Elm Wealth Q2 2025 Investor Letter

for

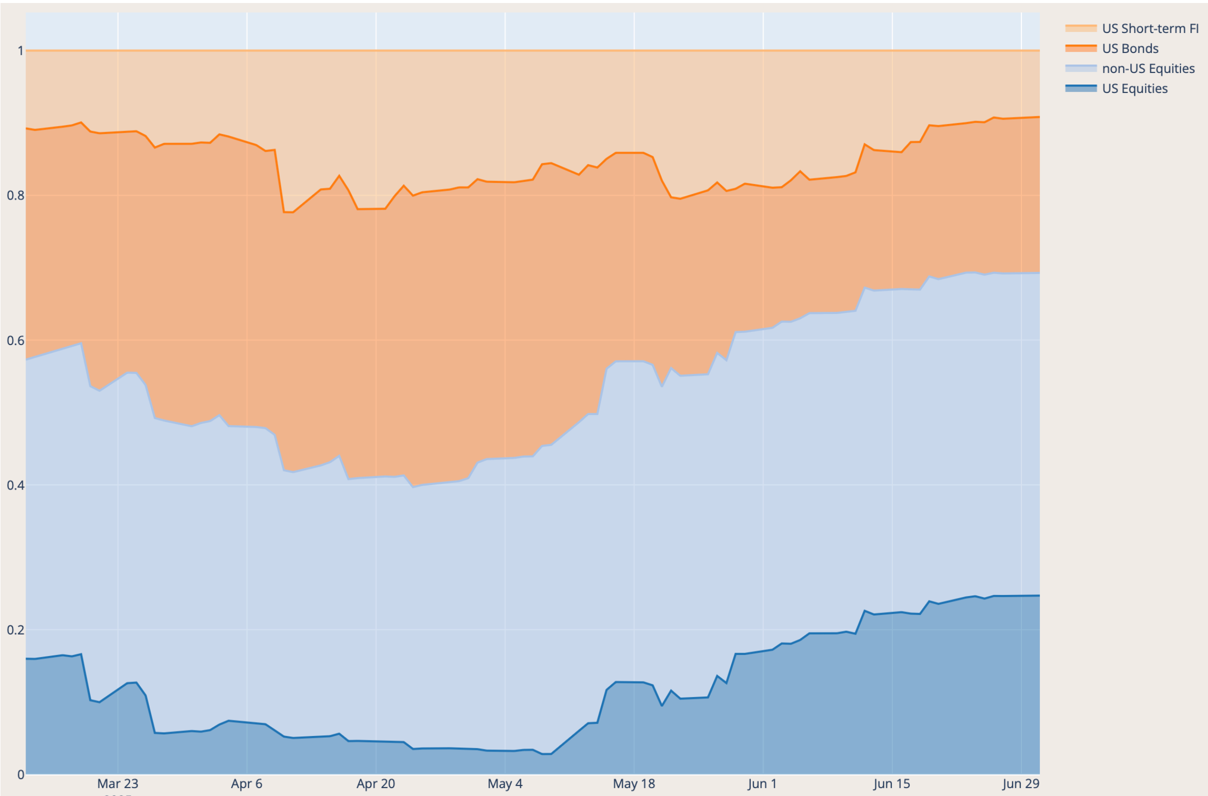
Elm Market Navigator (ELM) ETF Investors[1]

Helping you and your families comfortably and efficiently maintain a significant long-term equity allocation

Q2 Review and Asset Allocation

Over the quarter ELM grew net assets from $366mm to $424mm, with about $42mm of that coming from new flows. It traded at an average premium of about $0.04, or 0.16% of NAV, consistent with the volume of inflows. We continue to mostly get reports of good retail liquidity in standard volumes. We'd like to remind investors that, as with most ETFs, typically the most effective method for buying or selling ELM is to place limit orders near mid-market, and we advise against placing market orders. Brokers may be able to arrange NAV-on-close trades as well for large trade sizes.

Q2 proved just as eventful as Q1, featuring Liberation Day, a dramatic equity selloff in global equities driven by trade and inflation anxiety, and an equally sharp reversal in both policies and markets. ELM's allocation to US and non-US equities first dipped as market risk levels increased, bottomed around the end of April and rose considerably to finish the quarter just a bit underweight equities. Nearly all of the changes over the quarter were due to the equity risk level metric.



Where we're left is pretty close to where we started the year. Equity risk levels are low across the

[1]This note and related materials are not intended to solicit future investment, but rather to elicit discussion and exploration of better ways to invest. Please see elmfunds.com for additional information. **Past performance is not necessarily indicative of future results.**

board,[2] as momentum is currently positive in almost all risky asset classes. Meanwhile on the valuation front, the US equity risk premium finished the quarter at a not-so-attractive 1.3%, while the non-US equity risk premium came in at a much healthier 5%.

