

Monthly Mutual Fund Field Guide

Talking Points for Client Conversations
June 2025

Check Out Our New Episodes!



Did You Know?

Mid-Year Market Review: Check-Up Time

Despite challenges like rising tariffs and geopolitical tensions, the S&P 500 Index delivered impressive returns in the first half of 2025, highlighting the market's resilience. This performance underscores the importance of maintaining a long-term perspective in the face of uncertainty.

Academic Perspective

The Psychology of Financial Windfalls: How Unexpected Money Influences Spending Behavior

By Hal Hershfield, Ph.D.

We examine why unexpected money often results in impulsive spending and discuss research showing how perceiving money as "unearned" influences our spending choices.

Market Review

- Global stocks bounced back from a tumultuous April to log strong second-quarter returns.
- Tariff uncertainty left the Fed on hold, while other central banks cut rates.
- Amid growing expectations for Fed rate cuts by year-end, U.S. bonds posted a second consecutive quarterly gain.

Portfolio Updates

- Portfolio characteristics and composition (month-end)
- Portfolio commentary (quarter-end)

Appendix

- Standardized performance
- Glossary
- Disclosures

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Did You Know?

Check-Up Time: A Mid-Year Market Review

Imagine that at the start of the year, you were told over the next six months you'd see higher U.S. import tariffs, rising global trade tensions, shrinking GDP in the first quarter and an escalating conflict in the Middle East.

With that context, you were asked to predict the S&P 500® Index return for the first half of the year. What would you have guessed? Do you think you'd have guessed more than 6% — on pace to top the market's average annual return of about 10%?

While that's what has happened, it may seem remarkable that the market has faced such uncertainty and still delivered relatively strong returns. Of course, this simple summary doesn't tell the whole story of the year's first half. Neither can a single chart, but it can get a lot closer.

For a more in-depth look back on the news and events of 2025, **Figure 1** presents many of the major headlines atop the cumulative return of the S&P 500.



Figure 1 | All of the *First Half* of 2025 That Fits on One Page



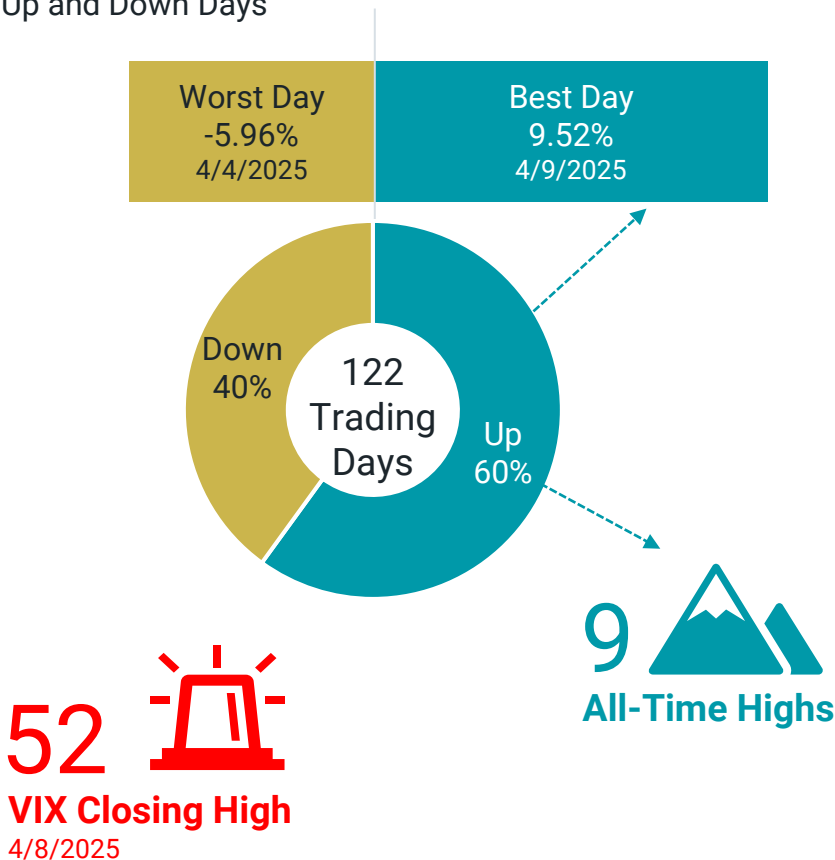
Data from 1/1/2025 – 6/30/2025. Source: Avantis Investors. Past performance is no guarantee of future results.

Check-Up Time: A Mid-Year Market Review

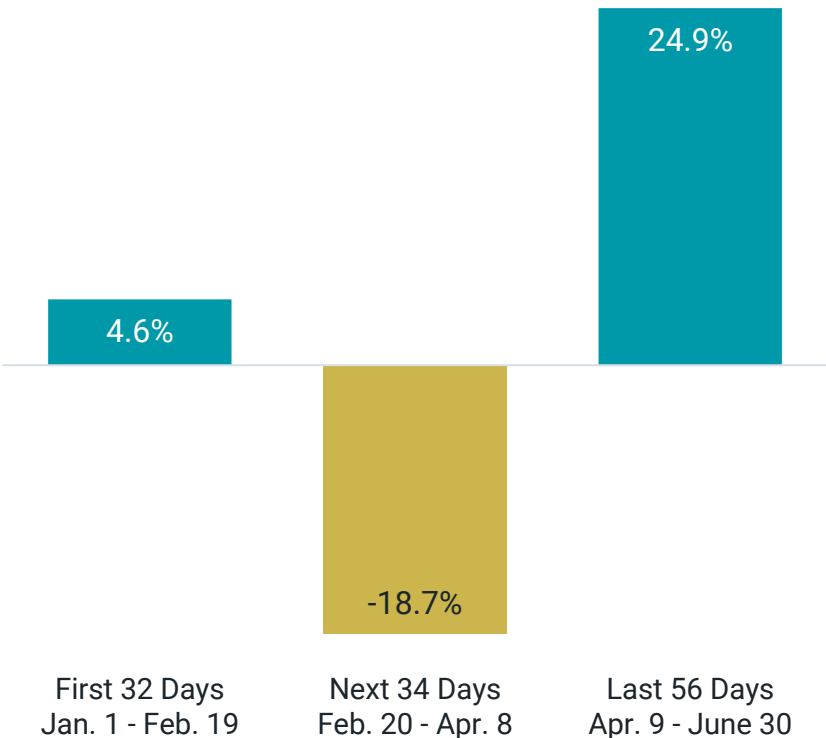
In **Figure 2**, we present other interesting data points from the market that highlight what an incredible six months it has been. The magnitude of the highs and the lows, both over very short and longer periods, really stands out.

Figure 2 | S&P 500 Index by the Numbers

Up and Down Days



Performance Over 122 Trading Days



Data from 1/1/2025 – 6/30/2025. Source: Bloomberg and Avantis Investors. **Past performance is no guarantee of future results.**
The VIX index is managed by the Chicago Board of Trade (CBOE). It tracks the expected 30-day future volatility of the S&P 500 Index.
It is a widely used measure of market risk and is often referred to as the "investor fear gauge."

Check-Up Time: A Mid-Year Market Review

This year, we've experienced some of the largest single-day market returns on record. The 9.5% rise for the S&P 500 on April 9 — the day President Donald Trump issued a 90-day tariff pause — was the largest daily gain since 2008 and the third largest since the index launched in 1957. This followed the 6.0% decline on April 4 — shortly after sweeping U.S. tariffs were announced — the 19th largest daily loss for the index.

There have also been nine S&P 500 all-time highs this year, some of which bookended notable subperiods for the market in 2025. One occurred on February 19, just before the index faced its largest drawdown of the year at nearly -19%, ending on April 8. Thereafter, the index rose almost 25% to end June again at a new all-time high.

These numbers provide helpful context for the investor experience over the period. However, if you're looking for salient takeaways from a period high on uncertainty, we have a few to share.

First, we should remember that our sentiment on the market or economy won't always match how the market actually performs. We tend to weigh heavily what we perceive as bad news versus what we see as good news. This is normal, but it can lead investors to act on emotion driven by uncertainty and short-term pessimism. History has shown that doing so often results in poor portfolio outcomes.

Second, we should remember that markets constantly process the news, regardless of whether we individually see something as good or bad, and set prices that reflect aggregate, forward-looking expectations. In other words, markets look ahead, not just at what has happened, and price securities for positive expected returns going forward.

Finally, the near-term ups and downs can feel — and be — extreme in the moment. The aforementioned emotions and urge to “do something” can be intense. Investors experienced this in late February, March and early April.

But, as we also saw unfold over the next two months, those who kept a long-term view and remained disciplined in the face of uncertainty were again rewarded. The long-term plan you have set up shouldn't be forgotten in times of market stress. It's likely most useful in those very periods.

Academic Perspective

The Psychology of Financial Windfalls: How Unexpected Money Influences Spending Behavior

Maybe it was a \$20 bill you found on the subway platform or sidewalk. Maybe it was a surprise bonus at work. Or perhaps it was money inherited from a relative. Whichever the case, maybe you've been one of the lucky ones who've come into a windfall of money, small or large.

If you're reading this and thinking, "Fat chance, that's not me!" wait just a minute. Chances are that even if you haven't yet experienced such a windfall of money, you most likely will at *some* point. It could be as mundane as a tax refund higher than you expected or a government stimulus check.

However, the question isn't, "How can I predict when I'll get a windfall of money?" (Though I'd love to be able to answer that!) Instead, we should ask, "How should we treat such windfalls? Should they be spent in a 'treat yo'self' splurge? Socked away in an investment account to be used for the future? Or a little of column A and a little of column B?"

Windfall Spending: Insights from Experiments and Real-World Scenarios

Before attempting to answer, let's talk about what people actually *do* with windfalls. Almost thirty years ago, Hal Arkes, a psychology professor at the Ohio State University, and his colleagues decided to find out. Academic articles are rarely known for their compelling narratives, but Arkes's paper is an exception, and he opens with a good tale.

As the story goes, a publishing house planned its annual meeting at a hotel in the Bahamas. Shortly before the convention started, a university decided to buy one of the publisher's texts. It was a big sale, but no single salesperson could take credit (and thus lay claim to the bonus associated with such a catch). So, the publisher decided to get creative and split the bonus across the marketing department: each was greeted with \$50 when they arrived at the hotel.



Hal Hershfield, Ph.D.
Consultant to Avantis Investors

Hal is a professor of Marketing and Behavioral Decision Making in the Anderson School of Management at the University of California, Los Angeles.

His research asks, "How can we help move people from who they are now to who they'll be in the future in a way that maximizes well-being?"

The Psychology of Financial Windfalls: How Unexpected Money Influences Spending Behavior

Nearby was a casino. One of the salespeople, Nancy, spent the whole of her \$50 on gambling, as did many of her co-workers. But she later regretted her decision: “If I hadn’t been given the \$50, there’s no way I would have spent a dime at the casino. There are a million things I could have used that money for. Why did I waste it?”¹

That, of course, is just one anecdote. But across several experiments, Arkes and his collaborators found that many folks tend to spend rather than save when blessed with a financial windfall.

In one study, for instance, a group of research participants had been told in advance that they’d receive \$5 for participating in a study. Another group, however, only learned about the \$5 payment by surprise, upon arriving at the lab.

Both groups were given their five bucks and then sent to see a college basketball game. When they were asked afterward how much of their \$5 they had spent at the game, the folks who had received the money by surprise — those for whom the money was a windfall — spent about twice as much of it compared to those who had tagged the money as planned earnings.

