



INVESTMENT PERFORMANCE (%) as of September 30, 2026

	Total Return			Annualized Return		
	Qtr	YTD	1 Year	3 Year	5 Year	Inception*
Palm Valley Capital Fund	1.61%	4.20%	4.88%	5.65%	5.08%	6.58%
S&P SmallCap 600 Index	-7.93%	14.08%	16.02%	14.78%	6.22%	9.13%
Morningstar Small Cap Index	-5.60%	7.62%	10.98%	15.12%	6.42%	8.83%

*Inception date for the Palm Valley Capital Fund is 5/01/19

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be higher or lower than the performance quoted. Performance of the Fund current to the most recent month-end can be obtained by calling 866-747-3111.

As of the latest prospectus, the Fund's Investor class gross expense ratio is 1.53% and the net expense ratio is 1.26%. Palm Valley Capital Management has contractually agreed to waive its management fees and reimburse Fund operating expenses through at least April 30, 2027.

For Richer or Poorer

"You've got to ask yourself one question: Do I feel lucky? Well, do you, punk?"

—Dirty Harry (1971)

October 1, 2026

Dear Fellow Shareholders,

In a multiday celebration from July 31st to August 2nd, 24-year-old "AI prodigy" Leopold Aschenbrenner married Anthropic chief of staff Avital Balwit in Carmel-by-the-Sea, California, a quaint town with cobblestone alleys where Clint Eastwood once served as mayor. The ceremony took place at a private Tuscan-style villa just as Aschenbrenner's \$45 billion hedge fund was suffering the largest trading loss in the history of hedge funds. We weren't invited, but we could imagine the bride's vows under the altar of pink and burgundy hydrangeas:

*I, Avital, take you, Leopold,
for richer or 67% poorer,
in leverage and in deleveraging,
through margin calls and Citadel bailouts,
through public-market losses and the blessed absence of a daily
closing price at Anthropic, which keeps your performance from
looking even worse;
with admiration for your situational awareness in all things—
except, apparently, position sizing.*



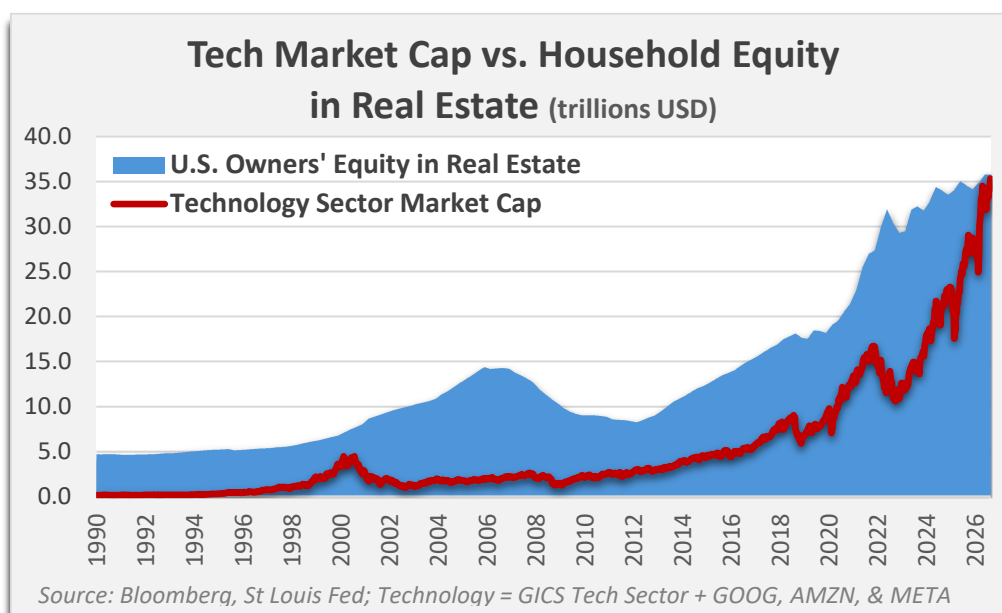
I promise to love you in bull markets and bear markets, though not necessarily in equal weight, to have and to hold, even when you hold at 4x leverage, and to stand by you as you wait a disciplined five weeks before beginning Round 2 of the AI momentum trade. Till liquidation do us part.

As for Leopold, he's supposedly a genius, and his hyper-leveraged sector bet was still up 80% year-to-date even after the implosion, so he has two things going for him that we don't. Three things, if you include mega AUM with lock-ups. Actually, four, if you count inexperience bundled with Grey Poupon flair. As the saying goes, *"There are old traders and there are bold traders, but there are very few old, bold traders."*

Whatever the outcome of Leopold's nascent comeback, he's going to remain rich. Very rich. Welcome to America, the land of second chances and capital consolidation, where 30 citizens at the top are richer than 171 million in the bottom half. Undeniably, there are amazing businesses behind the red, white, and blue mountains of wealth, and we look upon their creators with deep admiration in general. Not many begrudge the fortunes generated by great American enterprises like Walmart, Microsoft, and Berkshire Hathaway. However, it seems we are living in the age of the Instant Billionaire. In the last two decades, the years with the greatest number of new members on the Forbes 400 were 2007 (finance/private equity boom), 2021 (crypto), and 2026 (AI). The Forbes 400 entry threshold in those years was \$1.3 billion, \$2.9 billion, and \$4.4 billion, respectively. Horatio Alger: that was then. The overnight AI mogul: this is now.

