

Dear Investors,

The second quarter of 2020 started off very strong, with the S&P 500 rallying almost 10% in the first 2 weeks. After some range bound trading for a few weeks, the rally continued, with the S&P 500 finishing the quarter up 19.95%. The second quarter was also a good one for RS Low Beta Opportunity Fund, with a gross return of 12.16% in 2Q2020. As the market rallied, the VIX declined from the low 50's to the mid 20's, although from the first time the S&P 500 re-broke 3000 until quarter end (where it closed 3100.29), the VIX was actually up 10%.

After the market's steep decline in Q1, the recovery in Q2 was almost just as significant. We are now entering what we believe will be the sweet spot for RS Low Beta Opportunity Fund in the coming months, as our strategy performs best once the market starts to experience a level of stabilization. In our 1Q2020 letter, we laid out different market scenarios for the remainder of 2020 and how RS Low Beta Opportunity Fund would perform in all of them. For ease of reference, we have copied this chart below:

S&P 500 Index	S&P 500 Performance	RS Low Beta Performance
December 31, 2020	April - December 2020	April - December 2020
3100	20%	30- 35%
2842	10%	25-35%
2584	Flat	20-25%
2325	(10)%	5-15%
2067	(20)%	(5)-10%

With our focus always on 2020 as a whole, we wanted to update this chart for the remaining 6 months of the year, taking into account that we have already gained 12% in the past quarter:

S&P 500 Index	S&P 500 Performance	RS Low Beta Performance
December 31, 2020	July - December 2020	July - December 2020
3596	16%	18- 23%
3348	8%	16-21%
3100	Flat	14-19%
2842	(8)%	8-18%
2584	(16)%	3-13%

As can be seen, the estimates are still mostly in line with our projections from 3 months ago. We had to make slight adjustments down on a few S&P 500 levels just based on the fact that we are now assuming an average VIX of 28 throughout the remainder of the time period. While we believe that the remainder of 2020 will continue to experience higher volatility, we do not expect it to reach those levels seen in March and April. With that said, the opportunities for RS Low Beta Opportunity Fund with a VIX in the 20's and 30's is still significant, and we believe 2020 will be a good year for our investors.

We appreciate your trust and as always, please don't hesitate to reach out to David or Brian with any comments or questions.

David Rosenblum & Brian Shapiro

RS Low Beta Opportunity Fund