

## COMMENTARY

## MARSICO GLOBAL FUND

(MGLBX/MIGOX)

MARSICO  
FUNDS®

Portfolio managers Tom Marsico, Peter Marsico, and Jimmy Marsico share their insights into the management of the Marsico Global Fund (the "Fund").

### Q1 Would you please comment on the Fund's performance relative to the Morningstar Global Large-Stock Growth Funds category for the second quarter, YTD, and 1-year periods ended June 30, 2023?

The Fund benefited from strong performance in the Information Technology sector largely driven by investor interest in the potential of artificial intelligence (AI) to change how we live and work across the global economy. For the quarter ended June 30, 2023, the Fund's 11.30% return (Investor Class Shares) outperformed the Morningstar Global Large-Stock Growth funds category's average return of 5.98%. Year to date, the Fund's return of 25.74% surpassed the category's average 16.78% return, and for the 1-year period, the Fund outperformed the category average by over 900 basis points, as of June 30, 2023. In fact, the Fund's **1-year performance ranked in the top 10% or better** within the category.<sup>1,6</sup>

### Q2 Given investor enthusiasm in the Information Technology sector, where is the Fund finding opportunities within the investment themes of Digital Transformation and AI?

Digital Transformation and AI continue to be important themes for the Fund. The semiconductor industry is an integral part of AI development as semiconductor chips enable rapid computing power, predictive learning, and generative artificial intelligence. The Fund owns several companies participating in these themes including:

- » **NVIDIA Corporation ("NVIDIA")<sup>4</sup>** develops high-performance computing and AI technologies, including the design and manufacture of computer graphics processors. NVIDIA's stock price surged in the second quarter with widespread enthusiasm about the use of AI.
- » **Taiwan Semiconductor Manufacturing Co. Ltd.** is the world's largest producer of advanced semiconductor products. The company's chips are used in computers, smartphones, and electric cars.
- » **Microsoft Corporation** continues to innovate with products including Microsoft 365 Copilot, designed to help workers boost productivity using AI. The company also owns GitHub, which recently launched GitHub Copilot, an AI tool for software engineers. The tool helps coders translate natural language prompts into code in multiple languages.

## Overall Rating

MORNINGSTAR®



(MGLBX) 3 Stars out of 317 Global Large-Stock Growth funds as of 6/30/2023 based on risk-adjusted return.<sup>1,2,3</sup>

Portfolio Management<sup>10</sup>

Tom Marsico

- » Founder, CEO, CIO, and Portfolio Manager
- » Over 40 years' experience



Peter Marsico

- » Portfolio Manager
- » Over 14 years' experience



Jimmy Marsico

- » Portfolio Manager
- » Over 14 years' experience

**Q3** What changes did you make to the Fund's portfolio in the second quarter?

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The second quarter provided us with the opportunity to add a growing Canadian e-commerce platform and realize profits from the sale of a Chinese e-commerce behemoth.

We purchased Shopify, Inc. ("Shopify"). Shopify is an e-commerce platform for online stores and retail point-of-sale systems and is responsible for over 10% of e-commerce sales worldwide. The company has made improvements in their operating margins which has benefited their return on invested capital. We expect the company's compelling growth trajectory to continue.

We exited our position in Alibaba Group Holding Ltd. as the company's profits slowed relative to its competitors. A potentially slowing Chinese economy and declining Chinese consumer spending would also not bode well for the company's growth prospects in the near future.

**Q4** Would you please comment on the Fund's portfolio selections among countries?

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The Fund is a diversified portfolio with an allocation between U.S. and international companies. As of June 30, 2023, the Fund held approximately 58% of total assets in U.S. companies and the remaining 42% in international companies.<sup>5</sup>

Our investment approach is company first. Within both the U.S. and international segments of the Fund's portfolio, we are primarily focused on individual companies we believe are innovative, high-quality, and faster growing. When it comes to companies located outside of the U.S., the country of domicile is typically not a driver of our investment decisions.

