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October 31, 2018

Dear Investor:

During the third quarter, investment returns for your account underperformed most US broad market indexes, but still had positive returns of almost 5% and continued to outperform the major indexes year-to-date. The following is a summary of returns for selected major indexes for the third quarter, year-to-date, and average annual returns since January 1, 2007:

	3 Months Ending 09/30/18	Year-to-Date Ending 09/30/18	Annualized Returns Since 01/01/07
S&P 500 Index	7.71%	10.56%	8.60%
Russell 3000 Index	7.12%	10.57%	8.66%
NASDAQ Composite Index	7.41%	17.48%	11.97%

The most significant contributors to the Shaker All Cap Strategy composite's results in the third quarter and first nine months of the year are as follows:

Company	Third Quarter 2018	First Nine Months 2018
The Trade Desk (TTD)	2.59%	5.51%
Abiomed (ABMD)	0.51%	4.90%
Dexcom (DXCM)	1.57%	3.19%
Axos Financial (AX)	-1.36%	2.50%
Insulet Corp. (PODD)	1.03%	2.31%
CoStar Group, Inc. (CSGP)	0.09%	1.53%
Paylocity Holding Corp.	0.78%	1.38%
Stamps.com (STMP)	-0.33%	1.05%
Visa Inc. - Class A Shares (V)	0.41%	0.78%
Bank OZK (OZK)	-0.44%	-0.73%
Universal Display Corp. (OLED)	0.00%	-0.85%
IPG Photonics Corp. (IPGP)	-1.00%	-1.02%

LGI Homes Inc. (LGIH)	-0.37%	-1.14%
All other long positions in Total	0.93%	-0.70%

Note: Individual position return contributions are based on the entire composite, preliminary and based on gross returns prior to fees, interest, and other expenses.

Overall, your accounts performance was negatively impacted by the general underperformance of small cap stocks, and specifically by our investments in certain technology companies and banks. On a related note, our largest holding, Bank of The Internet, has changed its name to Axos Financial Inc. and its stock symbol to AX. It is our opinion that this is a positive change as it more properly reflects the diversified range of services that the company provides. In just the last six months, AX has announced three acquisitions that will reduce deposit costs and add fee income, demonstrating how its operations extend well beyond internet-based banking. In addition, these acquisitions should help AX to accelerate income growth to 30% in calendar 2019.

Investment Outlook

We continue to be particularly focused on the tightening actions of the Federal Reserve (Fed) and the risks such actions pose to the business cycle. In prior communications, we have written about the unprecedented monetary stimulus combination of zero interest-rate policy (ZIRP) and quantitative easing (QE). One year ago the Fed transitioned into total quantitative tightening (QT) mode as it began to reduce the size of its balance sheet in addition to the rate hike cycle begun in December 2015. This dual tightening process is new and the effect on the economy is likely to be greater than the effect of rate hikes alone. The specific timing of any detrimental impact on the economy is difficult to predict, but we are confident that the longer the Fed raises interest rates and reduces the size of its balance sheet, the greater the chance that we will see these actions have a negative effect on the economy. However, we have not seen the negative impact in the data yet.

As always, we continue to monitor our more timely economic indicators for early signs that the risks of a recession are increasing, and we find no such indicators signaling red flags. In fact, economic growth continues to look solid as the tax cuts and increased government spending appear to be winning the near term battle with the tightening moves of the Fed.

Thus far we believe that the current October correction in the stock market is like many of the other mid-expansion corrections that have occurred during bull markets. The corrections are perfectly normal and to be expected in most years, but are never comfortable in the moment. Their causes vary—sometimes the corrections are due to valuation, sometimes due to temporarily weaker economic data, or sometimes it is due to a change in leadership (such as small to large cap or value to growth).

The only consistency we have found with these mid-expansion corrections is that they are difficult to predict with accurate timing, and therefore expensive to guard against in a bull market. We have stated many times that we will try to do more to protect your account against the next **recessionary correction** because recessions are infrequent and driven by more predictable economic conditions. We do not intend to try to protect against corrections in a bull market. Thus, we have not made any extraordinary changes to the strategy in October.

As always, we are continuing to look for new ideas that can create value for the Fund. During the most recent quarter we sold our investments in Corcept Therapeutics (CORT), Covia Holdings Corp. (CVIA), Fastenal Corp (FAST), and United Natural Foods (UNFI). We reduced our large cap software investments as well as our investment in Bank OZK and IPG Photonics. In addition, we sold part of our investments in The Trade Desk (TTD) due to significant appreciation in that stock this year.

We added three new ideas to your account this quarter that we believe will generate value due to a combination of attractive fundamental growth and valuation relative to peers. Ulta Beauty (ULTA) is a leading beauty retailer whose products include cosmetics, skincare, haircare, and salon services. Globant SA (GLOB) is a growing IT and software development company. Diamondback Energy (FANG) is an oil and natural gas company focused on horizontal drilling in the Permian Basin.

Enclosed you will find the updated returns for your account as well as holdings as of September 30, 2018. The year-to-date tax gains and losses should be considered as you try to forecast your taxable income for the year. We look forward to updating you on the full year in January.

Sincerely,

A handwritten signature in black ink, appearing to read "Edward P. Hemmelgarn". The signature is fluid and cursive, with the first name "Edward" being the most prominent.

Edward P. Hemmelgarn

Ray Rund

Sasha Kostadinov

Anthony Panuto

Brandon Hemmelgarn

Chris Hemmelgarn

Rich Rund

Ashley Arsena

Kacie Beck