This finding extends beyond carefully controlled laboratory contexts and into the real world. When grocery store shoppers used \$10 coupons in their shopping, for example, they spent about \$1.59 more than when shopping without such coupons. Sure, that’s small potatoes. But it’s not as if they stocked up on essentials they could use in the future. On the contrary, shoppers were considerably more likely to spend their small windfalls on items they typically didn’t purchase.²

So why would the marketing staff of a publishing house, research subjects at a basketball game and grocery shoppers armed with coupons all *spend* their small windfalls (and sometimes on otherwise regrettable purchases), rather than use them in more prudent ways?

Windfalls vs. Earned Income: The Impact on Financial Choices

To some extent, such patterns may be due to the simple fact that windfalls feel like *unearned* money. Consider how we treat the income received through our paychecks. That money is valuable. After all, you worked hard to earn it, and it could feel, psychologically speaking, like a loss if we were to spend it mindlessly.

A windfall, by contrast, is unearned and unexpected. In that way, even though \$10 earned has the same spending power as \$10 unearned, money from a windfall may be seen as less valuable. It’s easier not to ‘count’ that money as part of our earnings, and thus, easier to spend it.

In a series of research studies, Nick Epley, a professor of behavioral science at the University of Chicago’s Booth School of Business, tackled this explanation head-on. He and his colleagues sent undergraduate research participants a \$50 check that presumably came from a faculty member’s research budget.

The researchers described the money as a “tuition rebate” for half of the participants and “bonus income” for the other half.

The Psychology of Financial Windfalls: How Unexpected Money Influences Spending Behavior

When later asked how much of their \$50 they had spent, students who had received a “bonus” spent significantly more of their money than those who had received a “rebate.” Almost three-quarters of those with rebates spent none of their money; only 36% of those with bonuses could say the same.³

Think about what’s happening here: A rebate, just like earned income, feels like money owed to us, and we normally put it right into our metaphorical pockets. A bonus, on the other hand — well, that’s just like a windfall. Rather than feeling like it’s money that’s owed to us, it takes on more of the flavor of house money — money that isn’t ours and can be spent freely. As Epley wrote in an op-ed, rebates “send us on trips to the bank. Bonuses send us on trips to the Bahamas.”⁴

Here’s an interesting extension of this work. Recent research has found that the effort people put into earning money impacts what they decide to do with it.⁵ People who worked harder for their income, what researchers call “more effortful earning,” feel a greater sense of ownership over their money, and thus more of a sense of not wanting to lose that money, resulting in lower risk tolerance.

Easy money, in other words, may feel like a windfall. However, money that feels like it was earned in a difficult way might feel more like “earnings.”

What’s the takeaway? Money is money. If you’re short on your budget for an upcoming vacation and happen to come into a small windfall, then use it for the trip! But if you find yourself coming up short for necessary expenses, it may be wise to consider using a new windfall in more pragmatic ways — whether it’s a tax refund, small inheritance or \$20 bill found on the sidewalk.

Endnotes

¹ Hal R. Arkes, Cynthia A. Joyner, and Mark V. Pezzo, et al., “The Psychology of Windfall Gains,” *Organizational Behavior and Human Decision Processes* 59, No. 3 (September 1994): 331-347.

² Katherine L. Milkman and John Beshears, “Mental Accounting and Small Windfalls: Evidence from an Online Grocer,” *Journal of Economic Behavior & Organization* 71, No. 2 (August 2009): 384-394.

³ Nicholas Epley, Dennis Mak, and Lorraine Chen Idson, “Bonus or Rebate?: The Impact of Income Framing on Spending and Saving,” *Journal of Behavioral Decision Making* 19, No. 3 (July 2006): 213-227.

⁴ Nicolas Epley, “Rebate Psychology,” *The New York Times*, January 31, 2008.

⁵ Christopher J. Belcher, Samina Lutfeali, Szu-chi Huang, and Joshua I. Morris, “Working Hard for Money Decreases Risk Tolerance,” *Journal of Consumer Psychology* 34, No. 1 (June 2023): 110-118.

Market Review

The background of the slide features a stylized, semi-transparent graphic of a bar chart with an upward-trending line graph overlaid on it, set against a solid teal background.

Snapshot

Global stocks overcame early-quarter losses to end the second quarter with significant gains. U.S. bonds rallied in June and delivered a second-quarter gain.

- Alongside a barrage of tariff announcements in early April, U.S. stocks sold off sharply. But they quickly rebounded, rallying in May and June amid a de-escalation in tariff policy, solid first-quarter earnings reports and optimism about pending tax legislation. The S&P 500® Index surged to another all-time closing high at quarter-end and posted a three-month total return of nearly 11%.
- Consumer staples was the only S&P 500 sector to decline in June. For the quarter, four sectors logged double-digit gains, led by information technology, up nearly 24%. The energy sector was the weakest, declining almost 9%.
- Non-U.S. developed markets stocks outperformed U.S. stocks for the quarter. With a return of 6%, emerging markets stocks were top performers in June, and they outpaced U.S. stocks for the quarter.
- The Fed left interest rates unchanged, awaiting more data on tariffs. The European Central Bank cut rates twice, while the Bank of England cut rates once.
- Annual U.S. headline inflation eased in April before inching back to its March level of 2.4% in May. Core inflation held steady at 2.8%. Headline inflation eased in Europe but moved higher in the U.K.
- In the U.S., all major size and style indices advanced in June and for the quarter. Small-cap stocks were the top performers in June, while large-caps outperformed for the quarter. Outside the U.S., major size and style indices were up for the month and quarter.
- U.S. Treasury yields declined in June and were mixed for the quarter. U. S. bonds advanced in June and in the second quarter.

Returns (%)

INDEX	1 MO	3 MO	YTD	1 YR	3 YR	5 YR	10 YR
U.S. Large-Cap Equity							
S&P 500	5.09	10.94	6.20	15.16	19.71	16.64	13.65
U.S. Small-Cap Equity							
Russell 2000	5.44	8.50	-1.79	7.68	10.00	10.04	7.12
Intl. Developed Markets Equity							
MSCI World ex USA	2.34	12.05	18.99	18.70	15.73	11.51	6.65
Emerging Markets Equity							
MSCI Emerging Markets	6.01	11.99	15.27	15.29	9.70	6.81	4.81
Global Real Estate Equity							
S&P Global REIT	0.31	2.74	4.15	9.96	3.87	6.20	3.88
U.S. Fixed Income							
Bloomberg U.S. Aggregate Bond	1.54	1.21	4.02	6.08	2.55	-0.73	1.76
Global Fixed Income							
Bloomberg Global Aggregate Bond	1.89	4.52	7.27	8.91	2.75	-1.16	1.17
U.S. Cash							
Bloomberg U.S. 1-3 Month Treasury Bill	0.34	1.07	2.13	4.75	4.66	2.82	1.97

Data as of 6/30/2025. Performance in USD. Periods greater than one year have been annualized. Past performance is no guarantee of future results. Source: FactSet.

Equity Returns | Size and Style

		U.S.			
		QTD (%)		YTD (%)	
		Value	Growth	Value	Growth
Size	Large	3.79	17.84	6.00	6.09
	Small	4.97	11.97	-3.16	-0.48

- The broad U.S. stock market index rallied in the quarter, lifting its year-to-date return into positive territory. Size and style indices advanced for the quarter but were mixed year to date.
- Large-cap stocks gained more than 11% for the quarter, outpacing small-caps, which returned 8.5%. Year to date, large-caps advanced and significantly outperformed small-caps.
- Across the board, growth stocks outperformed their value peers in the quarter and year to date. Large-cap growth stocks gained nearly 18% for the quarter, while large-cap value stocks were up almost 4%.

		Non-U.S. Developed Markets			
		QTD (%)		YTD (%)	
		Value	Growth	Value	Growth
Size	Large	9.55	12.89	21.63	15.11
	Small	14.72	19.05	21.40	20.17

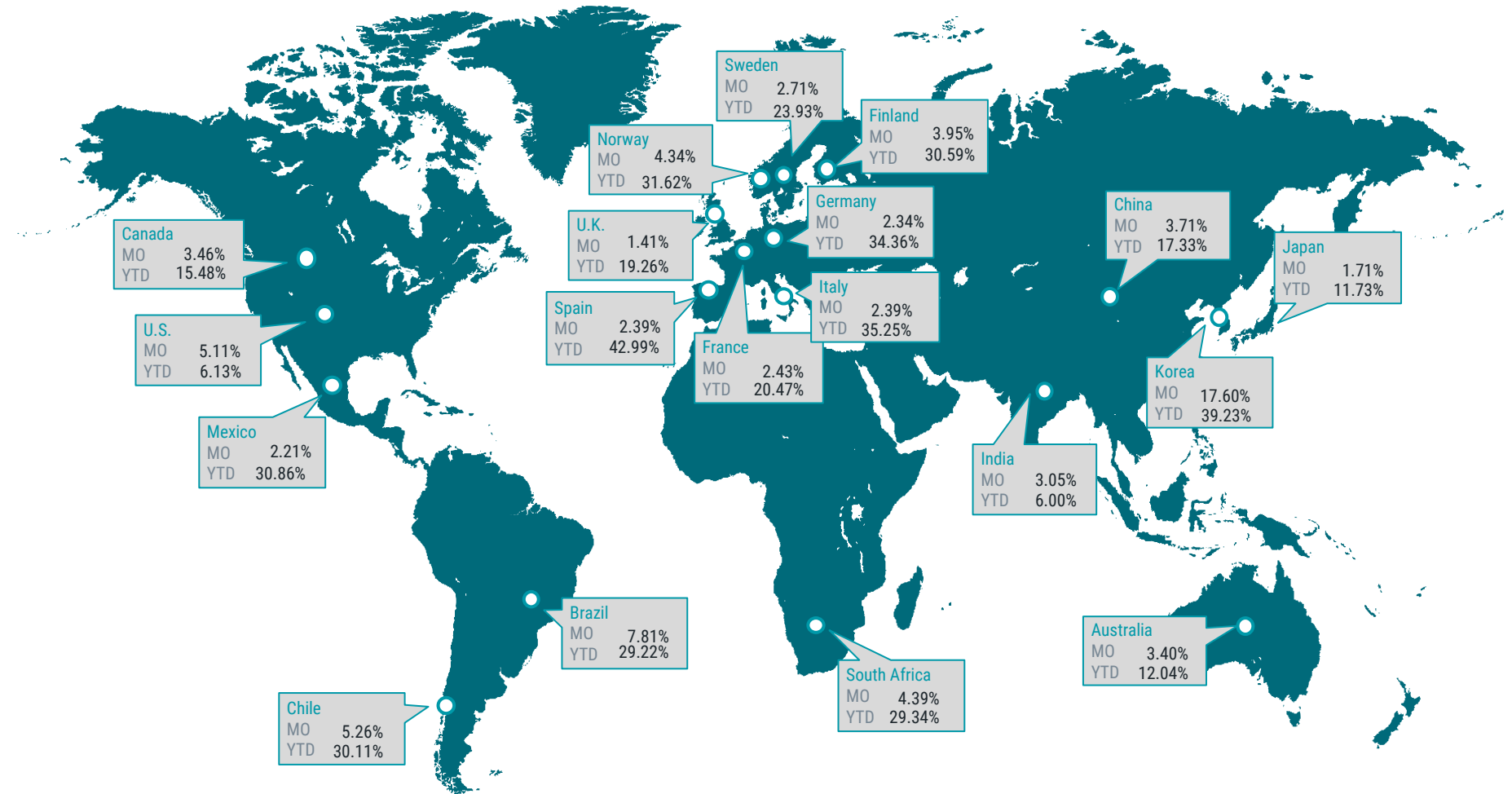
- Non-U.S. developed markets stocks outperformed U.S. stocks for the quarter and year-to-date period. All major size and style indices advanced for both periods.
- Small-cap stocks outperformed large-caps for the second quarter and year to date. For the quarter, small-caps gained nearly 17%, while the large-cap index rose more than 11%.
- Growth outperformed value in the quarter but lagged year to date. Small-cap growth stocks advanced 19% for the quarter. With a gain of almost 22%, large-cap value stocks were top year-to-date performers.

