

# Micro Cap Fund | JMCRX

James Investment Research, Inc., P.O. Box 8, Alpha, Ohio 45301  
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Advised by James Investment Research, Inc.

DECEMBER 31, 2018

## Fund Info

### Fund Statistics as of December 31, 2018

Ticker Symbol	JMCRX
Inception Date	July 1, 2010
Cusip	470259813
Benchmark Index	Russell Microcap® Index
No. Stocks in Portfolio	50
Assets	\$22.7 Mil.
Median Capitalization	\$634.4 Mil.
Price/Earnings	12.16
Price/Book	1.70

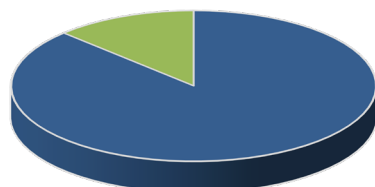
### Fund Operating Expenses Prospectus 11/01/2018

Management Fee	1.49%
Distribution (12b-1) Fee	0.00%
Other Expenses	0.01%
Acquired Fund Fees and Expenses	0.01%
Total Annual Fund Operating Expenses	1.51%
Redemption Fee (within 180 Days)	2.00%

### Top Ten Equity Holdings as of December 31, 2018

PC Connection Inc	5.54%
Orbotech Ltd	4.88%
OFG Bancorp	3.58%
Casella Waste Systems Inc	3.25%
Global Brass & Copper Holdings Inc	3.01%
Universal Insurance Holdings Inc	2.93%
Stoneridge Inc	2.57%
Enova International Inc	2.51%
Tower International Inc	2.20%
W&T Offshore Inc	2.15%

## Asset Allocation



As a % of total portfolio as of 12/31/18.

## Investment Objective

The James Micro Cap Fund seeks to provide long-term capital appreciation.

## Investment Strategy & Process

The Fund invests primarily in equity securities of foreign and domestic companies that the Adviser believes are undervalued. Equity securities include common stocks, preferred stocks and exchange traded funds ("ETFs") that invest primarily in equity securities. Under normal circumstances, the Fund will invest at least 80% of its net assets (plus the amount of borrowing for investment purposes, if any) in equity securities of micro capitalization companies. Micro capitalization companies are defined as those companies with market capitalizations at the time of purchase no larger than the stocks in the Russell Microcap® Index, including ETFs that invest primarily in such securities. The Fund anticipates investing across a range of industry sectors. However, certain sectors may be significantly overweighted or underweighted compared to the Russell Microcap® Index because the Adviser seeks the best investment opportunities regardless of sector. The sectors in which the Fund may be overweighted or underweighted will vary at different points in the economic cycle. The Adviser uses a disciplined sell strategy for the Fund. The Adviser may sell securities because of a deterioration of the underlying company's financials, such as earnings or cash flow, or because of an increase in the price of a stock that would make it expensive relative to the other stocks held by the Fund. Other reasons may include a change in management or control of the company, a need to raise cash or changes in the regulatory or economic environment in which the company operates.

## Morningstar Rating™

Overall Rating ★★  
3 Year Rating ★  
5 Year Rating ★★

The Morningstar Star Rating™ for the James Micro Cap Fund is based on risk-adjusted returns as of 12/31/18 in the small blend category out of 644 funds overall and for the last 3 years and 541 in the last 5 years.

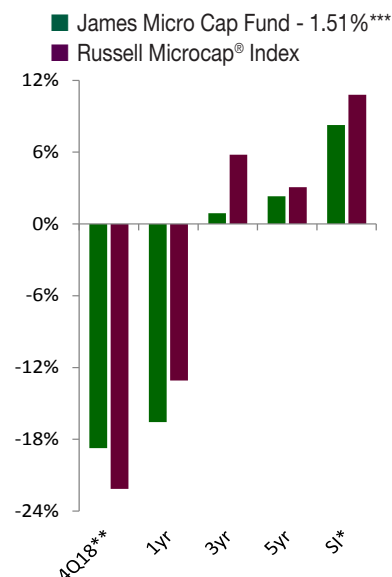
The overall Morningstar Star Rating™ for a fund is derived from a weighted average of the performance figures associated with its three, five and ten year Morningstar rating metrics. ©2018 Morningstar, Inc. All Rights Reserved.

## Performance as of December 31, 2018

	4Q18**	1 yr	3 yr	5 yr	10 yr	SI*
James Micro Cap	-18.73%	-16.56%	0.90%	2.32%	-	8.26%
Russell Microcap® Index	-22.14%	-13.08%	5.79%	3.08%	-	10.80%

*Investors should consider the investment objectives, risks, and charges and expenses of the James Advantage Funds (the Funds) carefully before investing; this and other information about the Funds is in the prospectus, which can be obtained by calling 1-800-99-JAMES. Read the prospectus carefully before you invest. The performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The Funds' current performances may be lower or higher than the performance data quoted. Investors may obtain performance information current to the last month-end, within 7 business days, at www.jamesfunds.com. \*Since Inception 7/1/2010. \*\*4th quarter numbers are not annualized. (All other numbers are average annual returns.) \*\*\* Indicates total annual fund operating expenses.*

Additional Performance figures can be found at [JamesFunds.com](http://JamesFunds.com).



