelerated pace as insurance claims are paid, fueling economic growth. This is the third major hurricane hitting Houston since 2000, and each time the economy came back stronger than it was prior to the storm. We anticipate a similar outcome in Florida and are hopeful for the same following the devastation in Puerto Rico.

The merger and acquisition environment remained healthy in the quarter. Through the first nine months of 2017, there were 183 transactions announced with an aggregate value of $22.18 billion and a median price-to-tangible book value of 162.17%. This compares to the same period in 2016 where there were 178 transactions announced with an aggregate value of $20.98 billion and a median price-to-tangible book value of 127.9%.

The team continues to constantly meet with management teams across the country to establish themes and separate the winners from the losers, whether it be by company or geography. The markets we prefer are likely similar to what Amazon is presumably looking for in their much-vaunted new headquarters: an educated labor force, good infrastructure, a business-friendly local government, affordable housing stock, and a sustainable tax regime. The U.S. banking industry remains healthy and steady state. Our process remains unchanged and we continue to be excited about the opportunities in front of us.

Sincerely,

Anton Schutz, Portfolio Manager

TOP 10 HOLDINGS AS OF 9/30/17	
Company	**% of Assets**
Pinnacle Financial Partners (PNFP)	9.29%
Triumph Bancorp Inc. (TBK)	6.73%
Park Sterling Corp. (PSTB)	6.44%
First Foundation Inc. (FFWM)	5.01%
Opus Bank (OPB)	4.96%
Bank of America Corp. (BAC)	4.62%
Atlantic Capital Bancshares (ACBI)	4.34%
Live Oak Bancshares Inc. (LOB)	3.76%
Seacoast Banking Corp. of Florida (SBCF)	3.60%
FB Financial Corp. (FBK)	3.30%

The KBW Bank Index [BKX; PHLX/KBW Bank Index] is an unmanaged index comprised of 24 geographically diverse stocks representing national money center banks and leading regional institutions. One may not invest directly in an index. The KBW Bank Index performance data quoted above are total return numbers.

The NASDAQ Bank Index includes securities of NASDAQ-listed companies classified according to the Industry Classification Benchmark (ICB) Banks. The NASDAQ Bank Index performance data quoted above are total return numbers.

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 Mendon Financial Services Fund and the RMB Mendon Financial Long/Short Fund are sector funds. These types of funds may be susceptible to factors affecting their industries, and the funds' net asset values may fluctuate more than a fund that invests in a wider range of industries. Because these funds concentrate their investments in one sector of the economy (financial services) and invest in derivative securities (currently RMB Mendon Financial Long/Short Fund engages in short sales of equities), investors should consider the risk that the funds may experience greater volatility than funds that invest across several sectors.

Foreside Financial Group, LLC, Principal Distributor