		Emerging Markets			
		QTD (%)		YTD (%)	
		Value	Growth	Value	Growth
Size	Large	8.64	12.69	14.46	14.03
	Small	15.04	19.33	10.98	10.47

- The broad emerging markets stock index outperformed U.S. stocks for the quarter and year-to-date period. They lagged non-U.S. developed markets stocks for both periods.
- Small-cap stocks rose more than 17% in the quarter, outpacing large-caps, which rose nearly 11%. Year to date, large-caps outperformed small-caps.
- In the second quarter, growth stocks outperformed value stocks across capitalizations. Small-cap growth stocks were top performers, up more than 19%. Year to date, value stocks modestly outperformed their growth-style peers.

Data as of 6/30/2025. Performance in USD. Past performance is no guarantee of future results. Source: FactSet.
U.S. Equity, International Developed Markets and Emerging Markets Equity style boxes are represented by Russell, MSCI World ex USA and MSCI Emerging Markets indices, respectively.

Equity Returns | Country



Data as of 6/30/2025. Performance in USD. Past performance is no guarantee of future results. Source: FactSet. Countries are represented by MSCI country indices.

Fixed-Income Returns

The broad U.S. bond index delivered its second straight quarterly gain, largely due to June's strong performance. Treasury yields were mixed for the quarter but declined in June.

- The Bloomberg U.S. Aggregate Bond Index was up 1.21% in the quarter, lifting its year-to-date return to 4%.
- Despite declining in June, the 10-year Treasury yield ended the quarter at 4.23%, 2 bps higher than on March 31. Meanwhile, the two-year Treasury yield dropped 18 bps in the quarter to 3.72%.
- All sectors of the Bloomberg U.S. Aggregate Bond Index advanced in June and for the quarter. Credit spreads tightened, and corporate bonds outperformed, while MBS and Treasuries underperformed the index. High-yield corporates rallied and outperformed investment-grade bonds.
- The Fed left its interest rate target unchanged at a range of 4.25% to 4.5%. Amid tariff policy uncertainty, Fed officials downgraded their 2025 economic growth outlook and modestly lifted their unemployment and inflation forecasts for the year.
- Annual headline inflation (CPI) steadily slowed from January through April before ticking up slightly in May to 2.4%. Annual core CPI held steady at 2.8% in April and May. Meanwhile, the annual core PCE inflation rate, the Fed's preferred inflation gauge, inched up to 2.7% in May from 2.6% in April.
- Amid expectations for municipal bonds to retain their tax-exempt status in Congress's pending budget bill, munis advanced in June. However, munis declined for the quarter and lagged Treasuries for both periods.
- Inflation expectations eased during the quarter, and TIPS underperformed nominal Treasuries.

Returns (%)

INDEX	1 MO	3 MO	YTD	1 YR	3 YR	5 YR	10 YR
Global Fixed Income							
Bloomberg Global Aggregate Bond	1.89	4.52	7.27	8.91	2.75	-1.16	1.17
U.S. Fixed Income							
Bloomberg U.S. Aggregate Bond	1.54	1.21	4.02	6.08	2.55	-0.73	1.76
U.S. High-Yield Corporate							
Bloomberg U.S. Corporate High Yield Bond	1.84	3.53	4.57	10.29	9.93	5.97	5.38
U.S. Investment Grade							
Bloomberg U.S. Corporate Bond	1.87	1.82	4.17	6.91	4.34	0.14	2.94
Municipals							
Bloomberg Municipal Bond	0.62	-0.12	-0.35	1.11	2.50	0.51	2.20
U.S. TIPS							
Bloomberg U.S. Treasury Inflation Protected Securities (TIPS)	0.95	0.48	4.67	5.84	2.34	1.61	2.67
U.S. Treasuries							
Bloomberg U.S. Treasury Bond	1.25	0.85	3.79	5.30	1.53	-1.60	1.20
U.S. Cash							
Bloomberg U.S. 1-3 Month Treasury Bill	0.34	1.07	2.13	4.75	4.66	2.82	1.97

Data as of 6/30/2025. Performance in USD. Periods greater than one year have been annualized. Past performance is no guarantee of future results. Source: FactSet.

Global Yield Curves



Data as of 6/30/2025. Source: Bloomberg.

Yield is a rate of return for bonds and other fixed-income securities. A yield curve is a line graph that shows yields of fixed-income securities from a single sector (e.g., Treasuries) over various maturities (e.g., five and 10 years) at a single point in time (e.g., 12/31/2020).

Portfolio Updates

Performance Overview | Equity Funds

Returns as of Month-End (%)

TICKER	FUND AND BENCHMARK	1 MO	QTD	YTD	1 YR	3 YR	5 YR	10 YR	SINCE INCEPTION	INCEPTION DATE	EXPENSE RATIO (%)	TOTAL ASSETS (\$M)
AVUSX	U.S. Equity Inst.	5.00	9.46	4.66	13.13	17.19	16.16	--	13.79	12/04/2019	0.15	684.79
	Russell 3000	5.08	10.99	5.75	15.30	19.08	15.96	--	14.24			
AVLVX	U.S. Large Cap Value Inst.	4.08	4.75	2.54	9.67	15.41	--	--	14.77	06/21/2022	0.15	329.75
	Russell 1000 Value	3.42	3.79	6.00	13.70	12.76	--	--	12.81			
AVSCX	U.S. Small Cap Equity Fund Inst.	5.36	7.61	-3.28	4.80	--	--	--	6.40	06/20/2024	0.25	100.66
	Russell 2000	5.44	8.50	-1.79	7.68	--	--	--	9.10			
AVUVX	U.S. Small Cap Value Inst.	4.20	5.55	-4.10	3.08	12.29	19.53	--	13.15	12/04/2019	0.25	1128.92
	Russell 2000 Value	4.95	4.97	-3.16	5.54	7.45	12.47	--	6.71			
AVDEX	International Equity Inst.	3.19	13.49	22.16	22.36	16.43	12.68	--	9.26	12/04/2019	0.23	288.59
	MSCI World ex USA IMI	2.65	12.70	19.26	19.30	15.41	11.26	--	8.32			
AVDVX	International Small Cap Value Inst.	4.21	15.34	23.55	26.89	18.60	16.20	--	11.04	12/04/2019	0.36	556.44
	MSCI World ex USA Small Cap	4.56	16.82	20.79	22.92	13.40	9.82	--	6.92			
AVEEX	Emerging Markets Equity Inst.	6.98	14.43	16.41	15.24	12.82	10.50	--	8.11	12/04/2019	0.33	586.91
	MSCI Emerging Markets IMI	5.97	12.71	14.62	14.28	10.22	7.61	--	6.18			

Data as of 06/30/2025. Performance in USD, net of fees. Periods greater than one year have been annualized. Source: FactSet.

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Returns less than one year are not annualized. Index performance does not represent the fund's performance. It is not possible to invest directly in an index.

U.S. Equity AVUSX | Performance Commentary

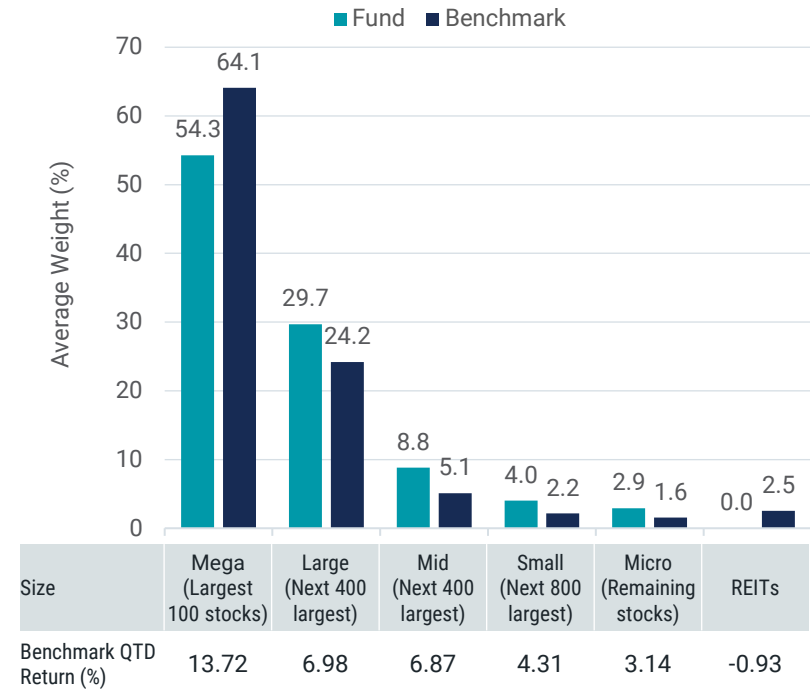
Returns as of Month-End (%)

<i>Russell 3000</i>	1 MO	QTD	YTD	1 YR	3 YR	5 YR	10 YR	SINCE INCEPTION*
Fund	5.00	9.46	4.66	13.13	17.19	16.16	-	13.79
Benchmark	5.08	10.99	5.75	15.30	19.08	15.96	-	14.24

*Inception Date: 12/4/2019. Data as of 6/30/2025. Performance in USD, net of fees. Periods greater than one year have been annualized. Source: FactSet.

- The portfolio underperformed its benchmark for the second quarter.
- An underweight versus the index to mega cap stocks detracted from relative performance as mega caps outperformed most other size segments over the period
- The portfolio's exclusion of real estate investment trusts (REITs) contributed to relative performance, as REITs underperformed.

Average Allocation by Company Size



Data from 3/31/2025 to 6/30/2025. Source: FactSet.
See Appendix for more information about this chart.

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Extraordinary performance is attributable in part due to unusually favorable market conditions and may not be repeated or consistently achieved in the future. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Returns less than one year are not annualized. Index performance does not represent the fund's performance. It is not possible to invest directly in an index.

U.S. Equity **AVUSX** | Equity Composition

Key Characteristics

Benchmark: Russell 3000

	FUND	BENCHMARK
Weighted Average Market Cap (\$B)	819.2	997.1
Weighted Average Book/Market	0.21	0.14
Weighted Average Profits/Book	0.61	0.59
Number of Holdings	1,639	3,004

Data as of 6/30/2025. Source: FactSet.

Size and Style Allocation (%)

FUND

BOOK-TO-MARKET AND PROFITABILITY

SIZE		LOW	MID	HIGH
	MEGA	6.93	28.30	19.74
	LARGE/MID	3.29	18.07	15.76
	SMALL/MICRO	0.11	3.37	3.04

BENCHMARK

BOOK-TO-MARKET AND PROFITABILITY

SIZE		LOW	MID	HIGH
	MEGA	13.99	33.35	15.96
	LARGE/MID	9.21	12.39	5.45
	SMALL/MICRO	0.83	1.99	0.75

Data as of 6/30/2025. Charts show weights in various book/market and profitability buckets (highest 25%, middle 50% and lowest 25%) across market capitalizations. Excludes REITs. Source: FactSet.

