



# Rural America Growth & Income Fund

as of quarter ending December 31, 2023

## Investment Objective and Strategy

The Rural America Growth & Income Fund seeks long-term total return through capital appreciation and current income. Under normal circumstances, the fund intends to invest at least 80% of its net assets (plus the amount of borrowings for investment purposes) in securities that have exposure to rural America. The fund primarily invests in equity and fixed income securities of U.S. issuers.

## Fund Profile

Inception	May 1, 2021
Asset Allocation	Balanced
Benchmark	Blended Index
Ticker Symbol	HRRLX
CUSIP Number	437771207
Fee Structure	No Load
Expense Ratio	2.85% (net 1.00%)*
Median Expense Ratio for Peer Group	0.72%*
Transaction Fees	None
Minimum for Initial Purchase	\$500/\$200 IRA

\*As of 12/31/22. The expense ratio shows the percentage of fund assets deducted annually to cover operating costs. Fund expense ratios shown here do not include acquired fund fees and expenses. If applicable, these additional costs are disclosed in the prospectus. The net expense ratio is the expense ratio minus the portion of expenses waived or reimbursed. Please see the current prospectus for additional details. The peer ratio is according to Morningstar Direct, based on each fund's Morningstar classification.

Homestead Advisers has contractually agreed, through at least April 30, 2024, to limit the Fund's operating expenses to an amount not to exceed 1.00% of the Fund's average daily net assets. Operating expenses exclude interest; taxes; brokerage commissions; other expenditures that are capitalized in accordance with generally accepted accounting principles; other extraordinary expenses not incurred in the ordinary course of the Fund's business; and acquired fund fees and expenses such as the fees and expenses associated with an investment in (i) an investment company or (ii) any company that would be an investment company under Section 3(a) of the Investment Company Act of 1940, as amended (the "1940 Act"), but for the exceptions to that definition provided for in Sections 3(c)(1) and 3(c)(7) of the 1940 Act. This waiver agreement will terminate immediately upon termination of the Fund's Management Agreement and may be terminated by the Fund upon 60 days' notice.

## Portfolio Characteristics

Net Assets	\$10M
Number of Holdings	123
Weighted Average Maturity	4.11 years
Weighted Average Duration	3.23 years
30-Day SEC Yield	1.87%

## Total Returns

	AGGREGATE YTD	AVERAGE ANNUAL				
		1 YR	3 YR	5 YR	10 YR	SINCE FUND'S INCEPTION
Rural America Growth & Income Fund*	6.74%	6.74%	N/A	N/A	N/A	-1.59%
Blended Index	17.45	17.45	N/A	N/A	N/A	2.81

\*The inception date of this fund is May 1, 2021.

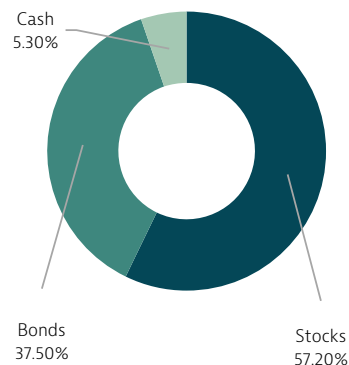
The Blended Index is composed of the Russell 3000 Index and the Bloomberg Intermediate U.S. Government/Credit Bond Index in a static 60/40 allocation. The Russell 3000 is a market capitalization-weighted benchmark index made up of the 3000 largest U.S. stocks, which represent about 98% of the U.S. equity market. The Bloomberg Intermediate US Government/Credit Bond Index is a broad-based flagship benchmark that measures the non-securitized component of the U.S. Aggregate Index with less than 10 years to maturity. Indices are unmanaged and investors cannot invest directly in an index. Unless otherwise noted, performance of indices does not account for any fees, commissions or other expenses that would be incurred. Returns include reinvested dividends. Indices are unmanaged, and investors cannot invest directly in an index. Unless otherwise noted, performance of indices do not account for any fees, commissions or other expenses that would be incurred. The index's returns include may or may not include reinvested dividends.

The total returns shown above represent past performance, which does not guarantee future results. Investment return and principal value of an investment will fluctuate. An investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. For performance data current to the most recent month-end, call 800.258.3030 or visit [homesteadfunds.com](http://homesteadfunds.com).

Fund total returns include changes in principal value and reinvested dividends, income and capital gain distributions.

## Asset Mix

The Rural America Growth & Income Fund is an actively managed balanced fund, meaning the fund's portfolio includes both stocks and bonds. The chart shows the fund's allocation to different asset classes as of December 31, 2023.



## Industry Classifications

<b>Morningstar</b>	
Category	Allocation — 50% to 70% Equity
<b>Lipper</b>	
Classification	Mixed-Asset Target Allocation Growth Funds

Investing in mutual funds involves risk, including the possible loss of principal. Past performance does not guarantee future results.