The staggering wealth created by AI hasn't gone unnoticed by floundering public companies looking for a piece of the action. On September 1st, GoPro pulled an Allbirds, pivoting from its core camera business toward AI via a merger. It joins a growing roster of firms seeking to exploit the AI boom. By our calculation, **for the first time ever, technology stocks have matched real estate as a driver of household balance sheets.** The market cap of the GICS tech sector plus Alphabet, Amazon, and Meta Platforms is now approximately equal to total U.S. household owners' equity in real estate. During the technology bubble, the value of tech stocks only reached around half of owners' equity. Households are currently holding 48% of their total financial assets in stocks, which is significantly higher than during the

dot com mania. The wealth resting in technology shares is much more concentrated than that held in residential real estate, although both reflect the significant disparities in wealth across America. The poorer half of the country owns 9.7% of real estate and 0.6% of stocks. The richest 1% owns 13.4% of property and 51% of equities.





While genuine, market-driven innovation remains a powerful engine of economic growth, the widening domestic wealth gap is increasingly exacerbated by an economy where corporations enjoy robust public backstops that extend well beyond a banking system deemed Too Big to Fail. With the financial realities of generative AI becoming apparent, the frontier AI labs are now seeking a regulatory moat. We have a system of lemon socialism that shields capital from the downside risks facing the broader public.

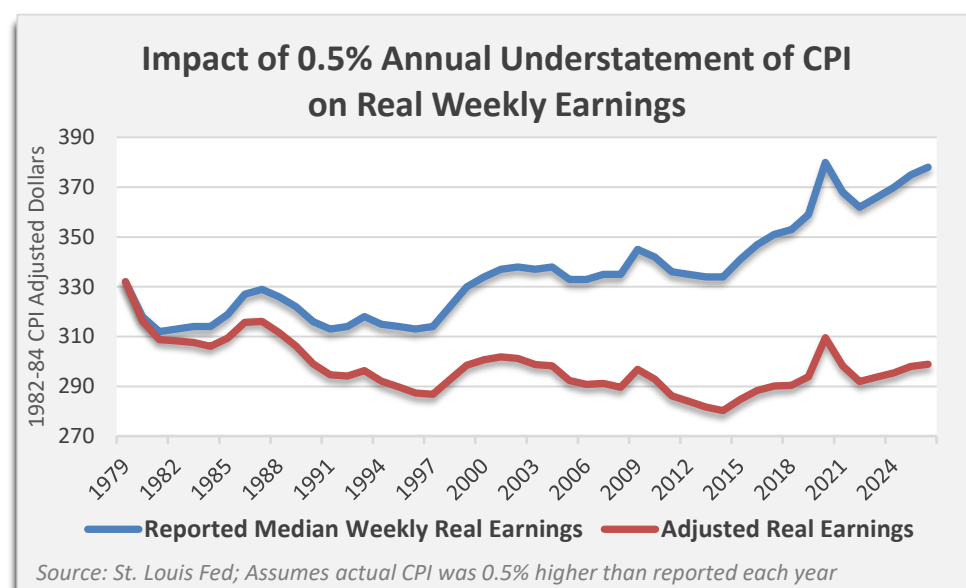
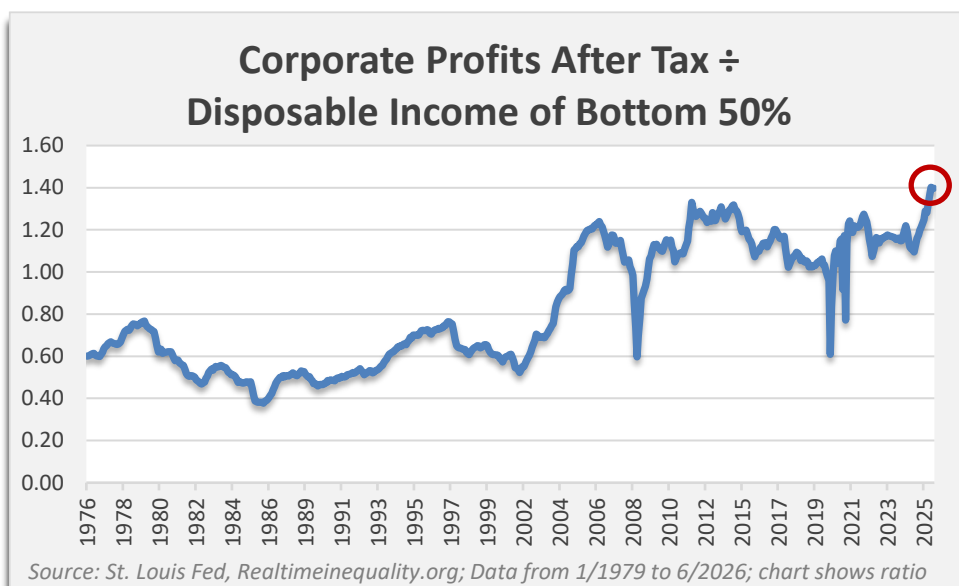
From the 1970s through the early 2000s, U.S. corporate profits generally ranged from 40% to 80% of the disposable income earned by the bottom 50%. About twenty years ago, however, corporate earnings vaulted higher as finance and real estate boomed, and they've since remained in a range between 100% and 140% outside of recessions.

Effectively, **corporate**

profits have doubled relative to the income of the lower half of the population. Labor's share of GDP has fallen to a record low, while superstar firms with fat margins and declining tax rates have thrived. Stocks have rallied fiercely on earnings gains and structural multiple expansion.

