

Market Review

The first quarter of 2021 was characterized by increased volatility, particularly with respect to downward pressure on some stocks considered by markets to be in an aggressive growth category. Specifically, increases in the 10-year U.S. Treasury yield triggered programmatic selling across many growth companies, particularly those that had appreciated significantly in 2020.

While we agree that some depressed stocks, and even industries, became oversold during the pandemic, particularly high-quality, sustainability-focused office REITs and furnishings suppliers, we believe that the interest rate on the 10-year note has little to do with the overall trajectory of the global economy. Companies providing superior products, services, and value, often at lower relative costs, will continue to gain market share in their respective markets, many of which are themselves rapidly growing. We believe that Q1 2021, while overall providing positive returns, represented a good entry point to invest in stocks with better-than-average chances of earning significant growth into the next 5-to-10-year timeframe, as the rotation away from the causes of our primary risks toward the solutions to those risks continues to gain momentum, dwarfing near-term cyclical rotations into or out of short-term oriented notions of growth and value.

Fund Recap

For the first quarter of 2021, the Shelton Green Alpha Fund returned 2.90%, vs the MSCI All Country World Investable Market Index (MSCI ACWI IMI), at 5.14%.

The top two contributing sectors to the Fund's YTD returns were Technology and Consumer Staples.

- Within Technology, gains were led by front-end capital equipment for semiconductor manufacturing, as a global chip shortage spurred capital expenditures on foundry equipment. Gains from fabrication facilities, chipmakers, and foundries in general were augmented by gains from an infrastructure software provider. Additional gains came from a leading IT services provider and patent leader in multiple Next Economy™ areas.
- In the Consumer Staples sector, two of America's top regional organic grocery outlets contributed meaningfully to returns, as natural and organic food, beverage, and personal care product demand continued to gain market share.

The Fund's two lagging sectors YTD were Utilities and Real Estate.

- Although the sector was the leading detractor from portfolio performance, Utilities only modestly detracted from returns as two renewable utility-scale electric utilities declined during the quarter.
- The Real Estate sector experienced declines from a specialty financier of renewable energy and efficiency projects. Data center REITs also declined, but were partially offset by the share price recovery in sustainable and well-run office REITs as pandemic fears began to subside.

Fund Performance

Average Annual Total Returns

	1Q21	YTD	1YR	3YR	5YR	Since Inception
NEXTX	2.90%	2.90%	169.44%	39.19%	26.93%	21.14%
MSCI ACWI IMI* ¹	5.14%	5.14%	57.58%	11.89%	13.20%	10.23%
S&P 500 Composite Stock Index* ¹	6.17%	6.17%	56.39%	16.75%	16.27%	14.64%

*It is not possible for individuals to invest directly in an index. Performance figures for an index do not reflect deductions for sales charges, commissions, expenses or taxes. ¹Effective June 10, 2019, the Fund replaced the S&P 500 Composite Stock Price Index as the Fund's primary benchmark because the Adviser determined that the new benchmark more closely aligns with the investment strategies of the Fund.

Total returns include changes in share price and the reinvestment of income dividends and all capital gains distributions. Performance figures represent past performance and are not a guarantee of future results. The investment return and the 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; current performance may be lower or higher than the performance data quoted. For more current month-end Fund performance information, please call our office at (800) 955-9988.

INVESTMENTS ARE NOT FDIC INSURED OR BANK GUARANTEED AND MAY LOSE VALUE.

Fund Management

Garvin Jabusch Portfolio Manager



Prior to co-founding Green Alpha with Jeremy Deems in 2007, Garvin worked at Forward Management, LLC where he managed the Sierra Club Stock Fund and the Sierra Club Equity Income Fund. Before Forward Management, Garvin served as Vice President of Strategic Services at Morgan Stanley where he contributed to such projects as the integration of European acquisitions and the disposition of Morgan Stanley Online. Garvin holds an MBA in international management and finance from the American Graduate School of International Management (Thunderbird).

Jeremy Deems Portfolio Manager



Prior to co-founding Green Alpha, Jeremy was CFO of Forward Management, LLC, the investment advisor to the Forward Funds and Sierra Club Mutual Funds. He was responsible for all areas related to finance, operations, and human resources. Jeremy was also a co-portfolio manager on the Sierra Club Stock Fund, alongside Green Alpha co-founder, Garvin Jabusch. In addition, Jeremy was the CFO of ReFlow Management Co., LLC, an innovative liquidity management tool for the mutual fund industry. Jeremy holds an MBA in Finance and B.S. in Business Administration, Honors Concentration in Financial Services from Saint Mary's College of California. He was a licensed Certified Public Accountant from 2001 to 2016. Jeremy is also an independent Trustee and Audit Committee Chairman for several mutual fund trusts, consisting of funds managing in excess of \$20 billion in client assets, spanning the open-end, exchange traded and closed-end fund marketplaces.

IMPORTANT INFORMATION

Shelton Green Alpha Fund's environmental focus may limit investment options available to the Fund and may result in lower returns than returns of funds not subject to such investment considerations. There are no assurances that the Fund will achieve its objective and or strategy. Investing in securities of small and medium sized companies, even indirectly, may involve greater volatility than investment in larger and more established companies.

Investors should consider a fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus contains this and other information about the fund. To obtain a prospectus, visit www.sheltoncap.com or call (800) 955-9988. A prospectus should be read carefully before investing.

The Shelton Green Alpha Fund is distributed by RFS Partners, a member of FINRA and affiliate of Shelton Capital Management.

Green Alpha Advisors is not affiliated with either RFS Partners or Shelton Capital Management.



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