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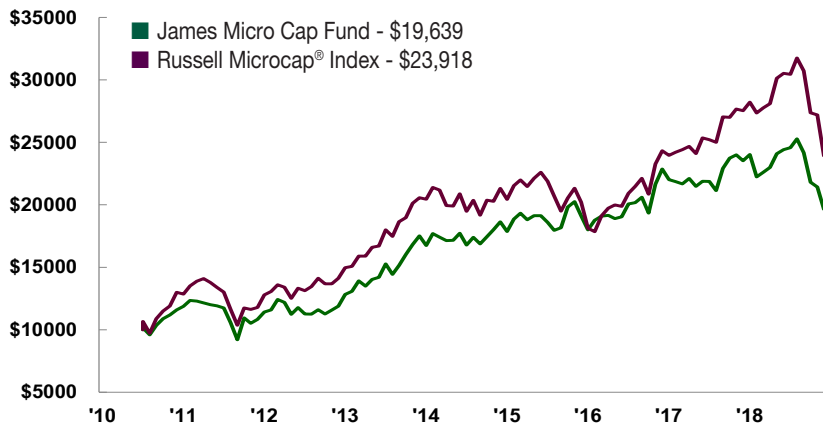
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## Growth of \$10,000 as of December 31, 2018



This performance is based on reinvestment of all dividends and distributions and does not reflect the deduction of taxes that a shareholder would pay on any distributions or the redemption of Fund shares.

## JMCRX Yearly Returns

2010*	15.90%
2011	-6.57%
2012	9.84%
2013	47.26%
2014	6.39%
2015	2.61%
2016	19.62%
2017	2.92%
2018	-16.56%

\* Inception is 7/1/2010

## Investment Committee

### Dr. Frank James, Ph.D

44 Years  
Founder and Chairman of James Investment Research  
Senior Advisor to the Investment Committee

### Barry R. James, CFA, CIC

30 Years  
President/CEO and Portfolio Manager with James Investment Research President of the James Advantage Funds

### Thomas L. Mangan, MBA

22 Years  
Advisor to the Investment Committee

### David W. James, CFA

36 Years  
Sr. Vice President and Portfolio Manager

### Ann M. Shaw, CFP

38 Years  
Chief Operating Officer and Portfolio Manager

### R. Brian Culpepper, MBA, CMFC

20 Years  
Sr. Vice President and Portfolio Manager

### Brian Shepardson, CFA, CIC

17 Years  
First Vice President and Portfolio Manager

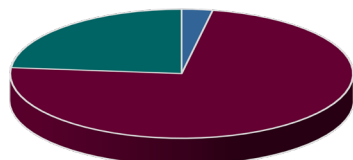
### Trent D. Dysert, CFA

10 years  
Asst. Vice President and Portfolio Manager

### Matthew G. Watson, CFA, CPA

9 years  
Asst. Vice President and Portfolio Manager

## Market Cap Breakout



(Less than \$250 mil)	2.91%
(\$250 - \$1,000 mil)	73.56%
(\$1,000 - \$4,000 mil)	23.53%
(\$4,000 - \$7,000 mil)	0.00%
(Greater than \$7,000 mil)	0.00%

As a % of total portfolio as of 12/31/18.

## Top 5 Sector Diversification



Finance	21.15%
Industrial	21.15%
Technology	17.23%
Consumer Cyclical	14.42%
Consumer Non-Cyclical	8.06%

As a % of total portfolio as of 12/31/18.

The Russell Microcap<sup>®</sup> Index measures the performance of the microcap segment of the U.S. equity market. It makes up less than 3% of the U.S. equity market. It includes 1000 of the smallest securities in the small-cap Russell 2000<sup>®</sup> Index based on a combination of their market cap and current index membership and it includes the next 1,000 securities. One cannot invest directly in an index.

The Morningstar Rating<sup>TM</sup> 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 Morningstar Rating does not include any adjustment for sales loads. 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.

As of 12/31/18 James Micro Cap Fund was rated against the following numbers of Small Blend over the following time periods: 644 funds in the last three years and 541 in the last five years. With respect to these Small Blend funds, the James Micro Cap Fund received a Morningstar Rating<sup>TM</sup> of 1 stars for three year period and 2 stars for the five year period.

Ratings are based on risk-adjusted return. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its 3, 5 and 10-year (if applicable) Morningstar Rating metrics. (Overall and 3-years 644 funds)

Price/Earnings ratio is a valuation of a company's current share price compared to its per-share earnings.

Price/Book ratio is a ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share.

Fund holdings and sector weightings are subject to change without notice. The average annual total returns assume reinvestment of income, dividends and capital gains distributions and reflect changes in net asset value. The principal value and investment return will vary with market conditions so that an investor's shares, when redeemed, may be worth more or less than their original cost. You should note that the James Advantage Funds are professionally managed mutual funds while the indices are unmanaged, do not incur expenses and are not available for investment. You should carefully consider the investment objectives, potential risks, management fees, and charges and expenses of the Fund before investing. The Fund's prospectus contains this and other information about the Fund, and should be read carefully before investing. You may obtain a current copy of the Fund's prospectus by calling 1-800-995-2637. Past performance is no guarantee of future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost.

Mid, Small and Micro Cap investing involve greater risk not associated with investing in more established companies, such as greater price volatility, business risk, less liquidity and increased competitive threat.

Funds focusing on a single sector generally experience greater price volatility. A "nondiversified" fund has the ability to take larger positions in a smaller number of issuers and will generally experience greater price volatility.

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