Asset inflation isn't a victimless policy. Wages rarely rise at the same pace as capital assets. Without ownership of stocks, bonds, or real estate, many remain dependent on labor income that loses real value

over time. For these households, accurately measuring the erosion of purchasing power is critical. Two weeks ago, the Census Bureau reported that the nation's poverty rate—defined as making less than \$33,000 for a family of four—dipped to its lowest level on record in 2025. This figure is another meaningless relic that has been distorted by decades of inflation gaslighting. **We believe**





government inflation statistics have been chronically understated. The Reality Index is a new, simplified inflation alternative that uses actual long-term prices for a fixed basket without substitutions or hedonic adjustments. It is consistently above CPI each year of the last decade. An artificially depressed inflation rate not only impacts over 100 million people receiving government benefits like Social Security and food stamps that are directly affected by inflation indexing, it also presents a sanitized view of a harsh economic reality for the working class. A theoretical 0.5% annual CPI understatement going back to 1979 would explain the difference between real earnings growth, as reported, or decades of stagnation, as felt.

Not surprisingly, widening wealth inequality has become political rocket fuel. A slew of politicians has risen to power with “We’re Not Gonna Take It” campaign platforms. On one side, it’s government-subsidized grocery stores and free \$50,000 down payments to first time homebuyers; on the other, \$9,000 per child benefits for stay-at-home parents and improbable \$5,000 dividend checks to every adult citizen. When public policy puts a floor beneath asset prices, you can be fooled into thinking we can afford such promises. Bread and circuses are teased to placate the asset-poor majority.

For families struggling to make ends meet, hearing that the economic divide has miraculously closed is a hard pill to swallow. In August, Treasury Secretary Scott “House-of-the-Rising-Yen” Bessent announced “definitively” that the K-shaped economy is over. Meanwhile, here’s a headline you don’t see when the economy is broadly booming:

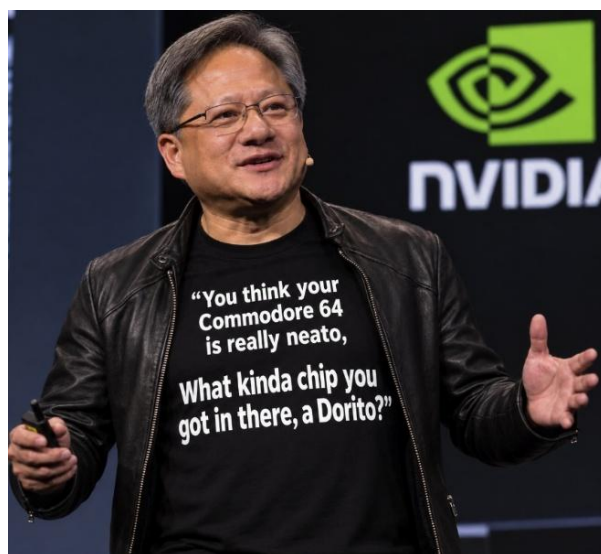
Manufactured Homes Are Key to More Affordable Housing: Editorial

Bloomberg

July 15, 2026, 6:00 AM EDT

For younger generations, responsible home ownership is becoming a pipe dream. Delinquency rates on subprime auto loans are worse than at their peak during the Financial Crisis. Conversely, the number of ultra luxury vehicles sold in the U.S. has jumped significantly over the last decade while the average price has doubled to nearly half a million dollars. It’s Ford vs. Ferrari. We keep putting Ferrari customers in charge of monetary policy and wonder why the masses are left in their dust.

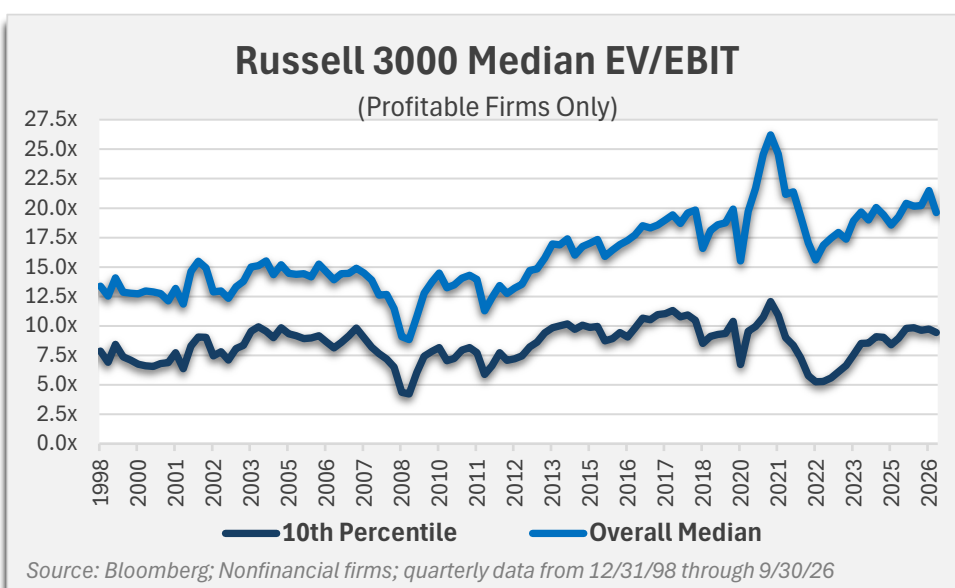
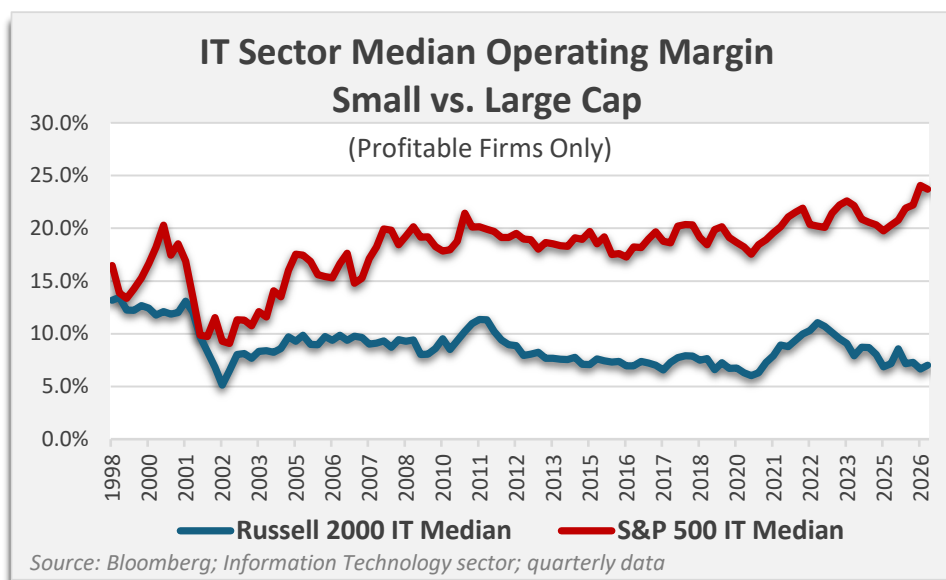
The Fed has reluctantly responded to inflation uncertainty with a 25 basis points rate hike. Yet, **long-term interest rates have risen to their highest levels in over 20 years and have so far failed to meaningfully dent asset values except for high grade debt.** Despite the market’s resilience, the President is seeking easy money insurance by threatening to terminate trade with countries where the U.S. has a trade deficit if the Fed doesn’t cut. That list would include Mexico, Vietnam, China, Taiwan, Germany, India, Japan, South Korea, and Canada, among many more. Given the AI ecosystem’s reliance on chip and memory imports from Taiwan and South Korea, the Leather Jacket Mafia might have something to say about that.



