



MAMAAs

May was a great month. The weather turned to spectacular, and our family celebrated five birthdays. Additionally, Deb and I were grateful to celebrate another Mother's Day with both our Mamas.

Professionally, our Fund basked in the sunlight, and enjoyed the benefits of owning this year's only winners, the MAMAAs + Nvidia. The MAMAAs, are our acronym for Microsoft, Apple, Meta, Amazon, Alphabet. These companies and Nvidia powered **the Fund up +3.7% in May (versus the S&P500 +0.5%) and +19.0% for the year (versus the S&P500 +9.3%).**

The MAMAAs and Nvidia now represent 27% of the entire S&P500 Index and are responsible for this year's entire gain in the S&P500. **Put another way, if you haven't owned these 6 companies, you are likely flat/down YTD.** It is easy to surmise that their ascent is overdone. While we have reduced weight on these positions, we note that all the MAMAAs remain well below their 2021 year-end prices, and all have grown their businesses over the past 2 years.

These stocks have been rising for multiple reasons; their 2022 declines of between 40% and 70% was unwarranted and overdone, they were/are extremely under-owned, and they will be the winners of the AI revolution. **AI is one of the most significant technology disruptions of our lifetime—bigger than the internet.** There are two components of AI; one is computation and the other is data. The compute layer is dominated by Nvidia and their H-100 GPU (graphical processing unit). Their technological breakthrough is not just silicon, but rather an increasing sophisticated stack of software and models that both drive AI for the enterprise and for AI training of consumer applications.

Regarding data, the question to consider is which companies are going to benefit or get hurt from the inevitable transition from the internet to augmented intelligence. While we are in the process of evaluating eventual software winners, **we are certain that the MAMAAs will not only be significant beneficiaries, but also the leaders of the data revolution.**

Given the narrowness of the Market's breadth, opportunities remain. As such, we have deployed some of our MAMAA capital into overlooked and undervalued companies. We are excited by the prospects of our portfolio and **as we have suggested since the beginning of the year, urge you to add to your holdings.** Additionally, we look forward to next month's communication and thank you for your continued support. Finally, with Nvidia leading the AI revolution and with Father's Day upcoming on June 18th, we have aptly decided to modify our MAMAA acronym to MAMAAN!!

Sincerely,

Steven Tuchner
Founder and CIO