Sector Allocation (%)

	FUND	BENCHMARK
Information Technology	23.30	30.76
Financials	17.87	14.64
Consumer Discretionary	12.26	10.61
Industrials	11.87	9.75
Communication Services	9.92	9.33
Health Care	7.57	9.56
Energy	6.09	3.09
Consumer Staples	5.04	5.21
Materials	3.08	2.24
Utilities	2.86	2.35
Real Estate	0.13	2.47

Data as of 6/30/2025. Source: FactSet.

U.S. Large Cap Value **AVLVX** | Performance Commentary

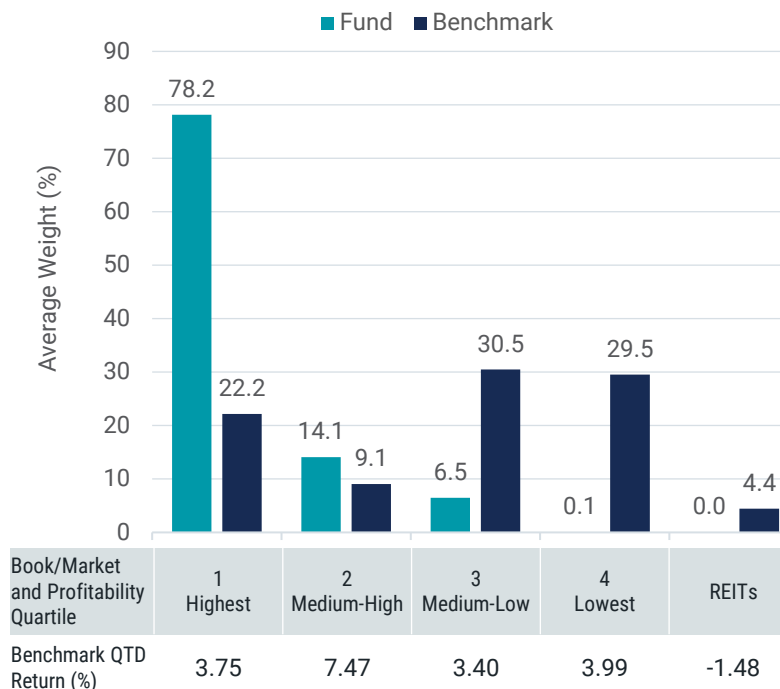
Returns as of Month-End (%)

<i>Russell 1000 Value</i>	1 MO	QTD	YTD	1 YR	3 YR	5 YR	10 YR	SINCE INCEPTION*
Fund	4.08	4.75	2.54	9.67	15.41	-	-	14.77
Benchmark	3.42	3.79	6.00	13.70	12.76	-	-	12.81

*Inception Date: 6/21/2022. Data as of 6/30/2025. Performance in USD, net of fees. Periods greater than one year have been annualized. Source: FactSet.

- The portfolio outperformed its benchmark for the second quarter.
- The portfolio's overweight to companies with higher book-to-market and profitability characteristics contributed to relative performance as these were better performing segments over the period.
- The portfolio's exclusion of real estate investment trusts (REITs) also aided relative performance, as REITs underperformed.

Average Allocation by Book/Market and Profitability Quartile



Data from 3/31/2025 to 6/30/2025. Source: FactSet.
See Appendix for more information about this chart.

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Extraordinary performance is attributable in part due to unusually favorable market conditions and may not be repeated or consistently achieved in the future. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Returns less than one year are not annualized. Index performance does not represent the fund's performance. It is not possible to invest directly in an index.

U.S. Large Cap Value **AVLVX** | Equity Composition

Key Characteristics

	FUND	BENCHMARK
<i>Benchmark: Russell 1000 Value</i>		
Weighted Average Market Cap (\$B)	421.0	292.1
Weighted Average Book/Market	0.27	0.22
Weighted Average Profits/Book	0.57	0.34
Number of Holdings	210	874

Data as of 6/30/2025. Source: FactSet.

Size and Style Allocation (%)

FUND		BOOK-TO-MARKET AND PROFITABILITY		
		LOW	MID	HIGH
SIZE	MEGA	-	4.20	36.61
	LARGE/MID	-	6.48	50.05
	SMALL/MICRO	-	0.33	1.68

BENCHMARK		BOOK-TO-MARKET AND PROFITABILITY		
		LOW	MID	HIGH
SIZE	MEGA	14.92	17.24	16.98
	LARGE/MID	12.66	19.36	9.40
	SMALL/MICRO	0.22	0.66	0.23

Data as of 6/30/2025. Charts show weights in various book/market and profitability buckets (highest 25%, middle 50% and lowest 25%) across market capitalizations. Excludes REITs.
Source: FactSet.

Sector Allocation (%)

	FUND	BENCHMARK
Consumer Discretionary	17.71	7.60
Financials	16.37	22.73
Industrials	15.06	13.09
Energy	13.05	5.88
Communication Services	12.23	7.60
Information Technology	8.30	10.54
Consumer Staples	8.17	8.14
Health Care	6.20	11.68
Materials	2.28	4.13
Utilities	0.63	4.41
Real Estate	0.00	4.22

Data as of 6/30/2025. Source: FactSet.

U.S. Small Cap Equity Fund **AVSCX** | Performance Commentary

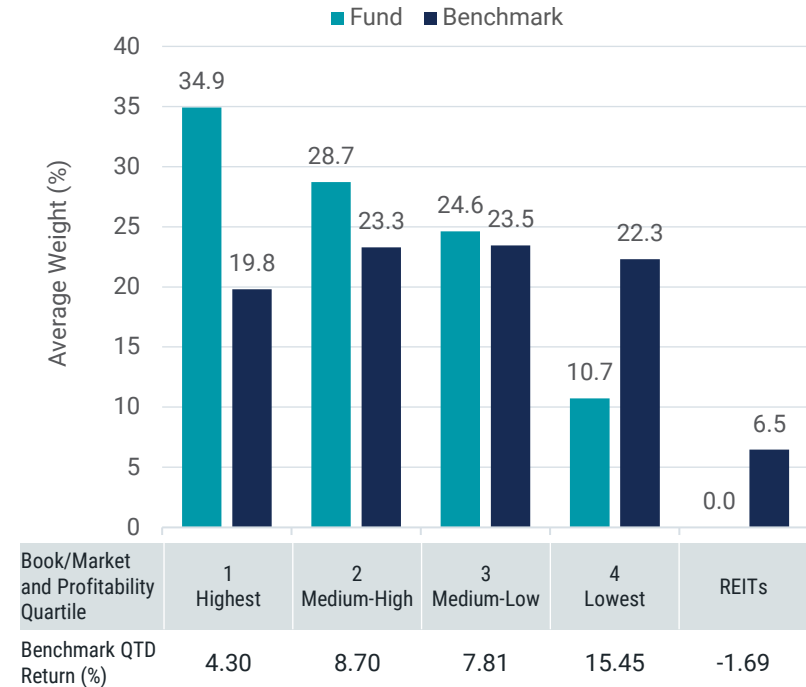
Returns as of Month-End (%)

<i>Russell 2000</i>	1 MO	QTD	YTD	1 YR	3 YR	5 YR	10 YR	SINCE INCEPTION*
Fund	5.36	7.61	-3.28	4.80	-	-	-	6.40
Benchmark	5.44	8.50	-1.79	7.68	-	-	-	9.10

*Inception Date: 6/20/2024. Data as of 6/30/2025. Performance in USD, net of fees. Periods greater than one year have been annualized. Source: FactSet.

- The portfolio underperformed its benchmark for the second quarter.
- The portfolio's underweight of companies with the worst book-to-market and profitability characteristics drove underperformance for the period as this was the best performing quartile.
- The portfolio's relative overweight to micro-cap companies detracted from performance as these companies underperformed.
- The portfolio's exclusion of real estate investment trusts (REITs) aided relative performance, as REITs underperformed.

Average Allocation by Book/Market and Profitability Quartile



Data from 3/31/2025 to 6/30/2025. Source: FactSet.
See Appendix for more information about this chart.

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Extraordinary performance is attributable in part due to unusually favorable market conditions and may not be repeated or consistently achieved in the future. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Returns less than one year are not annualized. Index performance does not represent the fund's performance. It is not possible to invest directly in an index.

U.S. Small Cap Equity Fund **AVSCX** | Equity Composition

Key Characteristics

	FUND	BENCHMARK
<i>Benchmark: Russell 2000</i>		
Weighted Average Market Cap (\$B)	1.8	3.4
Weighted Average Book/Market	0.49	0.37
Weighted Average Profits/Book	0.25	0.16
Number of Holdings	1,075	1,989

Data as of 6/30/2025. Source: FactSet.

Size and Style Allocation (%)

FUND		BOOK-TO-MARKET AND PROFITABILITY		
		LOW	MID	HIGH
SIZE	MEGA	0.08	-	-
	LARGE/MID	0.02	0.36	0.06
	SMALL/MICRO	12.22	51.77	34.77

BENCHMARK		BOOK-TO-MARKET AND PROFITABILITY		
		LOW	MID	HIGH
SIZE	MEGA	0.97	0.44	0.10
	LARGE/MID	5.02	8.44	1.86
	SMALL/MICRO	18.20	34.55	18.42

Data as of 6/30/2025. Charts show weights in various book/market and profitability buckets (highest 25%, middle 50% and lowest 25%) across market capitalizations. Excludes REITs. Source: FactSet.

Sector Allocation (%)

	FUND	BENCHMARK
Financials	27.32	19.33
Industrials	17.02	17.06
Consumer Discretionary	12.36	10.07
Information Technology	11.18	14.60
Health Care	10.41	15.95
Energy	6.05	4.88
Materials	5.48	3.79
Consumer Staples	4.15	2.36
Communication Services	4.03	2.63
Utilities	1.13	3.20
Real Estate	0.87	6.13

Data as of 6/30/2025. Source: FactSet.

U.S. Small Cap Value AVUVX | Performance Commentary

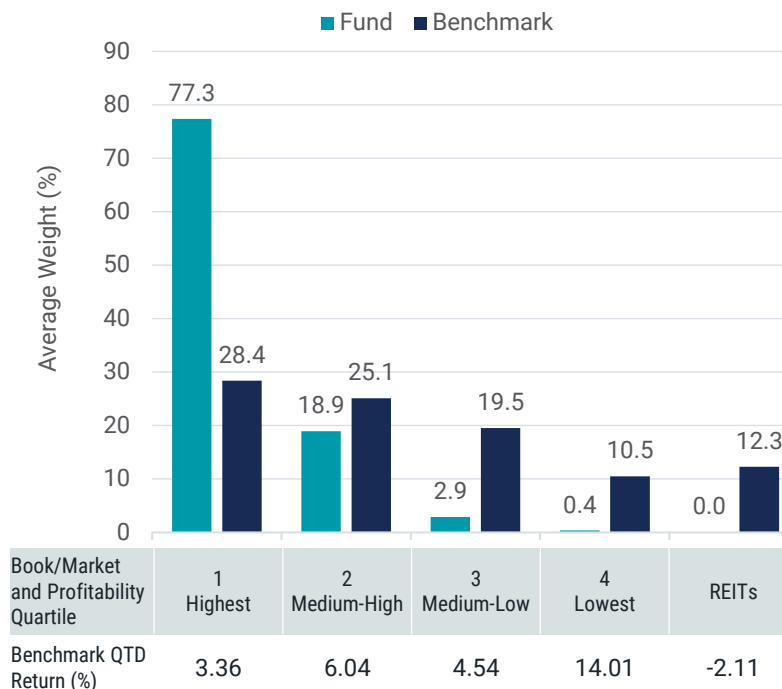
Returns as of Month-End (%)

<i>Russell 2000 Value</i>	1 MO	QTD	YTD	1 YR	3 YR	5 YR	10 YR	SINCE INCEPTION*
Fund	4.20	5.55	-4.10	3.08	12.29	19.53	-	13.15
Benchmark	4.95	4.97	-3.16	5.54	7.45	12.47	-	6.71

*Inception Date: 12/4/2019. Data as of 6/30/2025. Performance in USD, net of fees. Periods greater than one year have been annualized. Source: FactSet.