The magnitude of earnings growth has been extraordinary for mega caps at the center of the AI universe such as Nvidia, Alphabet, and Amazon. It's almost unbelievable this could occur in the context of ~2% GDP growth, which makes you wonder how the pie is being split. Notably, a meaningful portion of bottom-line gains in the second quarter for Magnificent 7 members were driven by marked up values for their stakes in Anthropic. Currently, some of the same firms presenting gangbusters earnings appear cash flow poor due to their investments in AI infrastructure.

While the scale of AI investment is unprecedented, the beneficiaries of this cycle have not yet presented a convincing argument for how their business models will generate a return on investment. Still, for now, big cap tech margins are insanely strong. The median IT operating margin in the S&P 500 is nearly 24%. Contrast this with a 7% median margin for the Russell 2000's Info Tech sector, *excluding unprofitable firms*.

While 72 out of 74 S&P tech firms had positive operating profit over the trailing year, only 120 out of 219 Russell tech constituents did. Nonetheless, lower profitability has not broadly constrained equity returns for AI-exposed companies. Stocks of the top performing 20% of Russell 2000 IT small caps made a midpoint 98% over the last twelve months, while the bottom performing quintile lost 49% (median).

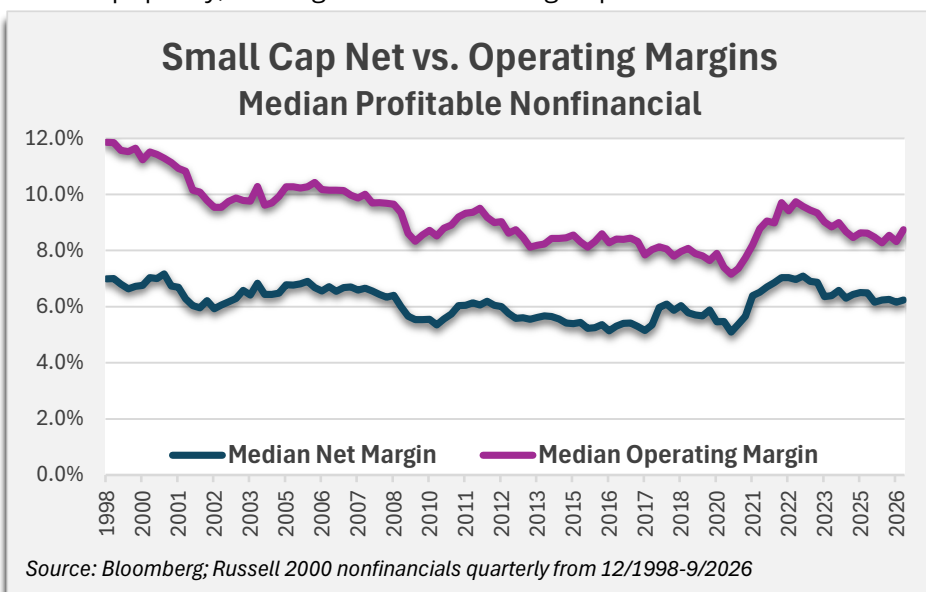


Even outside of the Magnificent 7, equity valuations look rich. **The median Enterprise Value to EBIT multiple for profitable nonfinancial firms in the broad market Russell 3000 is 20x.** Excluding a brief period during the pandemic from late 2020 to early 2021, when profits were suppressed but stocks were surging, 2026 includes the highest valuations on record going back to

1998. Before that, our dataset is more limited. Using Shiller's historical data, the average market P/E since 1871 is 15x. For the last 30 years, the average of monthly P/Es of the S&P 500 is 22.7x. If current valuations are near the upper end of an era characterized by rotating asset bubbles, they are likely expensive against almost any historical yardstick.