We felt comfortable with ELM's asset allocations throughout the quarter. While we don't override ELM's rules-based investing with our personal views, we felt the allocations aligned with what we'd intuitively have wanted given the information in hand as events evolved. In particular, in April when the US's place in the network of global trade seemed to be shifting significantly, it seemed only prudent to take less equity risk than otherwise, and vice versa once markets were reflecting a likelihood that the new reality would be less dramatic than it first appeared.

Portfolio Management Upgrades

This section is primarily relevant to US Separately Managed Clients - we include it here for your interest, but it can be safely skipped as well.

We lovingly call our internal portfolio-management system 'Ulmus' (The Latin genus of the Elm tree), and starting early this year we rolled out a significant "3rd-generation" upgrade which we'd been working on for much of last year. Some of the new features are focused on our internal processes and operations, allowing us to manage an increasing volume of our clients' separately managed accounts (SMAs) more efficiently. For example, as the number of SMAs we manage grows from hundreds to thousands, we still need to run our weekly all-account optimization in (ideally) just a few minutes, and this required some fairly fundamental technical improvements to our optimization techniques. Other features will make a difference to our clients more directly:

- The most significant new 'client-facing' feature is the ability to integrate legacy positions into accounts in an efficient and satisfying way. These legacy positions could be single-name stocks, ETFs or mutual funds, or virtually anything that can be custodied at Fidelity or Schwab, and there are no restrictions on the number of names involved - for example we're now regularly taking on legacy portfolios with hundreds of individual appreciated assets, and thousands of tax lots. Ulmus will automatically use the returns history of each instrument to 'map' that instrument to a set of Elm buckets, and can compute the tracking error of a portfolio with arbitrary non-Elm instruments relative to the Elm target portfolio.[3] We work with each client to find their preferred tradeoff between tracking error and realized gains, and that tradeoff is then used consistently within Ulmus both on the initial set of rebalance trades, and then going forward in the weekly rebalances.
- Tax-loss harvesting is now fully integrated into every rebalance. Previously we had used a "two-step" procedure where portfolio optimization and tax-loss harvesting were done separately on different days.
- The execution optimizer uses a more sophisticated objective function when trading off how many trades to allow versus how much benefit is being generated through reduced tracking error or realized losses, or as discussed above when trading off realized gains against reduced tracking error.
- We now have the ability to easily reduce or drop the exposure to specific US industry sectors (for example for clients working in tech, or banking, etc).

[2] With the minor exception of US small-cap equities

[3] Tracking Error in this sense refers to the expected annual standard deviation of the returns difference between the two portfolios

- We also now have the ability to forbid the sale of (typically highly appreciated) legacy assets contributed by the client, at the client's direction, while still integrating them into the overall rebalance optimization.

One of the most significant consequences for clients with taxable accounts is that in general accounts with highly appreciated assets can have more tracking error to Elm's target portfolio than was previously allowed. This will be most pronounced when Elm's target weights fall (selling is involved, so to avoid realizing gains the account may stay more overweight, depending on the magnitude and short-term/long-term character of the capital gains involved), and much less so when Elm's target weights are high. If a client wishes this not to happen, or to happen even more than normal (e.g. if they're extra-sensitive to early realization of gains) we can set each account's 'tax-preference' parameter independently. Just let us know if this is something you'd like to discuss with us.

Frankie & Nolan

We're very pleased to have made two new hires recently, Frankie Agrest and Nolan Lenaghan.

Frankie recently joined the Elm team, bringing hands-on experience in finance, real estate, and strategy. Prior to Elm, he worked at Perchwell helping guide financial planning and growth, and previously was part of the acquisitions teams at AvantStay and WeWork, focusing on investment and valuation work. A 2019 Columbia graduate, Frankie will work closely with clients and prospects across client experience and growth initiatives.

Nolan joined the Elm team in February of this year as a recent college graduate from Cornell with a B.A. in Economics. Nolan will be focusing on client experience, account onboarding, and growth initiatives.

Both Frankie and Nolan were members of their respective college soccer teams, bringing valuable experience to the Elm Wealth squad ahead of next summer's World Cup.

Elm Investor Day

We're excited to announce our semiannual Elm Investor Day will be held on **Thursday, July 24**, with a new format designed to make the discussions even more relevant and engaging for our investors. This time around, we'll host three separate calls, each focused on one of our investment vehicles. **The ELM ETF call will be held at 1-1.45 PM ET**.