- The portfolio outperformed its benchmark for the second quarter.
- An overweight versus the index to stocks with higher book-to-market and profitability characteristics and underweight to lower book-to-market and profitability stocks detracted from relative performance. This was overcome in part by the exclusion of real estate investment trusts (REITs) and highly regulated utilities, which underperformed and therefore contributed to relative performance.

Average Allocation by Book/Market and Profitability Quartile



Data from 3/31/2025 to 6/30/2025. Source: FactSet.
See Appendix for more information about this chart.

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Extraordinary performance is attributable in part due to unusually favorable market conditions and may not be repeated or consistently achieved in the future. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Returns less than one year are not annualized. Index performance does not represent the fund's performance. It is not possible to invest directly in an index.

U.S. Small Cap Value AVUVX | Equity Composition

Key Characteristics

	FUND	BENCHMARK
<i>Benchmark: Russell 2000 Value</i>		
Weighted Average Market Cap (\$B)	3.4	2.7
Weighted Average Book/Market	0.72	0.63
Weighted Average Profits/Book	0.30	0.14
Number of Holdings	698	1,443

Data as of 6/30/2025. Source: FactSet.

Size and Style Allocation (%)

FUND		BOOK-TO-MARKET AND PROFITABILITY		
		LOW	MID	HIGH
SIZE	MEGA	-	-	-
	LARGE/MID	-	3.86	10.52
	SMALL/MICRO	0.20	13.98	65.13

BENCHMARK		BOOK-TO-MARKET AND PROFITABILITY		
		LOW	MID	HIGH
SIZE	MEGA	0.38	0.80	0.21
	LARGE/MID	0.67	3.88	2.42
	SMALL/MICRO	9.01	38.23	28.16

Data as of 6/30/2025. Charts show weights in various book/market and profitability buckets (highest 25%, middle 50% and lowest 25%) across market capitalizations. Excludes REITs.
Source: FactSet.

Sector Allocation (%)

	FUND	BENCHMARK
Financials	26.97	27.84
Industrials	18.30	13.43
Consumer Discretionary	17.97	10.39
Energy	14.46	6.78
Information Technology	6.10	7.45
Materials	5.59	4.56
Consumer Staples	3.83	1.90
Health Care	3.50	8.54
Communication Services	2.77	2.49
Real Estate	0.35	10.53
Utilities	0.15	6.08

Data as of 6/30/2025. Source: FactSet.

International Equity **AVDEX** | Performance Commentary

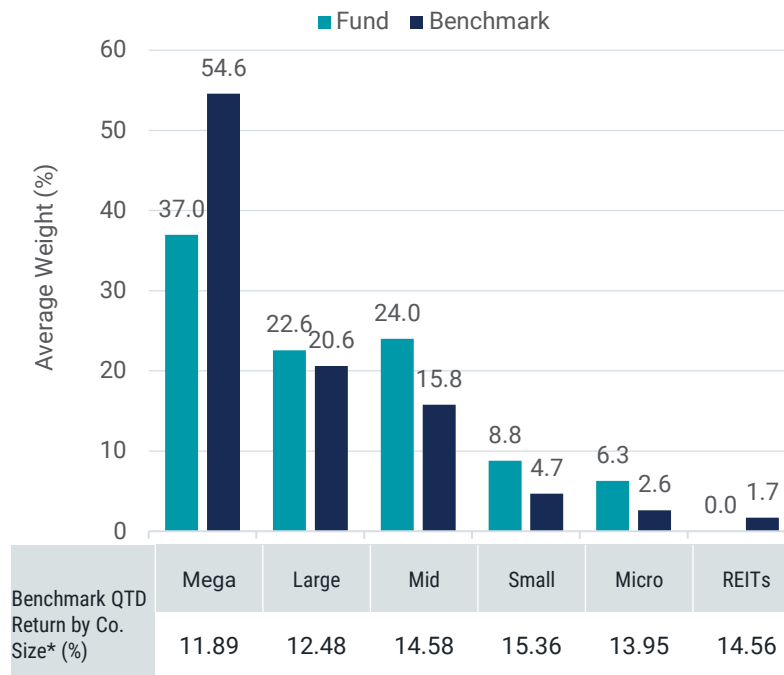
Returns as of Month-End (%)

<i>MSCI World ex USA IMI</i>	1 MO	QTD	YTD	1 YR	3 YR	5 YR	10 YR	SINCE INCEPTION*
Fund	3.19	13.49	22.16	22.36	16.43	12.68	-	9.26
Benchmark	2.65	12.70	19.26	19.30	15.41	11.26	-	8.32

*Inception Date: 12/4/2019. Data as of 6/30/2025. Performance in USD, net of fees. Periods greater than one year have been annualized. Source: FactSet.

- The portfolio outperformed its benchmark for the second quarter.
- An overweight versus the index to companies with smaller market capitalizations contributed to relative performance.

Average Allocation by Company Size



Data from 3/31/2025 to 6/30/2025. Source: FactSet.

*A stock count approach is used to classify size within each country. The stock count size breaks can vary slightly from country to country, but generally translate to mega=50% of a country's market capitalization, large=25%, mid=10%, small=10%, micro=remaining 5%.

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International Equity **AVDEX** | Equity Composition

Key Characteristics

	FUND	BENCHMARK
<i>Benchmark: MSCI World ex USA IMI</i>		
Weighted Average Market Cap (\$B)	55.9	79.4
Weighted Average Book/Market	0.54	0.43
Weighted Average Profits/Book	0.35	0.32
Number of Holdings	2,936	2,961

Data as of 6/30/2025. Source: FactSet.

Size and Style Allocation (%)

FUND		BOOK-TO-MARKET AND PROFITABILITY		
		LOW	MID	HIGH
SIZE	MEGA	4.48	21.05	11.06
	LARGE/MID	7.10	20.11	18.78
	SMALL/MICRO	1.11	6.47	8.08

BENCHMARK		BOOK-TO-MARKET AND PROFITABILITY		
		LOW	MID	HIGH
SIZE	MEGA	12.00	30.35	11.80
	LARGE/MID	10.98	15.39	9.69
	SMALL/MICRO	1.86	3.21	2.33

Data as of 6/30/2025. Charts show weights in various book/market and profitability buckets (highest 25%, middle 50% and lowest 25%) across market capitalizations. Excludes REITs. Source: FactSet.

Sector Allocation (%)

	FUND	BENCHMARK
Financials	24.35	23.54
Industrials	19.91	18.76
Consumer Discretionary	10.43	9.49
Materials	10.10	7.04
Health Care	6.42	9.31
Information Technology	6.19	8.80
Consumer Staples	6.12	7.22
Energy	5.69	4.63
Communication Services	4.98	4.83
Utilities	4.03	3.36
Real Estate	1.79	3.04

Data as of 6/30/2025. Source: FactSet.

Top 5 Country Allocations (%)

	FUND	BENCHMARK
Japan	20.90	21.08
United Kingdom	12.98	12.93
Canada	10.99	11.10
France	8.82	8.91
Germany	8.54	8.48

Data as of 6/30/2025. Source: FactSet.

International Small Cap Value AVDVX | Performance Commentary

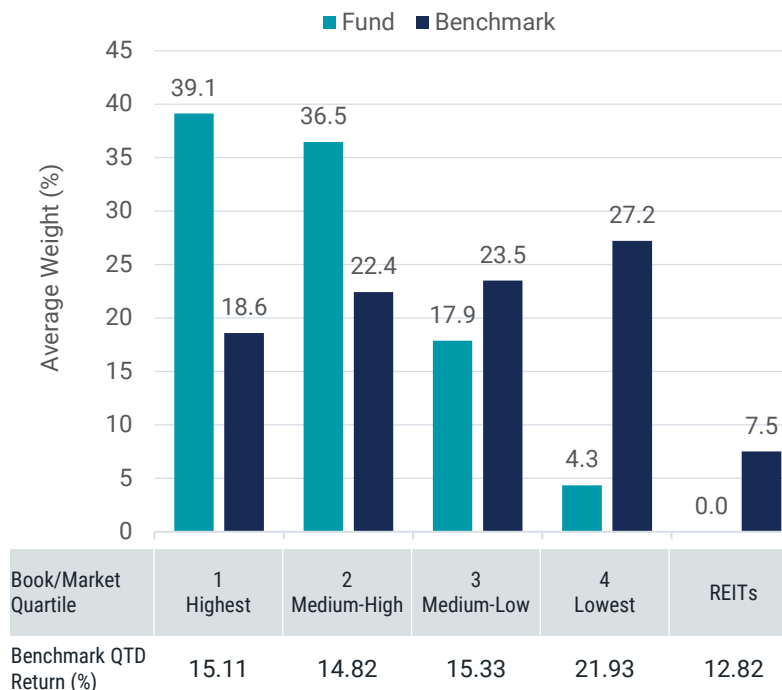
Returns as of Month-End (%)

<i>MSCI World ex USA Small Cap</i>	1 MO	QTD	YTD	1 YR	3 YR	5 YR	10 YR	SINCE INCEPTION*
Fund	4.21	15.34	23.55	26.89	18.60	16.20	-	11.04
Benchmark	4.56	16.82	20.79	22.92	13.40	9.82	-	6.92

*Inception Date: 12/4/2019. Data as of 6/30/2025. Performance in USD, net of fees. Periods greater than one year have been annualized. Source: FactSet.

- The portfolio underperformed its benchmark for the second quarter.
- An overweight versus the index to stocks with high book-to-market characteristics and an underweight to stocks with the lowest book-to-market characteristics detracted from relative performance.

Average Allocation by Book/Market Quartile



Data from 3/31/2025 to 6/30/2025. Source: FactSet.
See Appendix for more information about this chart.

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International Small Cap Value **AVDVX** | Equity Composition

Key Characteristics

	FUND	BENCHMARK
<i>Benchmark: MSCI World ex USA Small Cap</i>		
Weighted Average Market Cap (\$B)	2.5	3.8
Weighted Average Book/Market	0.91	0.62
Weighted Average Profits/Book	0.39	0.29
Number of Holdings	1,308	2,183

Data as of 6/30/2025. Source: FactSet.