Valuations for the cheapest decile of profitable Russell 3000 stocks are more measured. Multiples are up sharply from the pandemic as windfall profits have normalized and stocks have risen, but they are roughly in line with historical averages over our measurement period. Perhaps unsurprisingly, median margins in the lowest EV/EBIT valuation decile are higher than the overall market. Many companies that screen cheap aren't undervalued once you normalize earnings. The opposite is true for higher multiple stocks, which can reflect cyclically depressed fundamentals.

While overall corporate profits are currently extremely strong, there is a distinction today between the elevated margins of the largest companies and the long-term flat-to-declining trend in small firm operating margins. Income inequality exists in Corporate America too! This probably reflects a gradual decline in small cap quality, although we are excluding unprofitable firms in this analysis. This trend may go



unnoticed since small cap margins have been supported below the operating line (e.g., interest, taxes, Non-GAAP adjustments), and they have also benefited from Financial sector tailwinds. Additionally, successful small caps with large addressable markets often graduate into mid and large cap benchmarks, so their margin expansion may not be fully captured while they are a member of the Russell 2000.

The shift away from active investment management reinforces the divide between the Haves and Have Nots. When the largest companies outperform, rising prices increase their index weights, directing a greater share of passive flows to them. Success increases their inheritance. Yet, a company can be rich in competitive advantages, rich in earnings, and rich in apparent prospects, but still leave its shareholders poorer if those virtues were purchased at a valuation that assumes the honeymoon will last forever.

We recognize valuation discipline has been a drag on investment performance over much of the last decade, as exceptional growth among the largest companies has been accompanied by persistently high multiples. Many believe the cycle will continue indefinitely or expect that there will be an opportunity to exit before their own portfolios are severely damaged. Que sera, sera—as long as we are honest with ourselves about the nature of that bet. When happily ever after is already priced in, the investment case ultimately comes down to a familiar question: “Do I feel lucky?”



For the quarter ending September 30, 2026, the Palm Valley Capital Fund increased 1.61% compared to a 7.93% decrease for the S&P SmallCap 600 Index and a 5.60% fall in the Morningstar Small Cap Total Return Index. The Fund ended the period with 75.5% of its assets invested in Treasury bills. Equity-only performance before Fund operating expenses was 4.8% for the third quarter.

In contrast to the first six months of the year, small caps underperformed large caps in the quarter. The S&P 500 ended September near its highs, which was not the case for small cap indexes. We have seen a clear divergence in the performance of the typical stock versus the capitalization-weighted market. The median Russell 3000 constituent is up 5.7% year-to-date. Additionally, the volatility of the average stock hasn't been this high during a rising market since the tech bubble.

In July, portfolio holding Utz Brands (ticker: UTZ), a leading producer of branded salty snacks, agreed to be acquired by Intersnack Group for approximately \$2.9 billion. The \$14.25 per share cash offer represented a 91% premium to UTZ's stock price prior to the deal being announced. We sold the shares shortly after the announcement as the stock price exceeded our calculated valuation.

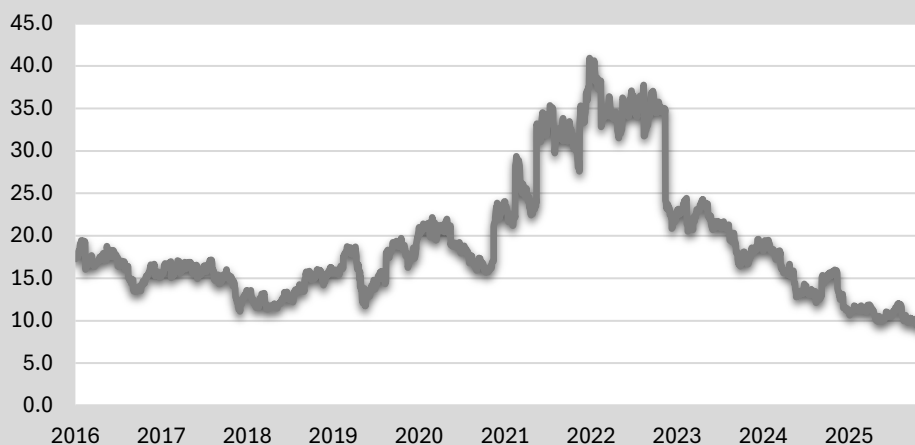
We purchased Gentex Corp. (ticker: GNTX) in the third quarter. Gentex is the undisputed leading global automotive supplier of automatic-dimming rearview mirrors that reduce glare from trailing headlights. The company also sells Full Display Mirrors (FDM) that can switch between a conventional reflecting rearview mirror and a digital display showing a rear-facing camera feed. Additionally, Gentex incorporates its HomeLink universal garage door controls into its mirror assemblies.

The stock has faced a long-term overhang from investor fears that automakers would eliminate mirrors in favor of cameras. This risk has not materialized due to legislative and economic reasons. Gentex has

worked to adapt its business to technological change by integrating advanced features into its mirrors and pursuing adjacent markets. Nevertheless, Gentex has experienced compression of its industry-leading margins because of increasing investments in R&D and overhead to fund the development and launch of new products, such as dimmable visors, sunroofs, and driver monitoring systems.

Top 10 Holdings (9/30/26)	% Assets
Rayonier	3.30%
Kelly Services (Class A)	2.18%
LKQ Corp	2.15%
Amdocs	1.92%
ManpowerGroup	1.21%
Farmland Partners	1.15%
Domino's Pizza Group PLC	1.12%
Flowers Foods	1.02%
Reynolds Consumer Products	1.01%
Carters	0.97%

Gentex Price to Free Cash Flow



Source: Company financials; 11/18/2016 - 9/30/2026

The company maintains an extremely clean balance sheet with significant cash and zero debt. Although recent results have been negatively impacted by a loss of mirror business in China due to tariffs, the company's mix is improving from the sale of more advanced products. Shares are trading for approximately 10.0x normalized unleveraged free cash flow.