You should have already received a calendar invitation from Jerry (jerry@elmwealth.com) but certainly let us know if not. You're welcome to join more than one call if you'd like to hear the discussion across vehicles.

We'd love to hear from you in advance—- whether your questions relate to Elm, the markets, or investing more broadly—- and we'll aim to answer as many as possible during the calls.

Housekeeping

Most information about the ELM ETF can be found at elmfunds.com.

As always, please don't hesitate to get in touch with us for any questions or suggestions, or just to say hello.

Wishing you a wonderful summer -

Victor, James, & Jerry

Important Note: All returns prior to February 2025 reflect the returns of Elm Partners Portfolio LLC, which converted into ELM. February 2025 reflects a hybrid return (see footnote 4 below)

ELM Market Navigator ETF Return Summary[1]		
Period	**Baseline**	**Fund Actual**
Monthly		
Jun-25	3.44%	3.27%
May-25	3.80%	1.74%
Apr-25	0.27%	0.08%
Mar-25	-2.23%	-0.97%
Feb-25[4]	0.33%	0.09%
Jan-25	2.47%	2.01%
Dec-24	-2.70%	-2.63%
Nov-24	2.82%	1.67%
Oct-24	-2.01%	-2.82%
Sep-24	2.36%	2.64%
Aug-24	1.91%	1.94%
Jul-24	2.34%	2.28%
Quarterly		
Q2 2025	7.66%	5.16%
Q1 2025	0.51%	1.11%
Q4 2024	-1.96%	-3.80%
Q3 2024	6.76%	7.02%
Annual		
2025 (YTD)[2]	8.21%	6.32%
2024	10.95%	8.00%
2023	14.15%	8.82%
2022	-12.97%	-10.20%
2021	12.03%	15.11%
2020	9.86%	11.98%
2019	19.30%	15.46%
2018	-7.33%	-4.59%
2017	15.97%	18.38%
2016	7.22%	6.84%
2015	-3.17%	-3.62%
2014	2.48%	1.71%
2013	10.10%	13.12%
2012	12.72%	11.38%
Fund Life-to-Date		
Return[3]	6.98%	6.99%
StdDev	10.05%	9.21%
Tracking Risk		2.70%

1. All returns in this table are nominal (not inflation adjusted). **Past performance is not necessarily indicative of future performance.**

2. This is an unannualized return

3. Returns representing a start date of Jan 2012

4. Elm Partners Portfolio LLC (EPP LLC) converted to an ETF (ELM) on 2/11/2025. Figure reflects a combined return - EPP LLC's 0.71% return based on NAV from 1/30/2025 through the conversion price of 25.016, and ELM's -0.62% price return from 2/11/2025 to 2/28/2025. All subsequent returns are based on ELM's month end closing price.

The performance data quoted above represents past performance.

Past performance is no guarantee of future results. Current performance may be lower or higher than the performance data quoted above. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. For performance data current to the most recent month end, please call toll-free 1-800-617-0004.

The Fund has adopted the performance history of the Predecessor Fund beginning 12/30/2011, which operated as a private fund using substantially similar investment strategies. The Predecessor Fund's past performance, before and after taxes, does not necessarily indicate how the Fund will perform in the future. The fund is a newly registered ETF that commenced operations on 2/10/2025 by acquiring substantially all of the assets and liabilities of the Predecessor Fund.

Asset Allocation Table						
	Elm Baseline Weights	Current Target Weights	Baseline Deviation Breakdown		Risk Premium	Risk Level
		2025-06-30	*Risk Premium*	*Risk Level*		
US Equity Assets	**45.1%**	**24.1%**				
US Broad Equities	35.6%	23.1%	-23.7%	11.2%	1.3%	Low
US Value Equities	2.3%	0.8%	-1.5%	0.1%	1.3%	Neutral
US Small Cap Equities	2.3%	0.1%	-1.5%	-0.7%	1.3%	High
US Real Estate (REITs)	5.0%	0.1%	-3.2%	-1.6%	1.4%	High
Non-US Equity Assets	**29.9%**	**44.7%**				
Europe Broad Equities	11.5%	14.5%	-0.8%	3.8%	4.2%	Low
Asia Pacific Broad Equities	4.7%	7.9%	1.6%	1.6%	4.9%	Low
Canada Broad Equities	1.9%	2.2%	-0.3%	0.6%	3.3%	Low
Emerging Market Broad Equities	11.9%	20.2%	4.3%	4.0%	6.1%	Low
Fixed Income	**25.0%**	**31.2%**				
US 10yr TIPS (Real Yield = 2.02%)	10.0%	16.2%		2.7%		Low
US Muni Bonds	2.5%	1.6%		-0.8%		High
US Aggregate Bonds	2.5%	2.4%		-0.4%		High
US Treasury Bills	10.0%	11.0%				
Total:	**100.00%**	**100.00%**				