Size and Style Allocation (%)

FUND		BOOK-TO-MARKET AND PROFITABILITY		
		LOW	MID	HIGH
SIZE	MEGA	-	-	0.00
	LARGE/MID	0.37	3.72	10.98
	SMALL/MICRO	1.29	16.93	53.36

BENCHMARK		BOOK-TO-MARKET AND PROFITABILITY		
		LOW	MID	HIGH
SIZE	MEGA	0.82	1.81	0.76
	LARGE/MID	10.35	18.51	7.75
	SMALL/MICRO	12.44	26.38	13.04

Data as of 6/30/2025. Charts show weights in various book/market and profitability buckets (highest 25%, middle 50% and lowest 25%) across market capitalizations. Excludes REITs. Source: FactSet.

Sector Allocation (%)

	FUND	BENCHMARK
Industrials	24.56	22.74
Materials	19.93	11.05
Financials	16.56	12.36
Consumer Discretionary	13.17	12.19
Energy	10.82	4.21
Consumer Staples	4.75	5.23
Information Technology	3.72	8.72
Communication Services	2.20	4.11
Utilities	1.73	3.02
Health Care	1.43	5.32
Real Estate	1.14	11.05

Data as of 6/30/2025. Source: FactSet.

Top 5 Country Allocations (%)

	FUND	BENCHMARK
Japan	31.59	31.86
United Kingdom	12.64	12.68
Canada	9.49	9.38
Australia	8.85	8.96
Sweden	4.93	4.92

Data as of 6/30/2025. Source: FactSet.

Emerging Markets Equity AVEEX | Performance Commentary

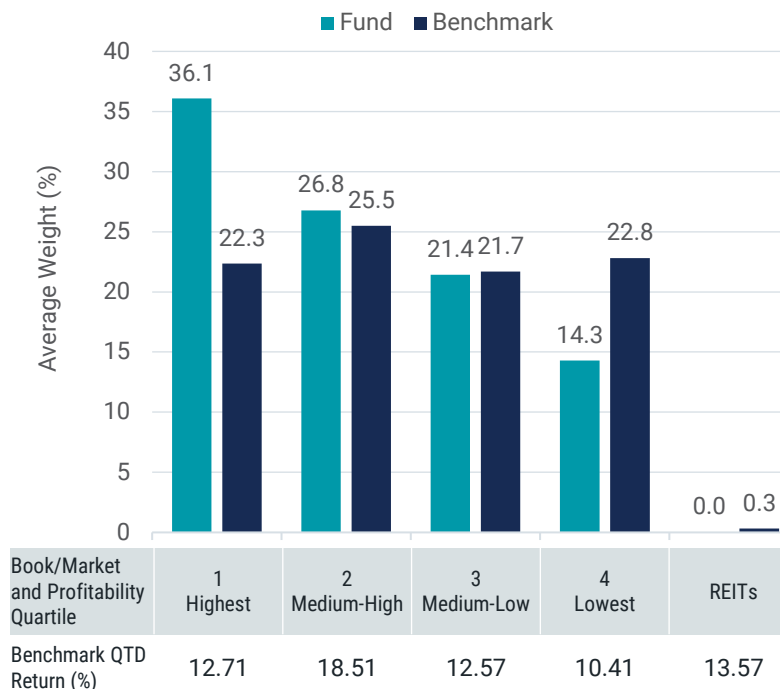
Returns as of Month-End (%)

MSCI Emerging Markets IMI	1 MO	QTD	YTD	1 YR	3 YR	5 YR	10 YR	SINCE INCEPTION*
Fund	6.98	14.43	16.41	15.24	12.82	10.50	-	8.11
Benchmark	5.97	12.71	14.62	14.28	10.22	7.61	-	6.18

*Inception Date: 12/4/2019. Data as of 6/30/2025. Performance in USD, net of fees. Periods greater than one year have been annualized. Source: FactSet.

- The portfolio outperformed its benchmark for the second quarter.
- An underweight to stocks with low book-to-market and profitability characteristics contributed to relative performance as these stocks underperformed during the period.
- An overweight versus the index to small cap stocks contributed to relative performance as small caps outperformed most other size segments during the period
- The portfolio's exclusion of Saudi Arabi, Qatar, UAE, and Kuwait contributed to relative performance as those countries underperformed during the period.

Average Allocation by Book/Market and Profitability Quartile



Data from 3/31/2025 to 6/30/2025. Source: FactSet.
See Appendix for more information about this chart.

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Emerging Markets Equity AVEEX | Equity Composition

Key Characteristics

	FUND	BENCHMARK
<i>Benchmark: MSCI Emerging Markets IMI</i>		
Weighted Average Market Cap (\$B)	133.7	161.7
Weighted Average Book/Market	0.71	0.56
Weighted Average Profits/Book	0.29	0.27
Number of Holdings	3,198	3,099

Data as of 6/30/2025. Source: FactSet.

Size and Style Allocation (%)

FUND		BOOK-TO-MARKET AND PROFITABILITY		
		LOW	MID	HIGH
SIZE	MEGA	4.06	20.99	13.14
	LARGE/MID	6.18	19.24	15.06
	SMALL/MICRO	2.03	9.60	8.26

BENCHMARK		BOOK-TO-MARKET AND PROFITABILITY		
		LOW	MID	HIGH
SIZE	MEGA	8.14	29.32	12.15
	LARGE/MID	10.82	16.17	7.21
	SMALL/MICRO	2.98	3.88	1.98

Data as of 6/30/2025. Charts show weights in various book/market and profitability buckets (highest 25%, middle 50% and lowest 25%) across market capitalizations. Excludes REITs. Source: FactSet.

Sector Allocation (%)

	FUND	BENCHMARK
Financials	23.18	22.72
Information Technology	19.22	22.88
Consumer Discretionary	12.83	12.44
Industrials	10.07	8.55
Materials	8.83	6.58
Communication Services	8.05	9.01
Consumer Staples	4.69	4.72
Health Care	4.10	4.30
Energy	4.05	3.92
Utilities	3.07	2.67
Real Estate	1.93	2.21

Data as of 6/30/2025. Source: FactSet.

Top 5 Country Allocations (%)

	FUND	BENCHMARK
China	25.38	25.95
India	22.01	19.43
Taiwan	20.28	18.92
South Korea	12.16	11.11
Brazil	4.45	4.39

Data as of 6/30/2025. Source: FactSet.

Performance Overview | Fixed Income Funds

Returns as of Month-End (%)

TICKER	FUND AND BENCHMARK	1 MO	QTD	YTD	1 YR	3 YR	5 YR	10 YR	SINCE INCEPTION	INCEPTION DATE	EXPENSE RATIO (%)	TOTAL ASSETS (\$M)
AVIGX	Core Fixed Income Inst.	1.58	1.62	4.40	6.54	3.12	--	--	-0.65	02/24/2021	0.15	10.33
	Bloomberg U.S. Aggregate Bond	1.54	1.21	4.02	6.08	2.55	--	--	-0.62			

Data as of 06/30/2025. Performance in USD, net of fees. Periods greater than one year have been annualized. Source: FactSet.

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Returns less than one year are not annualized. Index performance does not represent the fund's performance. It is not possible to invest directly in an index.

Core Fixed Income AVIGX | Performance Commentary

Returns as of Month-End (%)

<i>Bloomberg U.S. Aggregate Bond</i>	1 MO	QTD	YTD	1 YR	3 YR	5 YR	10 YR	SINCE INCEPTION*
Fund	1.58	1.62	4.40	6.54	3.12	-	-	-0.65
Benchmark	1.54	1.21	4.02	6.08	2.55	-	-	-0.62

*Inception Date: 2/24/2021. Data as of 6/30/2025. Performance in USD, net of fees. Periods greater than one year have been annualized. Source: FactSet.

- The portfolio outperformed its benchmark during the second quarter.
- The portfolio's overweight versus the index to corporate bonds contributed to relative performance as corporate spreads tightened during the quarter. In addition, the yield curve steepened during the quarter and the portfolio's overweight position to intermediate corporates versus underweight to longer than 10-year duration bonds also drove outperformance.
- The portfolio maintained a duration close to its benchmark.

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Returns less than one year are not annualized. Index performance does not represent the fund's performance. It is not possible to invest directly in an index.

See Appendix for additional notes about risk.

Core Fixed Income AVIGX | Portfolio Composition

Key Characteristics

Benchmark: Bloomberg U.S. Aggregate Bond

	FUND	BENCHMARK
Effective Duration (years)	5.90	5.83
Yield to Maturity (%)	4.66	4.52
SEC Yield (%)	4.64	N/A
OAS (bps)	43	34
Holdings	421	13,842

Data as of 06/30/2025. Source: American Century Investments, Bloomberg Index Services Ltd., State Street. Data is preliminary and subject to change.

Sector Allocations (%)

	FUND	BENCHMARK
Credit	62.94	26.46
Government	25.20	44.94
Securitized	19.06	26.21
Agency	1.07	0.64
Emerging Markets	0.26	1.28
Cash & Cash Equivalents	-8.54	0.47

Data as of 6/30/2025. Source: American Century Investments, S&P Dow Jones Indices LLC. Data is preliminary and subject to change.

Credit Quality (%)

	FUND	BENCHMARK
U.S. Government	45.34	70.61
AAA	1.93	2.88
AA	2.80	2.65
A	32.83	11.46
BBB	25.64	11.85
BB	0.00	0.07
Non Rated	0.00	0.00
Cash and Cash Equivalents	-8.54	0.47

Data as of 6/30/2025. Source: American Century Investments, Bloomberg Index Services Ltd. Data is preliminary and subject to change.

Duration Breakdown (%)

YEARS	FUND	BENCHMARK
0-2	2.42	14.62
2-4	20.01	25.41
4-6	32.55	21.47
6-8	32.98	21.22
8-10	5.95	1.46
10-15	6.08	11.27
15+	0.00	4.55

Data as of 6/30/2025. Source: American Century Investments, Bloomberg Index Services Ltd. Data is preliminary and subject to change.

Appendix

Standardized Performance | Mutual Funds

Returns as of Quarter-End (%)

TICKER	FUND AND BENCHMARK	1 MO	QTD	YTD	1 YR	3 YR	5 YR	10 YR	SINCE INCEPTION	INCEPTION DATE
AVUSX	U.S. Equity Inst.	5.00	9.46	4.66	13.13	17.19	16.16	--	13.79	12/04/2019
	Russell 3000	5.08	10.99	5.75	15.30	19.08	15.96	--	14.24	
AVLVX	U.S. Large Cap Value Inst.	4.08	4.75	2.54	9.67	15.41	--	--	14.77	06/21/2022
	Russell 1000 Value	3.42	3.79	6.00	13.70	12.76	--	--	12.81	
AVSCX	U.S. Small Cap Equity Fund Inst.	5.36	7.61	-3.28	4.80	--	--	--	6.40	06/20/2024
	Russell 2000	5.44	8.50	-1.79	7.68	--	--	--	9.10	
AVUVX	U.S. Small Cap Value Inst.	4.20	5.55	-4.10	3.08	12.29	19.53	--	13.15	12/04/2019
	Russell 2000 Value	4.95	4.97	-3.16	5.54	7.45	12.47	--	6.71	
AVDEX	International Equity Inst.	3.19	13.49	22.16	22.36	16.43	12.68	--	9.26	12/04/2019
	MSCI World ex USA IMI	2.65	12.70	19.26	19.30	15.41	11.26	--	8.32	
AVDVX	International Small Cap Value Inst.	4.21	15.34	23.55	26.89	18.60	16.20	--	11.04	12/04/2019
	MSCI World ex USA Small Cap	4.56	16.82	20.79	22.92	13.40	9.82	--	6.92	
AVEEX	Emerging Markets Equity Inst.	6.98	14.43	16.41	15.24	12.82	10.50	--	8.11	12/04/2019
	MSCI Emerging Markets IMI	5.97	12.71	14.62	14.28	10.22	7.61	--	6.18	
AVIGX	Core Fixed Income Inst.	1.58	1.62	4.40	6.54	3.12	--	--	-0.65	02/24/2021
	Bloomberg U.S. Aggregate Bond	1.54	1.21	4.02	6.08	2.55	--	--	-0.62	