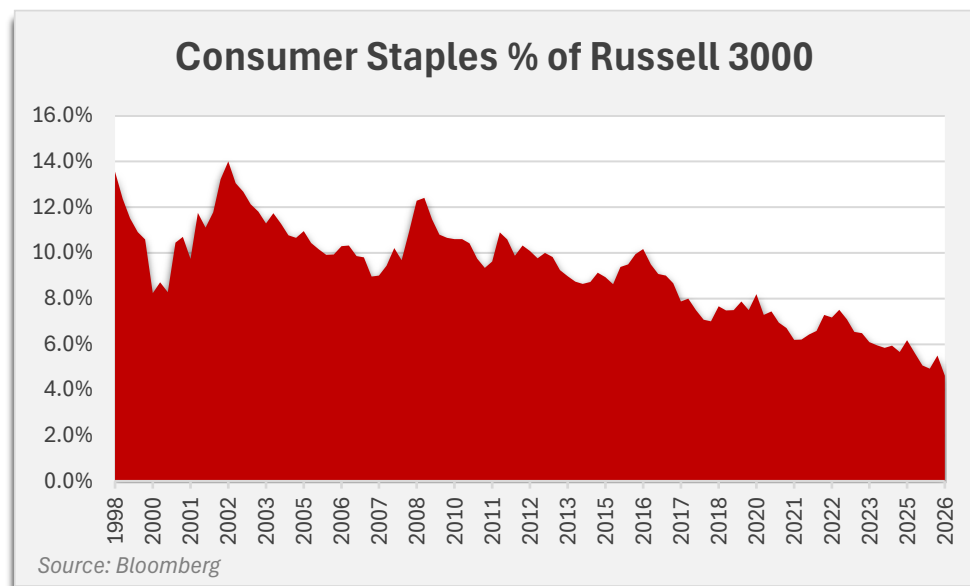
The Clorox Company (ticker: CLX) was sold and repurchased during the quarter. When we first acquired the stock, it rose to our valuation shortly after we bought it, so we sold. Clorox then fell to a new low later in the quarter. When Clorox reported results in August, they reflected comparison challenges due to customers accelerating purchases ahead of an ERP implementation a year ago. However, we attribute the stock's decline more to overall weakness in the consumer space than company-specific news.

The Consumer Staples sector represents the smallest proportion of the stock market (Russell 3000) going back at least three decades. It's probably a record low. We acknowledge the headwinds facing the sector, which include pressured consumers, cost inflation, and GLP-1-driven demand reductions in the case of food companies.

However, despite the decline in the relative

importance of the sector, current median Consumer Staples valuations are still above most periods over the last 30 years. For every Ingredion (P/E 10x) or Smithfield Foods (7x) there's a Walmart (38x), WD-40 (30x), or Casey's General Stores (29x). Our challenge has been to find those companies that appear cheap on normalized earnings and have acceptable financial leverage. Clorox's leverage metrics are on the upper end of our tolerance level, so we have sized the position appropriately. Free cash flow is largely directed to paying a dividend that is currently yielding 6.2%. The firm's brand strength supports its borrowing capacity.

Toward the end of the quarter, we initiated small positions in Avista Corporation (ticker: AVA) and Smithfield Foods (ticker: SFD). Founded in 1889, Avista is a regulated utility serving approximately 429,000 electric and 386,000 natural gas customers across Washington, Idaho, and Oregon. Avista also owns Alaska Electric Light & Power, which provides regulated electric service to approximately 18,000 customers. We've owned Avista in the portfolio before, selling our position last year after the stock exceeded our valuation. Like many utility stocks, Avista has recently been pressured by higher interest rates. In addition, a wildfire in its service territory during the quarter likely contributed to the stock's weakness. Avista has a long history of steadily growing book value and dividends. With its shares currently trading near tangible book value and at approximately 13.5x estimated earnings, we believe the stock once again offers an attractive potential return relative to the risk assumed.





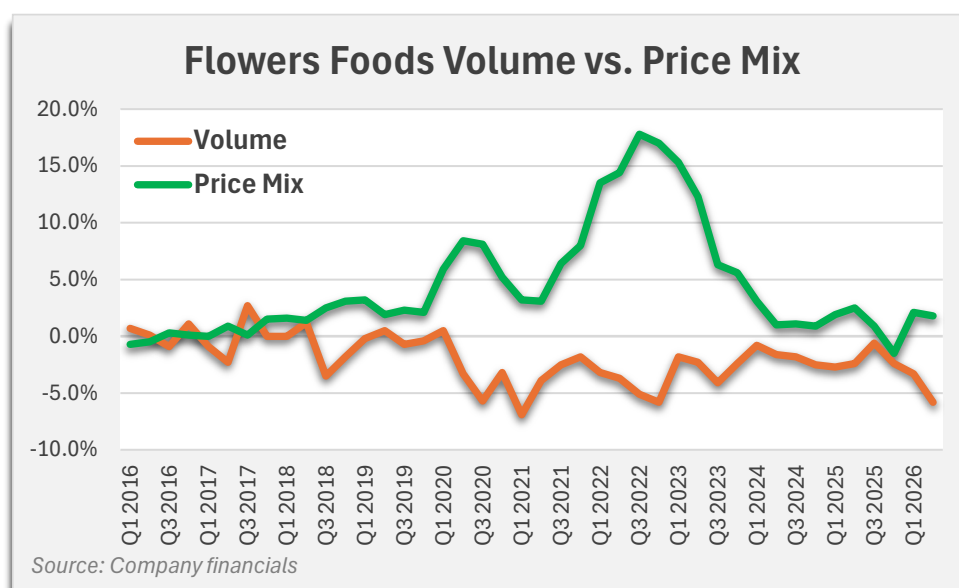
Smithfield Foods is the leading U.S. pork producer and an 87%-owned subsidiary of WH Group (ticker: WHGLY), another Fund holding. We reduced our WH Group position at stronger prices during the summer. Since then, pork industry fundamentals have weakened amid higher feed costs, including corn,