## About The Adviser

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Founded in 1997, Marsico Capital Management, LLC, the investment adviser to the Marsico Funds, employs a high-conviction approach to the management of a select suite of growth-oriented domestic and international equity portfolios. Headquartered in Denver, Colorado, the firm managed approximately \$2.9 billion in assets as of June 30, 2023.

The firm's founder, Tom Marsico, has over 40 years of experience in the investment management industry and is one of the industry's first managers to successfully implement high-conviction, concentrated portfolios.

**Marsico Global Fund Performance (As of 6/30/2023)<sup>6</sup>**

	Average Annualized Returns					
	1 Year	3 Year	5 Year	10 Year	Since Inception 6/29/2007*	Since Inception 12/6/2021*
<b>Investor Class Shares (MGLBX)</b>	<b>27.93%</b>	<b>3.44%</b>	<b>6.93%</b>	<b>10.42%</b>	<b>8.66%</b>	<b>—</b>
<b>Institutional Class Shares (MIGOX)<sup>3</sup></b>	<b>28.45%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>-10.64%</b>
MSCI All Country World Index (ACWI) <sup>7,8</sup>	16.53%	10.99%	8.10%	8.75%	5.49%	-2.40%
Morningstar Global Large-Stock Growth Funds Category Average <sup>1</sup>	18.84%	6.78%	8.13%	9.72%	—	—
Percentile Rank in Morningstar Category <sup>1</sup>	9%	83%	70%	30%	—	—
# of Funds in Category <sup>1</sup>	360	317	276	183	—	—

Expense Ratio: Investor class shares (“Investor Class”) 1.38% gross, 1.46% net; Institutional class shares (“Institutional Class”) 1.07% gross/net.<sup>9</sup>

\*Investor Class inception 6/29/2007, Institutional Class inception 12/6/2021.

**Performance data quoted throughout represents past performance. Investment return and principal will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Past performance is no guarantee of future results. Current performance may be lower or higher than the performance information quoted. To obtain the Fund’s performance current to the most recent month-end, please visit [marsicofunds.com](http://marsicofunds.com) or call 888-860-8686. The Fund’s performance, especially for short time periods, should not be the sole factor in making an investment decision.**

## Important Information

*Please consider the Fund’s investment objectives, risks, charges, and expenses carefully before investing. To obtain a prospectus, which contains this and other information about the Fund, call 888-860-8686 or visit [marsicofunds.com](http://marsicofunds.com). Please read the prospectus carefully before investing.*

Investments in foreign securities generally, and emerging markets in particular, involve risks that may differ from or at times exceed the risks of U.S. investments for a variety of reasons such as, without limitation, unstable international, regional, or national political and economic conditions, diplomatic developments such as sanctions, embargoes, trade tariffs, trade limitations or trade wars, less stringent investor protections and disclosure standards, currency fluctuations, foreign controls on investment and currency exchange, foreign governmental control of some issuers, potential confiscatory taxation or nationalization of companies by foreign governments, sovereign solvency considerations, withholding taxes, a lack of adequate company information, less liquid and more volatile exchanges and/or markets, ineffective or detrimental government regulation, varying accounting, auditing, disclosure, and reporting standards, political or economic factors that may severely limit business activities, legal systems or market practices that may permit inequitable treatment of minority and/or non-domestic investors, immature economic structures, and less developed and more thinly traded securities markets. In addition, the Fund and the stocks and markets in which it invests are subject to other general risks that include unforeseen events such as pandemics, volatility and instability, periods of cyclical change and decline, that investors may at times avoid investments in equity securities, and that the investment adviser may select investments for the Fund that do not perform as anticipated.

<sup>1</sup> Source: Morningstar, Global Large-Stock Growth Funds Category.

<sup>2</sup> The Morningstar Rating™ for funds, or “star rating,” is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product’s monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. ©Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. The Fund received 2 stars for the 3- and 5-year periods, and 3 stars for the 10-year period ended 6/30/2023 among 317, 276, and 183 Global Large-Stock Growth funds, respectively. Past performance is no guarantee of future results. Recent performance may have been negative.

<sup>3</sup> Performance data and Morningstar data available for the Institutional Class is limited because the Institutional Class commenced operations on December 6, 2021.