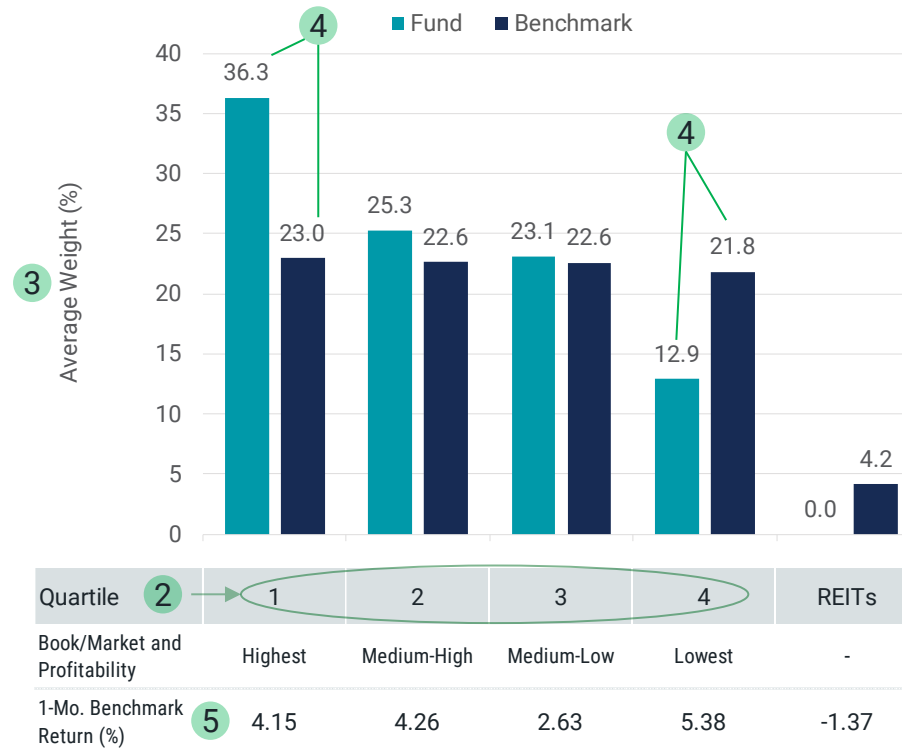
Data as of 06/30/2025. Performance in USD, net of fees. Periods greater than one year have been annualized. Source: FactSet.

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Returns less than one year are not annualized. Index performance does not represent the fund's performance. It is not possible to invest directly in an index.

How to Interpret Book/Market and Profitability Charts

- 1 We sort the underlying stocks in our universe from highest to lowest based on a proprietary calculation using book-to-market, or B/M, and profitability ratios. B/M is a ratio that compares a company's book value relative to its market capitalization. Profitability is a ratio used to measure a company's profitability relative to its book value. We view stocks with higher B/M and profitability ratios more favorably.
- 2 After arranging the stocks in the universe, we divide the holdings into fourths, or quartiles. The top 25% of stocks are placed in the "highest" quartile, while the bottom 25% of stocks are placed in the "lowest" quartile. Our equity strategies generally do not invest in REITs, so these stocks are bucketed separately.
- 3 We show the average weight of the stocks in each quartile over the month for our portfolio and the benchmark so that you can compare the two allocations.
- 4 We believe stocks in the higher quartiles have higher expected future returns*—that's why you'll see our portfolios generally allocate more to these types of stocks than the benchmark does. Conversely, we believe stocks in the lower quartiles have lower expected future returns, so our portfolios generally hold less in these stocks than the benchmark. It's important to note, however, that higher B/M and profitability stocks do not always outperform.
- 5 We also show the performance of the stocks in the benchmark based on the B/M and profitability quartile they're in. If the higher quartiles outperform the lower quartiles, then in general, we would expect our portfolio to benefit from its larger allocation to these outperforming stocks. If, however, the lower quartiles outperform the higher quartiles, then in general, we would expect our portfolio to lag the benchmark.

1 Average Allocation by Book/Market and Profitability Quartile



Data from 10/31/2019 to 11/30/2019. Source: FactSet.

*Our funds seek securities of companies that we expect to have higher returns by placing an enhanced emphasis on securities of companies with smaller market capitalizations and securities of companies we define as high profitability or value companies. Conversely, the funds seek to underweight or exclude securities we expect to have lower returns, such as securities of large companies with lower levels of profitability and higher prices relative to their book values or other financial metrics. To identify small capitalization, high profitability or value companies, the portfolio managers employ a proprietary calculation using reported and estimated company financials and market data including, but not limited to, shares outstanding, book value and its components, cash flows, revenue, expenses, accruals and income. Value companies may be defined as those with lower price relative to book value ratio or other fundamental value. High profitability companies may be defined as those with higher cash-based operating profitability. The portfolio managers may also consider other factors when selecting a security, including industry classification, past performance of the security relative to other securities, liquidity, float, and tax, governance or cost considerations, among others.

Glossary

Agencies: Agency securities are debt securities issued by U.S. government agencies such as the Federal Home Loan Bank and the Federal Farm Credit Bank. Some agency securities are backed by the full faith and credit of the U.S. government, while others are guaranteed only by the issuing agency.

Basis points (BPS): Basis points are used in financial literature to express values that are carried out to two decimal places (hundredths of a percentage point), particularly ratios, such as yields, fees, and returns. Basis points describe values that are typically on the right side of the decimal point—one basis point equals one one-hundredth of a percentage point (0.01%).

Bloomberg Global Aggregate Bond Index: A flagship measure of global investment-grade debt from 24 local currency markets. This multicurrency benchmark includes Treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.

Bloomberg Global U.S. Treasury - U.S. TIPS Index: Consists of Treasury inflation-protected securities issued by the U.S. Treasury with a remaining maturity of one year or more.

Bloomberg Municipal Bond Index: A market value-weighted index designed for the long-term tax-exempt bond market.

Bloomberg U.S. 1-3 Month Treasury Bill Index: A subindex of the Bloomberg Barclays U.S. Short Treasury Index, the Bloomberg Barclays U.S. 1-3 Month Treasury Bill Index is composed of zero-coupon Treasury bills with a maturity between one and three months.

Bloomberg 1-5 Year U.S. Government/Credit Index: Tracks the market for investment grade, US dollar-denominated, fixed-rate treasuries, government-related and corporate securities.

Bloomberg U.S. Aggregate Bond Index: Represents securities that are taxable, registered with the Securities and Exchange Commission, and U.S. dollar-denominated. The index covers the U.S. investment-grade fixed-rate bond market, with index components for government and corporate securities, mortgage pass-through securities and asset-backed securities.

Bloomberg U.S. Corporate Bond Index: Measures the investment-grade, fixed-rate, taxable corporate bond market. It includes U.S. dollar-denominated securities publicly issued by U.S. and non-U.S. industrial, utility and financial issuers.

Bloomberg U.S. Corporate High Yield Bond Index: Measures the U.S. dollar-denominated, high-yield (non-investment grade), fixed-rate corporate bond market.

Bloomberg U.S. Corporate High Yield Bond Index: Measures the U.S. dollar-denominated, high-yield (non-investment grade), fixed-rate corporate bond market.

Bloomberg U.S. Treasury Index: Measures U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury. Treasury bills are excluded by the maturity constraint but are part of a separate Short Treasury Index.

Book-to-Market Ratio: Compares a company's book value relative to its market capitalization. Book value is generally a firm's reported assets minus its liabilities on its balance sheet. A firm's market capitalization is calculated by taking its share price and multiplying it by the number of shares it has outstanding.

Carbon Emissions Intensity: A measure of emissions efficiency calculated as company emissions normalized by company revenue (metric tons CO2 per USD million sales) and presented as a weighted average of fund or index holdings. Company emissions data includes reported or estimated scope 1 and scope 2 greenhouse gas emissions in carbon dioxide equivalents. If neither reported nor estimated emissions data is available for a company held by the fund or index, emissions data for that company is excluded from the carbon emissions intensity calculation. The calculation of this measure is completed by American Century Investment Management Inc, the investment advisor to the ETFs reporting the measure, based on data sources from MSCI. The Carbon Emissions Intensity figure is solely a result of a mathematical calculation based on the MSCI data, with no additional inputs. Scores and ratings across third-party providers may be inconsistent or incomparable and, in certain cases, incorrect. In addition, data is not currently available for many issuers and, when available, frequently only includes some but not all of the characteristics considered.

CBOE Volatility Index (VIX): Tracks the expected 30-day future volatility of the S&P 500 Index.

U.S. Consumer Confidence Index: A survey administered by The Conference Board that measures how optimistic or pessimistic consumers are about their expected financial situation.

Consumer Price Index (CPI): CPI is a U.S. government (Bureau of Labor Statistics) index derived from detailed consumer spending information. Headline CPI measures price changes in a market basket of consumer goods and services such as gas, food, clothing, and cars. Core CPI excludes food and energy prices, which tend to be volatile.

CRSP U.S. Total Market Index: Consists of nearly 4,000 constituents across mega, large, small and micro capitalizations, representing nearly 100% of the U.S. investable equity market.

Glossary

Credit Quality: Refers to the creditworthiness or financial health of the issuer of the bond. It reflects the likelihood that the issuer will meet its debt obligations, including interest payments and the return of principal, in a timely manner. Credit rating agencies assess and assign credit ratings to bonds based on the issuer's financial strength, stability, and ability to honor its debt commitments.

Credit Rating: Standard & Poor's credit ratings range from AAA (highest quality; perceived as least likely to default) to D (in default). Securities and issuers rated AAA to BBB are considered/perceived to be "investment-grade"; those below BBB are considered/perceived to be non-investment-grade (high yield).

Dow Jones Industrial Average: An average made up of 30 blue-chip stocks that trade daily on the New York Stock Exchange.

Duration: Measures how long it takes, in years, for an investor to be repaid a bond's price by the bond's total cash flows. It is also a measure of a bond's interest rate sensitivity. The longer the duration, the more sensitive a bond is to interest rate shifts.

Effective Duration: The average duration of all the bonds in a fund. It provides an indication of how a fund's net asset value (NAV) will change as interest rates change.

Emerging Markets Debt: Debt issued by countries whose economies are considered to be developing or emerging from underdevelopment.

Environmental, Social and Governance (ESG): Standards used to evaluate a company's operations in terms of sustainability and ethical impact. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and communities. Governance criteria assess the company's leadership, executive pay, audits, internal controls, and shareholder rights.

Exchange-Traded Fund (ETF): An ETF represents a basket of securities that trades on an exchange, similar to a stock. An ETF differs from a mutual fund in that its share price fluctuates all day as investors buy and sell the ETF. A mutual fund's net asset value (NAV) is calculated once per day after the market closes.

Expected Returns: Valuation theory shows that the expected return of a stock is a function of its current price, its book equity (assets minus liabilities) and expected future profits, and that the expected return of a bond is a function of its current yield and its expected capital appreciation (depreciation). We use information in current market prices and company financials to identify differences in expected returns among securities, seeking to overweight securities with higher expected returns based on this current market information.