and softer demand as consumers opt for less expensive chicken. Smithfield derives the vast majority of its profitability from higher-value packaged meats—including Farmland bacon, Eckrich sausage, Nathan’s Famous hot dogs, and Armour lunch meat—rather than commodity fresh pork. This supports profitability when hog farming and processing are challenged. We recognize the volatility inherent in the pork cycle and, as with our investment in WH Group, aim to capitalize when investors overreact to prevailing industry trends. The stock is paying a 6.7% dividend yield.

The three positions contributing most negatively to the Fund’s Q3 performance were Rayonier (ticker: RYN), Flowers Foods (ticker: FLO), and Reynolds Consumer Products (ticker: REYN). While the stock of Rayonier, a leading timberland REIT, declined during the quarter, operating results exceeded our expectations. Results were particularly strong in the company’s Northwest Timber, Wood Products, and Real Estate segments. Rayonier continued to generate strong cash flow, which in addition to supporting its 5.6% dividend yield, funded significant share repurchases during the quarter. Despite solid operating results and cash flow, weakening lumber prices in August and September likely weighed on Rayonier’s share price. Rising interest rates also contributed to weaker investor sentiment towards housing-related stocks. With the stock trading at a meaningful discount to our estimated value of its timberland, we added to the position during the quarter.

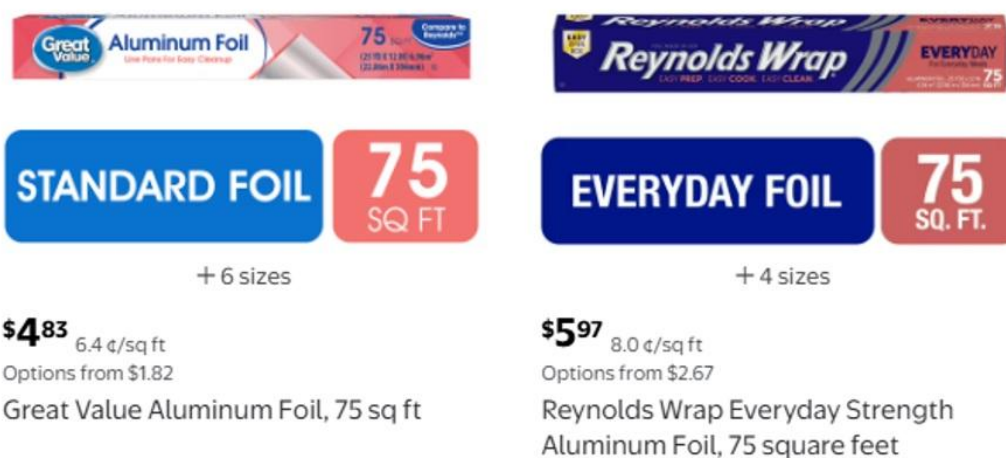
Flowers Foods, a market-leading producer of bread and bakery products, remains in a challenging operating environment characterized by rising costs, intense competition, and a value-conscious consumer. Demand for bread and bakery products has also been affected by the growing adoption of GLP-1 medications. During the second quarter, sales declined 4%, while earnings per share (EPS)





fell to \$0.21 from \$0.30. Given weaker-than-expected first-half results and expectations for continued pressure in the third quarter, management lowered 2026 EPS guidance from \$0.80–\$0.90 to \$0.75–\$0.85. While we expect near-term trends to remain challenging, Flowers continues to generate free cash flow and remains committed to strengthening its balance sheet. We believe demand for bread will eventually stabilize, with comparisons becoming easier later this year and into 2027.

Shares of Reynolds Consumer Products may be suffering from volatility in the aluminum market, which was impacted in the quarter from new tariffs placed on Canadian imports. Canada accounts for roughly half of the U.S. aluminum supply. Reynolds delivered decent second quarter results with price increases offsetting volume declines. Operating profit rose in the quarter from gains in the company's foil (Reynolds Wrap) and home and tableware businesses, which were partly offset by lower profits from the Hefty Waste division due to aggressive promotional activity from competitors (Clorox's Glad). Management contends that demand for foil has held up despite significant price increases for aluminum foil because the price gap to private label has been steady. It helps that Reynolds supplies most private label foil.



During the quarter, the three positions contributing the most to the Fund's return were Kelly Services (ticker: KELYA), ManpowerGroup (ticker: MAN), and Amdocs (ticker: DOX). Kelly and Manpower shares were bid on a developing recovery in the staffing sector, which has experienced improved volumes in 2026 for the first time in several years. Manpower's constant currency growth in Q2 was +6%, supported by strong U.S. demand. Kelly's second quarter results improved significantly sequentially and exceeded guidance.

Amdocs' shares partly rebounded after a SaaSocalypse smashing earlier in the year. The business is mature and highly cash generative. Management is responding to the possibility that AI will pressure billed revenue by expanding its scope of responsibility for customers, using automation to streamline the cost of delivery, and potentially expanding into a new industry vertical outside of telecom. Amdocs announced a 10-year strategic engagement with Liberty Latin America to manage and transform its entire IT ecosystem through Amdocs' agentic (AI) operating system, which they believe could be a springboard for future deals utilizing AI capabilities. Looking ahead over the medium term, our Amdocs base case is for minimal top line growth at good margins.

