

# Zacks Small-Cap Core Fund

## Institutional Class (ZSCIX)

Semi-Annual Shareholder Report - May 31, 2024



### Fund Overview

This semi-annual shareholder report contains important information about Zacks Small-Cap Core Fund for the period of December 1, 2023 to May 31, 2024. You can find additional information about the Fund at <https://zacksfunds.com/forms-and-resources.php#FundReports>. You can also request this information by contacting us at 1-888 775-8351.

### What were the Fund's costs for the last six months?

(based on a hypothetical \$10,000 investment)

Class Name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
Institutional	\$57	1.14%

### How did the fund perform last year?

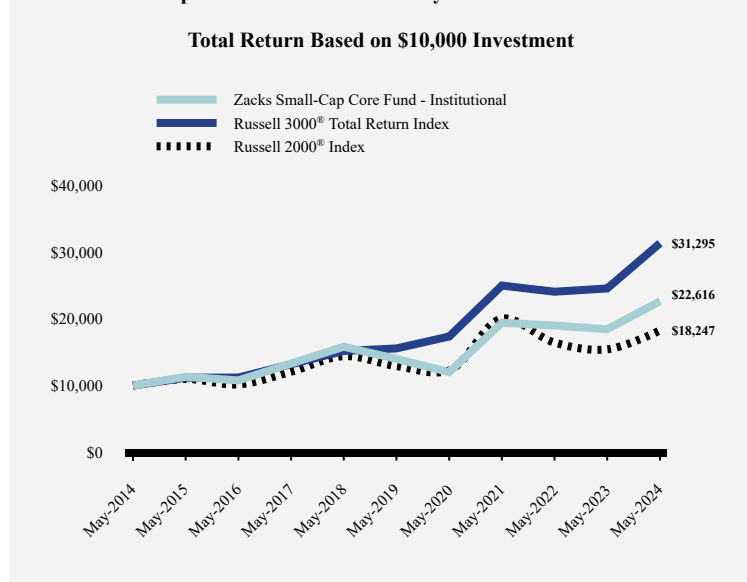
In the six-month period from December 1, 2023, to May 31, 2024, the Zacks Small-Cap Core Fund Institutional Class yielded a return of 16.08%, outperforming the benchmark Russell 2000 Index by 1.65%. Our allocation decisions within the Small-Cap Fund drove relative outperformance of +1.18%, while stock selection detracted slightly.

The top-performing sector in the Small-Cap Core Fund during the performance period was Producer Durables, which rose +30.92%. The Utilities sector dragged on total return, as the elevated interest rate environment has had outsized impact on smaller Utilities that tend to carry higher debt loads—at a time when more investment in grid modernization is needed.

For much of the six-month performance period, investors remained most enthusiastic about mega-cap growth companies, particularly in the Technology sector. However, as the U.S. economy continues to expand and earnings growth extends beyond Technology companies and the AI-boom—which we expect to see in the second half of 2024—small-cap companies could experience a positive rotation. Small-caps currently trade at far lower valuations than their large-cap peers, which we believe could present strong opportunities looking forward.

From a pure valuation standpoint, high-quality small-cap stocks trade at a historically large discount to their large-cap peers, even though many of them have similar profit margins and free cash flows. Indeed, over the past decade, small- and mid-cap companies have grown earnings—on average—faster than their large-cap peers. For small caps, stock price appreciation over that time has lagged their large-cap peers but has also been driven far more by earnings growth than multiple expansion.

### How has the Fund performed over the last ten years?



### Average Annual Total Returns

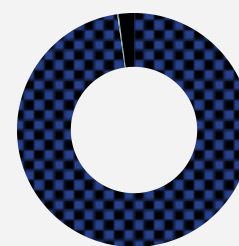
	6 Months	1 Year	5 years	10 Years
Zacks Small-Cap Core Fund - Institutional	16.08%	22.72%	10.08%	8.50%
Russell 3000 Total Return Index	15.99%	27.58%	15.00%	12.09%
Russell 2000 Index	14.43%	18.32%	7.15%	6.20%

*The Fund's past performance is not a good predictor of how the Fund will perform in the future. The graph and table do not reflect the deduction of taxes that a shareholder would pay on fund distributions or redemption of fund shares.*

## Fund Statistics

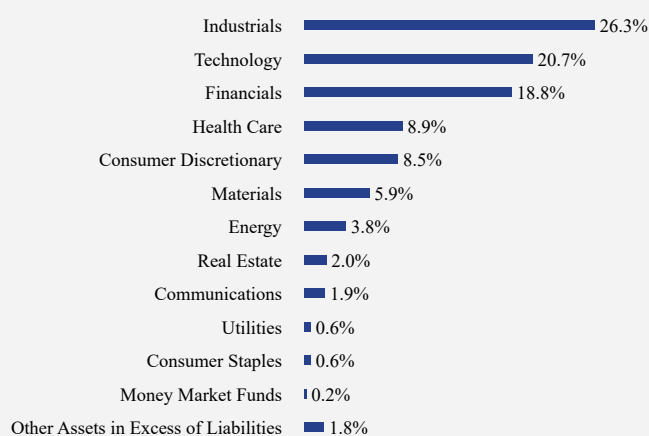
Net Assets	\$33,170,822
Number of Portfolio Holdings	102
Advisory Fee (net of waivers)	\$103,854
Portfolio Turnover	76%

## Asset Weighting (% of total investments)



## What did the Fund invest in?

### Sector Weighting (% of net assets)



### Top 10 Holdings (% of net assets)

Holding Name	% of Net Assets
Teekay Tankers Ltd., Class A	2.0%
PROG Holdings, Inc.	2.0%
SPX Technologies, Inc.	2.0%
PepGen, Inc.	2.0%
Comfort Systems USA, Inc.	1.9%
Merit Medical Systems, Inc.	1.9%
Onto Innovation, Inc.	1.9%
Blue Bird Corporation	1.9%
CSW Industrials, Inc.	1.8%
1st Source Corporation	1.8%

## Material Fund Changes

The Fund was treated as a separate series (the “Predecessor Fund”) of Investment Managers Series Trust, an open-end management investment company established as a Delaware statutory trust. Effective as of the close of business on January 26, 2024, the Predecessor Fund was reorganized into the Fund, as a new series of the Trust in a tax-free reorganization (the “Reorganization”), whereby the Fund acquired all the assets and liabilities of the Predecessor Fund in exchange for shares of the Fund which were distributed pro rata by the Predecessor Fund to its shareholders in complete liquidation and termination of the Predecessor Fund. The Agreement and Plan of Reorganization pursuant to which the Reorganization was accomplished was approved by shareholders of the Predecessor Fund on December 15, 2023.



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- Prospectus
- Financial information
- Holdings
- Proxy voting information