Instrument Table: Elm Market Navigator ETF									
Description	Ticker	Market	% Weight	Annual Fees	Fund Size ($BB)	ETF or Fund	Fund Manager	Change on Month1	Change on Year1
			100.00%	*0.06%*					
US Equity Assets			**24.6%**						
Vanguard Total Stock Market ETF	VTI	US	19.26%	0.03%	505.31	ETF	Vanguard	5.16%	5.56%
Schwab US Broad Market ETF	SCHB	US	2.15%	0.03%	34.75	ETF	Schwab	5.20%	5.60%
iShares Core S&P Total U.S. Stock Market ETF	ITOT	US	0.72%	0.03%	71.77	ETF	iShares	5.23%	5.61%
Vanguard S&P 500 ETF	VOO	US	0.22%	0.03%	694.04	ETF	Vanguard	5.17%	6.11%
Vanguard Value ETF	VTV	US	0.77%	0.04%	140.11	ETF	Vanguard	3.68%	5.58%
Vanguard Small-Cap ETF	VB	US	0.37%	0.05%	65.08	ETF	Vanguard	4.20%	-0.64%
Schwab U.S. REIT ETF	SCHH	US	1.08%	0.07%	8.02	ETF	Schwab	0.14%	1.70%
Vanguard Real Estate ETF	VNQ	US	0.02%	0.13%	33.74	ETF	Vanguard	0.69%	2.01%
Non-US Equity Assets			**44.7%**						
iShares Core MSCI Europe ETF	IEUR	US	7.07%	0.09%	7.00	ETF	iShares	2.71%	25.01%
JPMorgan BetaBuilders Europe ETF	BBEU	US	5.81%	0.09%	4.64	ETF	JP Morgan	2.30%	24.18%
Vanguard FTSE Europe ETF	VGK	US	0.21%	0.06%	26.68	ETF	Vanguard	2.46%	24.42%
iShares Core MSCI Pacific ETF	IPAC	US	4.76%	0.09%	1.77	ETF	iShares	3.09%	13.85%
Vanguard FTSE Pacific ETF	VPL	US	3.19%	0.07%	7.54	ETF	Vanguard	4.29%	16.60%
JPMorgan BetaBuilders Canada ETF	BBCA	US	0.73%	0.19%	8.35	ETF	JP Morgan	3.03%	15.28%
Vanguard FTSE Emerging Markets ETF	VWO	US	8.41%	0.07%	91.55	ETF	Vanguard	5.54%	12.75%
iShares Core MSCI Emerging Markets ETF	IEMG	US	6.04%	0.09%	97.48	ETF	iShares	7.17%	16.35%
SPDR Portfolio Emerging Markets ETF	SPEM	US	5.64%	0.07%	12.33	ETF	State Street	5.88%	12.81%
Vanguard FTSE All-World ex-US ETF	VEU	US	1.10%	0.04%	46.44	ETF	Vanguard	3.80%	18.30%
Schwab International Small-Cap Equity ETF	SCHC	US	0.95%	0.08%	4.61	ETF	Schwab	6.16%	24.34%
iShares MSCI EAFE Small-Cap ETF	SCZ	US	0.81%	0.40%	10.37	ETF	iShares	4.45%	21.43%
Fixed Income			**30.7%**						
Schwab US TIPS ETF	SCHP	US	14.29%	0.03%	13.00	ETF	Schwab	1.04%	4.62%
US Treasury Inflation-Protected Securities	TII		0.07%	--	--	Security	--	1.39%	5.82%
Vanguard Total Bond Market ETF	BND	US	2.08%	0.03%	131.15	ETF	Vanguard	1.52%	4.05%
iShares Core U.S. Aggregate Bond ETF	AGG	US	2.00%	0.03%	128.46	ETF	iShares	1.46%	4.05%
iShares iBoxx $ Investment Grade Corporate Bond ETF	LQD	US	0.97%	0.14%	29.30	ETF	iShares	2.08%	4.55%
iShares National Muni Bond ETF	MUB	US	0.02%	0.05%	38.68	ETF	iShares	0.87%	-0.64%
iShares 0-3 Month Treasury Bond ETF	SGOV	US	10.55%	0.09%	50.89	ETF	iShares	0.34%	2.10%
First American Government Obligations Fund	FGXXX	--	0.50%	--	--	Fund	US Bank	--	--
United States Treasury Bill	Tbills	--	0.20%	--	--	Security	--	--	--
1. Total return including dividends									

Important Risk Disclosures

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Before you invest in the Elm ETF, please refer to and carefully consider the summary or statutory prospectus for important information about the investment company, including investment objectives, risks, charges and expenses. You may obtain a hard copy of the prospectus by calling 1-800-617-0004. The prospectus or summary prospectus should be read carefully before investing.