Actual returns may be different than expected returns, and there is no guarantee that the strategy will be successful.

Inverted Yield Curve: An interest rate environment in which long-term debt instruments have a lower yield than short-term debt instruments of the same credit quality.

Market Capitalization: The market value of all the equity of a company's common and preferred shares. It is usually estimated by multiplying the stock price by the number of shares for each share class and summing the results.

Money Market Mutual Funds: These funds invest in short-term debt instruments (e.g., commercial paper, U.S. Treasury bills, repurchase agreements) and are valued for their relative safety and liquidity.

MSCI ACWI Index: A capitalization-weighted index that is designed to measure the equity market performance of developed and emerging markets.

MSCI ACWI ex-USA Index: A market capitalization-weighted index that is designed to measure the equity market performance of developed and emerging markets, excluding the United States.

MSCI Emerging Markets IMI Index: Captures large-, mid- and small-cap securities across 27 emerging markets countries.

MSCI Emerging Markets IMI Value Index: Captures large-, mid- and small-cap securities exhibiting overall value style characteristics across 27 emerging markets countries. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.

MSCI Emerging Markets Asia IMI Index: Captures large-, mid- and small-cap securities in China, India, Indonesia, Korea, Malaysia, the Philippines, Taiwan and Thailand.

MSCI Emerging Markets EMEA IMI Index: Captures large-, mid- and small-cap securities across 11 emerging markets countries in Europe, the Middle East and Africa (EMEA).

MSCI Emerging Markets Latin America IMI Index: Captures large-, mid- and small-cap securities in Brazil, Chile, Colombia, Mexico and Peru.

MSCI Europe IMI Index: Captures large-, mid- and small-cap securities across 15 developed markets countries in Europe.

MSCI Pacific IMI Index: Captures large-, mid- and small-cap securities in five developed markets countries: Australia, Hong Kong, Japan, New Zealand and Singapore.

Glossary

MSCI USA Index: A market capitalization-weighted index designed to measure the performance of the large and mid-cap segments of the U.S. market.

MSCI World ex USA IMI Index: Captures large-, mid- and small-cap representation across 22 of 23 developed markets countries, excluding the U.S.

MSCI World ex USA Small Cap Index: Captures small-cap representation across 22 of 23 developed markets countries, excluding the U.S.

MSCI World ex USA Value Index: Captures large- and mid-cap securities exhibiting overall value style characteristics across 22 of 23 developed markets countries. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.

Net Asset Value (NAV): The total value per share of all the underlying securities in a portfolio.

Oil and Gas Revenue Percentage: Represents the proportion of total revenue of fund or index holdings that is derived from reported or estimated oil and gas-related activities. If neither reported nor estimated oil and gas-related data is available for held by either the fund or the index, such data for that company is excluded from the calculation.

The calculation of this measure is completed by American Century Investment Management Inc, the investment advisor to the ETFs reporting the measure, based on data sourced from MSCI. The Oil and Gas Revenue Percentage figure is solely a result of a mathematical calculation based the MSCI data, with no additional inputs.

Scores and ratings across third party providers may be inconsistent or incomparable, and, in certain cases, incorrect. In addition, data is not currently available for many issuers and, when available, frequently only includes some but not all of the characteristics considered.

Option-Adjusted Spread (OAS): Measures the difference between the yield of a bond with an embedded option and the yield on Treasuries. Call options give the issuer the right to redeem the bond prior to maturity at a preset price, and put options allow the holder to sell the bond back to the company on certain dates. The OAS adjusts the spread to account for these potential changing cash flows.

Personal Consumption Expenditures (PCE): The PCE price deflator — which comes from the Bureau of Economic Analysis' quarterly report on U.S. gross domestic product — is based on a survey of businesses and is intended to capture the price changes in all final goods, no

matter the purchaser. Because of its broader scope and certain differences in the methodology used to calculate the PCE price index, the Federal Reserve holds the PCE deflator as its preferred, consistent measure of inflation over time.

Price-to-Earnings Ratio (P/E): The price of a stock divided by its annual earnings per share. These earnings can be historical (the most recent 12 months) or forward-looking (an estimate of the next 12 months). A P/E ratio allows analysts to compare stocks on the basis of how much an investor is paying (in terms of price) for a dollar of recent or expected earnings. Higher P/E ratios imply that a stock's earnings are valued more highly, usually on the basis of higher expected earnings growth in the future or higher quality of earnings.

Producer Price Index (PPI): Measures the average change over time in the prices that domestic producers receive for their goods and services. It is a key indicator of inflation at the wholesale level, reflecting the prices producers charge for their output before it reaches consumers.

Profits-to-Book Ratio: Measures a company's profits relative to its book value. A company's profits are generally calculated by subtracting operating expenses from its gross profit. Book value is generally a firm's reported assets minus its liabilities on its balance sheet.

Responsible Equity ETFs: Because the portfolio managers screen securities based on environmental, social and governance (ESG) characteristics, the fund may exclude the securities of certain issuers or industry sectors for other than financial reasons and, as a result, the fund may perform differently or maintain a different risk profile than the market generally or compared to funds that do not use similar ESG-based screens.

Investing based on ESG considerations may also prioritize long-term rather than short-term returns. Furthermore, when analyzing ESG criteria for issuers, the portfolio management team relies on proprietary evaluations and information, ratings and scoring models published by third-party sources (collectively, "ESG Data").

Due to the lack of regulation and uniform reporting standards with respect to ESG characteristics of issuers, ESG Data may be inconsistent across sources and, in certain cases, incorrect. In addition, ESG Data is not currently available for many issuers and, when available, frequently only includes some but not all of the ESG characteristics considered by the team when applying their ESG screens.

See Environmental, Social and Governance (ESG) in the Glossary for more information.

Glossary

Russell 1000® Growth Index: Measures the performance of those Russell 1000 Index companies (the 1,000 largest publicly traded U.S. companies, based on total market capitalization) with higher price-to-book ratios and higher forecasted growth values.

Russell 1000® Value Index: Measures the performance of those Russell 1000 Index companies (the 1,000 largest publicly traded U.S. companies, based on total market capitalization) with lower price-to-book ratios and lower forecasted growth values.

Russell 2000® Index: Measures the performance of the 2,000 smallest companies among the 3,000 largest publicly traded U.S. companies, based on total market capitalization.

Russell 2000® Growth Index: Measures the performance of those Russell 2000 Index companies (the 2,000 smallest of the 3,000 largest publicly traded U.S. companies, based on total market capitalization) with higher price-to-book ratios and higher forecasted growth values.

Russell 2000® Value Index: Measures the performance of those Russell 2000 Index companies (the 2,000 smallest of the 3,000 largest publicly traded U.S. companies, based on total market capitalization) with lower price-to-book ratios and lower forecasted growth values.

Russell 3000® Index: Measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market.

S&P 500® Index: A market-capitalization-weighted index of the 500 largest U.S. publicly traded companies. The index is widely regarded as the best gauge of large-cap U.S. equities.

S&P Global REIT Index: A comprehensive benchmark of publicly traded equity REITs listed in both developed and emerging markets.

S&P National AMT-Free Municipal Bond Index: A broad, comprehensive, market value-weighted index designed to measure the performance of the investment-grade tax-exempt U.S. municipal bond market. Bonds issued by U.S. territories, including Puerto Rico, are excluded from this index. It is not possible to invest directly in an index.

SEC Yield: A calculation based on a 30-day period ending on the last day of the previous month. It is computed by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the period.

Securitized Debt: Debt resulting from the process of aggregating debt instruments into a pool of similar debts, then issuing new securities backed by the pool (securitizing the debt). Examples include asset-backed and mortgage-backed securities.

Standard deviation: Standard deviation is a statistical measurement of variations from the average. In financial literature, it's often used to measure risk when risk is measured or defined in terms of volatility. In general, more risk means more volatility and more volatility means a higher standard deviation — there's more variation from the average of the data being measured.

Treasury Inflation-Protected Securities (TIPS): A special type of U.S. Treasury security that is indexed to inflation as measured by the Consumer Price Index, or CPI. At maturity, TIPS are guaranteed by the U.S. government to return at least their initial \$1,000 principal value, or that principal value adjusted for inflation, whichever amount is greater. In addition, as their principal values are adjusted for inflation, their interest payments also adjust.

Treasury Yield: The yield of a Treasury security (most often refers to U.S. Treasury securities issued by the U.S. government).

U.S. Treasury securities: Debt securities issued by the U.S. Treasury and backed by the direct "full faith and credit" of the U.S. government. Treasury securities include bills (maturing in one year or less), notes (maturing in two to 10 years) and bonds (maturing in more than 10 years).

Weighted Average Book-to-Market: An average book-to-market ratio resulting from the multiplication of each security's book-to-market by its weight in the portfolio.

Weighted Average Market Capitalization: An average market capitalization resulting from the multiplication of each security's market capitalization by its weight in the portfolio.

Weighted Average Profitability-to-Book: An average profitability-to-book ratio resulting from the multiplication of each security's profitability-to-book by its weight in the portfolio.

Yield to Maturity: The rate of return an investor will receive if an interest-bearing security, such as a bond, is held to its maturity date. It considers total annual interest payments, the purchase price, the redemption value, and the amount of time remaining until maturity.

Fund Disclosure Key

US Equity

TICKER	FUND	DISCLOSURE NUMBER
AVUSX	U.S. Equity Inst.	-
AVLVX	U.S. Large Cap Value Inst.	-
AVSCX	U.S. Small Cap Equity Inst.	2
AVUVX	U.S. Small Cap Value Inst.	2

Non-US Equity

TICKER	FUND	DISCLOSURE NUMBER
AVDEX	International Equity Inst.	1
AVDVX	International Small Cap Value Inst.	1, 2
AVEEX	Emerging Markets Equity Inst.	1

Fixed Income

TICKER	FUND	DISCLOSURE NUMBER
AVIGX	Core Fixed Income Inst.	3, 4

Fund Disclosures

1. International investing involves special risks, such as political instability and currency fluctuations. Investing in emerging markets may accentuate these risks.
2. Historically, small- and/or mid-cap stocks have been more volatile than the stocks of larger, more-established companies. Smaller companies may have limited resources, product lines and markets, and their securities may trade less frequently and in more limited volumes than the securities of larger companies.
3. Generally, as interest rates rise, the value of the securities held in the fund will decline. The opposite is true when interest rates decline.
4. Lower-rated securities in which the fund invests are subject to greater credit risk, default risk and liquidity risk. If the portfolio managers' considerations are inaccurate or misapplied, the fund's performance may suffer. Derivatives may be more sensitive to changes in market conditions and may amplify risks.

General Disclosures

You should consider the fund's investment objectives, risks, and charges and expenses carefully before you invest. The fund's prospectus or summary prospectus, which can be obtained by visiting [Avantisinvestors.com](https://www.avantisinvestors.com) or by calling 833-928-2684, contains this and other information about the fund, and should be read carefully before investing.

Investment return and principal value of security investments will fluctuate. The value at the time of redemption may be more or less than the original cost. Past performance is no guarantee of future results.

This information is for educational purposes only and is not intended as tax advice. Please consult your tax advisor for more detailed information or for advice regarding your individual situation.

The opinions expressed are those of the portfolio team and are no guarantee of the future performance of any Avantis fund. Opinions and estimates offered constitute our judgment and, along with other portfolio data, are subject to change without notice.

References to specific securities are for illustrative purposes only and are not intended as recommendations to purchase or sell securities.

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