<sup>4</sup> Of the companies mentioned, the Marsico Global Fund’s holdings as a percentage of net assets as of 6/30/2023 were as follows: NVIDIA Corp. 4.70%, Taiwan Semiconductor Manufacturing Co. Ltd. 4.83%, Microsoft Corp. 5.03%, Shopify, Inc. 3.13%, and Alibaba Group Holding Ltd. 0.00%. Please keep in mind that our views on investments discussed herein are subject to change at any time, and the holdings represented here do not represent all of the securities purchased, sold, or recommended by Marsico Capital Management, LLC. References to specific securities mentioned herein, which may change due to the active management of the Fund, are not to be construed as a recommendation to buy or sell those securities, and should not be assumed to be or have been profitable investments, and are not guaranteed to be in the portfolio today.

<sup>5</sup> Source: UMB Fund Services, Inc., FactSet and Marsico Capital Management, LLC. Data shown such as portfolio holdings, percentages, country, and sector weightings generally applied on the date shown above, and may have changed substantially since then.

<sup>6</sup> Source for Fund and Index returns: UMB Fund Services, Inc.

<sup>7</sup> The MSCI All Country World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. Sources of foreign exchange rates may be different between the Fund and the benchmark. The index described above is unmanaged and not available for direct investment. For comparison purposes, it should be noted that the index described above does not charge fees and has no expenses.

<sup>8</sup> The MSCI information may only be used for your internal use, may not be reproduced or re-disseminated in any form, and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of the information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing, or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com)

<sup>9</sup> As of the Fund's 1/31/2023 prospectus, as supplemented; Investor Class 1.38% gross, 1.46% net; Institutional Class 1.07% gross, 1.07% net. Marsico Capital Management, LLC, the investment adviser to the Fund (the "Adviser"), has entered into a written expense limitation and fee waiver agreement under which it has agreed (i) to limit the total expenses of the Investor Class of the Global Fund (excluding taxes, interest, acquired fund fees and expenses, litigation, extraordinary expenses, and brokerage and other transaction expenses relating to the purchase or sale of portfolio investments) to an annual rate of 1.50% of the Fund's average net assets attributable to Investor Class shares, and (ii) to limit the total expenses of the Institutional Class of the Fund (excluding taxes, interest, acquired fund fees and expenses, litigation, extraordinary expenses, and brokerage and other transaction expenses relating to the purchase or sale of portfolio investments) to an annual rate of 1.25% of the Fund's average net assets attributable to Institutional Class shares, until January 31, 2024. It may be terminated by the Adviser at any time after January 31, 2024, upon 15 days prior notice to the Fund and its administrator. The Adviser may recoup from the Fund (or share class as applicable) any fees previously waived and/or expenses previously reimbursed by the Adviser with respect to the Fund or share class, as applicable, including any applicable waivers which may apply to a specific share class, pursuant to this agreement (including waivers or reimbursements under previous expense limitations) if (1) such recoupment by the Adviser does not cause the Fund's share class, at the time of recoupment, to exceed the lesser of (a) the expense limitation in effect at the time the relevant amount was waived and/or reimbursed, or (b) the expense limitation in effect at the time of the proposed recoupment, and (2) the recoupment is made within three years after the fiscal year end date as of which the amount to be waived or reimbursed was determined and the waiver or reimbursement occurred. In accordance with the Funds' Multi-Class Plan, amounts eligible for recoupment from periods prior to the addition of the Institutional Class will continue to be eligible for recoupment from the Investor Class. The Institutional Class does not have any amounts available for recoupment because the Institutional Class only commenced operations on December 6, 2021. For important information about the current and previous expense limitation and fee waiver agreements, please refer to the "The Investment Adviser" section of the prospectus.

<sup>10</sup> Effective April 17, 2023 Peter Marsico and Jimmy Marsico were added as portfolio managers to the Fund with Tom Marsico. Prior to this date, Tom Marsico and Rob Susman were the portfolio managers of this Fund.

The Marsico Funds are distributed by UMB Distribution Services, LLC ("UMBDS"). UMBDS and Marsico Capital Management, LLC are not affiliated.