**Investors should carefully consider fund objectives, risks, charges and expenses before investing. The prospectus contains this and other information about the funds and should be read carefully before investing. To obtain a prospectus, call 800.258.3030 or visit [homesteadfunds.com](http://homesteadfunds.com).**

Debt securities are subject to interest rate risk, credit risk, extension risk, income risk, issuer risk and market risk. The value of U.S. Government securities can decrease due to changes in interest rates or changes to the financial condition or credit rating of the U.S. Government. Investments in asset-backed and mortgage-backed securities are also subject to prepayment risk as well as increased susceptibility to adverse economic developments. High-yield, lower-rated, securities involve greater risk than higher-rated securities. Loans are subject to risks involving the enforceability of security interests and loan transactions, inadequate collateral, liabilities relating to collateral securing obligations, and the liquidity of the loans. Equity securities generally have greater price volatility than fixed-income securities. The market price of equity securities may go up or down, sometimes rapidly or unpredictably. Equity securities may decline in value due to factors affecting the issuer or equity securities markets generally.

Homestead Funds' investment advisor and/or administrator, Homestead Advisers Corp., and distributor, Homestead Financial Services Corp., are indirect, wholly owned subsidiaries of NRECA. Homestead Financial Services Corp., Distributor. 01/24

## Equity Sector Weightings

	RURAL AMERICA GROWTH & INCOME FUND	EQUITY PORTION OF THE BLENDED INDEX
Health care	17.2%	12.6%
Industrials	16.8	10.0
Information technology	15.0	27.1
Financials	12.6	13.7
Consumer discretionary	12.3	10.9
Real estate	7.2	3.0
Materials	6.8	2.7
Energy	5.8	4.0
Consumer staples	3.4	5.7
Communication services	2.9	8.0
Utilities	0.0	2.3

## Bond Security Weightings

	RURAL AMERICA GROWTH & INCOME FUND	BOND PORTION OF THE BLENDED INDEX
U.S. government and agency obligations	60.5%	65.7%
Corporate bonds - other	26.2	31.0
Asset-backed securities	5.2	0.0
Mortgage-backed securities	4.9	0.0
Municipal bonds	3.2	0.0
Yankee bonds	0.0	3.4

## Top 10 Holdings

	% OF NET ASSETS
Federal Farm Credit Bank, 05/03/32, 4.09%	3.2%
U.S. Treasury Note, 11/15/26, 4.62%	2.8
Federal Farm Credit Bank, 08/15/28, 3.87%	2.7
Zoetis Inc.	2.4
Deere & Co.	2.1
Federal Farm Credit Bank, 09/27/29, 4.00%	2.0
Federal Farm Credit Bank, 02/25/26, 3.32%	2.0
Federal Farm Credit Bank, 10/21/25, 0.52%	1.9
Fastenal Co.	1.9
Stryker Corp.	1.9
<b>Total</b>	<b>22.9</b>

Portfolio holdings are subject to change without notice.

## Credit Analysis\*

	RURAL AMERICA GROWTH & INCOME FUND	BOND PORTION OF THE BLENDED INDEX
AAA	69.7%	10.3%
AA	3.4	59.7
A	10.6	14.3
BBB	15.0	14.7
BB & Lower	1.3	1.0

## Management

**Mauricio Agudelo, CFA\***

Head of Fixed-Income Investments

University of Maryland, BS in finance. Mr. Agudelo co-manages the Short-Term Bond Fund, Short-Term Government Securities Fund, Intermediate Bond Fund and Rural America Growth & Income Fund. He has been with Homestead Advisers since 2016.

**Ivan Naranjo, CFA\*, FRM\***

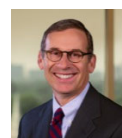
Fixed Income Portfolio Manager

University of Maryland, BS in finance. Mr. Naranjo co-manages the Short-Term Bond Fund, Short-Term Government Securities Fund, Intermediate Bond Fund and Rural America Growth & Income Fund. He has been with Homestead Advisers since 2018.

**Mark Long, CFA\***

Equity Portfolio Manager

BS, operations research and information engineering, Cornell University; Mr. Long joined Homestead Advisers in 2019 and co-manages Homestead Advisers' equity strategies.

**Jim Polk, CFA\***

Head of Equity Investments

BA, English, Colby College; MBA, Babson College. Mr. Polk joined Homestead Advisers in 2019 and co-manages Homestead Advisers' equity strategies.

Numbers may not total due to rounding.

\*Ratings are composite ratings utilizing both Moody's and S&P ratings for each security. Bond ratings, which typically range from AAA/Aaa (highest) to D (lowest), are assigned by credit rating agencies such as Standard & Poor's, Moody's and/or Fitch, as an indication of an issuer's creditworthiness. If agency ratings differ, the security will be considered to have received the highest of those ratings, consistent with the fund's investment policies. Securities in the unrated category have not been rated by a rating agency; however, the investment advisor performs its own credit analysis and assigns comparable ratings that are used for compliance with fund investment policies.