"The future is purchased by the present."

-Samuel Johnson, *The Rambler* (1751)

That was the bargain, anyway. Increasingly, we seem determined to reverse the transaction. Rather than accepting some sacrifice today in exchange for greater prosperity tomorrow, we have grown accustomed to protecting the present at the future's expense.

Economic progress can make us collectively richer. Changes in asset prices and financial conditions, however, often redistribute wealth. Higher interest rates reward savers while burdening borrowers. Higher home prices enrich existing homeowners while raising the drawbridge on aspiring ones. Rising stock prices make today's shareholders wealthier while reducing the prospective returns available to tomorrow's buyers. A federal debt now exceeding \$40 trillion represents perhaps the clearest transfer across time, with resources consumed today creating obligations passed into the future.

We have spent decades trying to divorce the wealthy from the "poorer" half of our economic vows. Asset owners have been conditioned to expect rising prices, corporate debtors to expect bailouts, and markets to expect intervention. The consequences have not disappeared; they have merely been deferred. The question isn't simply who is richer and who is poorer. It's *when*.

Richer today can mean poorer tomorrow.



Thank you for your investment.

Sincerely,
Jayme Wiggins Eric Cinnamond

Mutual fund investing involves risk. Principal loss is possible. The Palm Valley Capital Fund invests in smaller sized companies, which involve additional risks such as limited liquidity and greater volatility than large capitalization companies. The ability of the Fund to meet its investment objective may be limited to the extent it holds assets in cash (or cash equivalents) or is otherwise uninvested.

Before investing in the Palm Valley Capital Fund, you should carefully consider the Fund's investment objectives, risks, charges, and expenses. The Prospectus and Summary Prospectus contain this and other important information and may be obtained by calling 904-747-2345. Please read them carefully before investing. Past performance is no guarantee of future results.

Dividends are not guaranteed and a company's future ability to pay dividends may be limited. A company currently paying dividends may cease paying dividends at any time. Fund holdings and sector allocations are subject to change and are not a recommendation to buy or sell any security. Earnings growth for a Fund holding does not guarantee a corresponding increase in the market value of the holding or the Fund.

*The S&P SmallCap 600 Total Return Index measures the small cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable. The Morningstar Small Cap Total Return Index tracks the performance of U.S. small-cap stocks that fall between 90th and 97th percentile in market capitalization of the investable universe. **It is not possible to invest directly in an index.***

The Palm Valley Capital Fund is distributed by Quasar Distributors, LLC. Opinions expressed are those of the author, are subject to change at any time, are not guaranteed and should not be considered investment advice.

Definitions:

AI: Artificial intelligence

AUM: Assets under management

Basis point: One hundredth of a percentage point (0.01%).

Capitalization-weighted: A method of measuring a group of companies where the weighting assigned to each is based on its market capitalization, so larger firms represent a larger share of the total.

Comparable store sales: Measure of retailer's revenue growth by comparing results from established stores to the same period a year earlier.

Constant currency: Financial results stated as if there was no change in the value of exchange rates over the period.

CPI (Consumer Price Index): A measure that examines the weighted average of prices of a basket of consumer goods and services.

Disposable income: Money left over after paying taxes and mandatory deductions.

Dividend yield: Annual dividends divided by price per share.

EPS (Earnings per share): Net income divided by shares outstanding.

ERP (Enterprise Resource Planning): Business management software used to automate operations.

EV/EBIT: Enterprise Value of a company (Market Capitalization – Cash + Debt) divided by its trailing twelve-month Earnings Before Interest and Taxes (i.e., operating income).

Free Cash Flow: Free Cash Flow equals Cash from Operating Activities minus Capital Expenditures.

GDP: Gross Domestic Product is the total value of goods produced and services provided in a country during one year.

GICS: Global Industry Classification Standard, an analytical framework used by investors to categorize public companies by their primary business activities.

GLP-1: A class of medications primarily used to treat type 2 diabetes and obesity.

Hedonic adjustment: Decomposing an item into its constituent characteristics, obtaining estimates of the value of the utility derived from each characteristic, and using those value estimates to adjust prices when the quality of a good changes.

High grade debt: Fixed income securities with high credit quality and a low risk of default.

IT: Information Technology

K-shaped economy: Economy where different parts grow at drastically different rates.

Magnificent Seven (Mag 7): Seven influential large capitalization U.S. technology stocks, including Alphabet, Amazon, Apple, Meta Platforms, Microsoft, NVIDIA, and Tesla.

Market capitalization: Stock price multiplied by shares outstanding.

Mega cap: The largest public companies, which have a market capitalization exceeding \$200 billion.

Non-GAAP: Financial measures that do not follow Generally Accepted Accounting Principles.

Operating margin: Operating income divided by revenue.

Price to Earnings (P/E) Ratio: A stock's price divided by its earnings per share.

Price/Free Cash Flow: Market Capitalization divided by Free Cash Flow.

R&D: Research and development.

REIT (Real Estate Investment Trust): A company that owns, operates, or finances income-producing real estate.

Russell 2000: An American small-cap stock market index based on the market capitalizations of the bottom 2,000 companies in the Russell 3000 Index.

Russell 3000: The Russell 3000 Index is an American stock market index based on the market capitalizations of the largest 3,000 publicly traded companies.

S&P 500: The Standard & Poor's 500 is an American stock market index based on the market capitalizations of 500 large companies.

SaaS apocalypse: A major market correction and structural shift in technology where the rise of artificial intelligence and autonomous AI agents threatens traditional Software-as-a-Service (SaaS) business models.

Tangible book value: Shareholders' equity, or total assets excluding goodwill and other intangibles minus total liabilities.