As with any fund, there are risks to investing. An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. In addition to possibly not achieving your investment goals, you could lose all or a portion of your investment in the Fund over short- or long periods of time. Because the Fund is a Fund of Funds, the Fund is subject to the risks associated with the Underlying Funds in which it invests.

Newer Adviser Risk. The Adviser has not previously served as an adviser to a registered investment company. As a result, there is no long-term track record of the Adviser serving as an adviser to a registered investment company against which an investor may judge the Adviser and it is possible the Adviser may not achieve the Fund's intended investment objective.

Fund of Funds Risk. The Fund is a "fund of funds." The term "fund of funds" is typically used to describe investment companies, such as the Fund, whose principal investment strategy involves investing in other investment companies (funds), rather than directly in securities of individual companies. An investment in the Fund will be subject to substantially the same risks as those associated with the Underlying Funds in proportion to the Fund's allocation to those Underlying Funds, and the value of the Fund's investment in Underlying Funds will fluctuate in response to the performance of the portfolios of the Underlying Funds. In addition, at times, certain of the segments of the market represented by Underlying Funds in which the Fund invests may be out of favor and underperform other segments.

Asset Allocation Risk. The Fund, through its investments in Underlying Funds, may allocate its investments among various asset classes.

Common Stock Risk. While common stocks have historically generated higher average returns than fixed income securities over the long-term, common stock has also experienced significantly more volatility in those returns, although under certain market conditions, fixed-income investments may have comparable or greater price volatility.

Large-Cap Companies Risk. Larger, more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes. Large companies also may not be able to attain the high growth rates of successful smaller companies.

Small- and Mid-Cap Companies Risk. There may be less trading in the stocks of small- and mid-cap companies, which means that buy and sell transactions in that stock could have a larger impact on the stock's price than is the case with larger company stocks.

Real Estate Investment Trust ("REIT") Risk. The Fund's investment in REITs will subject the Fund to risks similar to those associated with direct ownership of real estate, including losses from casualty or condemnation, and changes in local and general economic conditions, supply and demand, interest rates, zoning laws, regulatory limitations on rents, property taxes and operating expenses.

Foreign Investments and Emerging Markets Risk. Securities of non-U.S. issuers, including those located in foreign countries, may involve special risks caused by foreign political, social and economic factors, including exposure to currency fluctuations, less liquidity, less developed and less efficient trading markets, political instability and less developed legal and auditing standards.

Municipal Securities Risk. The municipal market is volatile and can be significantly affected by adverse tax, legislative or political changes and the financial condition of the issuers of municipal securities.

Interest Rate Risk. Changes in interest rates will affect the value of the Fund's investments.

Credit Risk. An issuer of debt securities may not make timely payments of principal and interest and may default entirely in its obligations. A decrease in the issuer's credit rating may lower the value of debt securities.

Debt Securities Risk. Increases in interest rates typically lower the value of debt securities held by the Fund. Investments in debt securities include credit risk. There is also the risk that a bond issuer may "call," or repay its high yielding bonds before their maturity dates.

High Yield Debt Securities ("Junk" Bond) Risk. Below investment-grade debt securities (also referred to as high yield debt securities or "junk" bonds) involve greater risk of default or price changes due to changes in the credit quality of the issuer.

Cash Position Risk. The ability of the Fund to meet its investment objective may be limited to the extent it holds its assets in cash (or cash equivalents) or is otherwise uninvested.

U.S. Government Obligations Risk. The Fund will invest in securities issued by the U.S. government.

Market Risk. The NAV of the Fund will change with changes in the market value of its portfolio securities. Investors may lose money.

High Portfolio Turnover Risk. A high portfolio turnover rate (400% or more) has the potential to result in the realization and distribution to shareholders of higher capital gains, which may subject you to a higher tax liability. High portfolio turnover also necessarily results in greater transaction costs which may reduce Fund performance.

Management Risk. The Fund is actively-managed and may not meet its investment objective based on the Adviser's success or failure to implement investment strategies for the Fund.

The Elm Market Navigator ETF is distributed by Quasar Distributors, LLC.