

## Fund Overview

A core strategy that invests in a high conviction portfolio of companies with attractive earnings growth potential, strong management and reasonable valuations.

## Investment Process

Fundamental, bottom-up security selection

## Investment Style

Large Cap Core

## Benchmark

S&P 500 Index<sup>1</sup>

## Portfolio Characteristics as of 3/31/17

	Fund	Benchmark
Market Cap (weighted avg.) <sup>5</sup>	\$198,673	\$163,931
Forward Price/Earnings <sup>6</sup>	19.80	18.28
ROE <sup>7</sup>	19.31	18.81
Beta <sup>8</sup>	1.01	1.00
Number of Securities	52	505

## Portfolio Investment Team

**Christopher Brown**, Chief Investment Strategist, Portfolio Manager

**Phil McManus**, Equity Analyst

## Performance and Portfolio Update

- The Fund underperformed the S&P 500 Index<sup>1</sup> in the first quarter. Poor stock selection within the Healthcare and Technology sectors were key detractors.
- Large-cap stocks had a very strong quarter, with the S&P 500 Index outperforming the Russell Midcap Index<sup>2</sup> by 0.92% and the Russell 2000 Index<sup>3</sup> (representing small-cap stocks) by 3.61%.
- Within Technology, Qualcomm was one of the largest detractors as shares came under pressure when it was announced the company could face an anti-trust case for its licensing practices.
- The Fund benefited from strong stock selection in the REIT<sup>4</sup> and Industrial sectors. Within the REIT sector, our holdings in wireless tower companies posted strong relative returns. Both American Tower and Crown Castle are benefiting from the increasing demand for data by the major wireless carriers.
- In our view, U.S. equities continue to look expensive from a valuation perspective. The forward price-to-earnings ratio on the S&P 500 Index remains at levels not seen since 2007. We remain overweight the Financial sector, as we believe higher interest rates will benefit financial companies through higher profits. We are underweight the Consumer Discretionary sector as total household debt is near all-time highs which could negatively impact consumer spending.
- Year-to-date, the dollar has weakened against many of the major foreign currencies. If this trend continues, U.S. large-cap stocks could benefit due to more competitively priced products and services overseas.

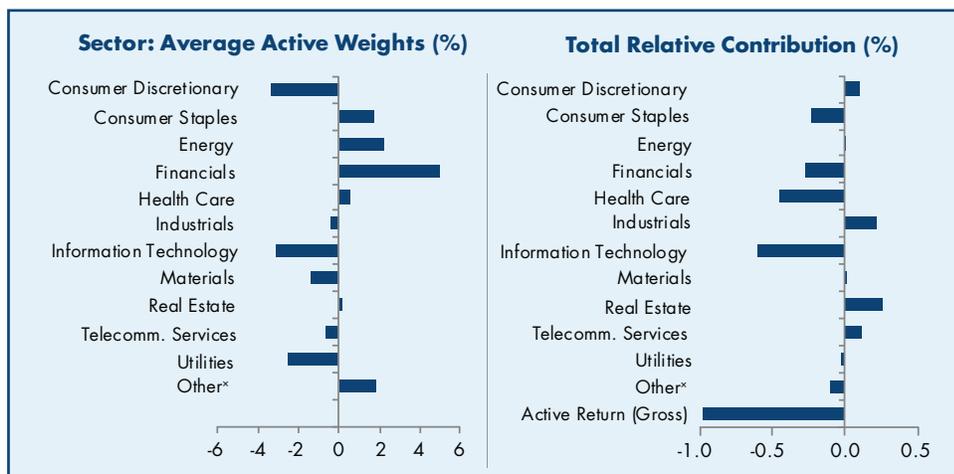
## Returns (%)<sup>9</sup>

As of March 31, 2017

	3-month	YTD	Since Inception
Pax Large Cap Fund			
Individual Investor Class (PAXLX) (Inception Date: 12/16/16)	4.84	4.84	3.97
Institutional Class (PXLIX) (Inception Date: 12/16/16)	4.84	4.84	3.97
S&P 500 Index	6.07	6.07	5.24
Lipper Large-Cap Core Funds Index <sup>10</sup>	5.76	5.76	4.93

**Performance data quoted represents past performance, which does not guarantee future results. 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. Current performance may be lower or higher than the performance data quoted. To obtain performance for the most recent month-end call 800.767.1729 or visit [www.paxworld.com](http://www.paxworld.com).**

As of 12/16/16 prospectus, total annual Pax Large Cap Fund operating expenses, gross of any fee waivers or reimbursements (excluding Acquired Fund fees and expenses), for Individual Investor Class and Institutional Class shares are 0.95% and 0.70%, respectively.



\*Other: ETFs (for short-term cash mgmt. purposes) and Cash & Equivalents.

Past performance is no guarantee of future results.

**RISK: Equity investments are subject to market fluctuations, the fund's share price can fall because of weakness in the broad market, a particular industry, or specific holdings. The Pax Large Cap Fund is new and has a limited operating history.**

Top Ten holdings as of 3/31/16: Apple, Inc. 5.4%, Microsoft Corp. 4.6%, Amazon.com, Inc. 3.8%, Chubb Corp., The 3.6%, Berkshire Hathaway, Inc., Class B 3.3%, Schlumberger, Ltd. 3.0%, PepsiCo, Inc. 2.7%, Stanley Black & Decker, Inc. 2.7%, Ingersoll-Rand PLC 2.5% and Alphabet, Inc., Class A 2.5%. Holdings are subject to change.

- The S&P 500 Stock Index is an unmanaged index of large capitalization common stocks. One cannot invest directly in any index.
- The Russell Midcap Index measures performance of the mid-capitalization sector of the US equity market. The index is a float-adjusted, capitalization-weighted index of the 800 smallest issuers in the Russell 1000 Index. The index is a subset of the Russell 1000 Index and serves as the underlying index for the Russell Midcap Growth and Value Index series. The Index is reconstituted annually. One cannot invest directly in any index.
- The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000 Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. One cannot invest directly in any index.
- REIT stands for Real Estate Investment Trust. A REIT is a type of security that invests in real estate through property or mortgages and often trades on major exchanges like a stock.
- Weighted Average is an average in which each quantity to be averaged is assigned a weight. These weightings determine the relative importance of each quantity on the average.
- Forward Price-Earnings Ratio or P/E FY1 ratio is a ratio for valuing a company that measures its current share price relative to its per-share earnings over the next 12 months.
- Return on Equity: The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.
- An Ex-ante Beta is used for Funds with less than 2 years of performance history under its new mandate. The Ex-Ante Beta is calculated using a multi-factor risk model. Beta explains common variations in stock returns due to different stock sensitivities to the market relative to its underlying benchmark for the current period, not historical. A beta for a benchmark is 1.00; a beta greater than 1.00 indicates above average volatility and risk.
- Figures include reinvested dividends, capital gains distributions, and changes in principal value.
- Lipper Large-Cap Core Funds Index tracks the results of the 30 largest mutual funds in the Lipper Large-Cap Core Funds Index Average. The Lipper Large-Cap Core Funds Index Funds Average is a total return performance average of mutual funds tracked by Lipper, Inc. that invest at least 75% of their equity assets in companies with market capitalizations (on a three-year weighted basis) above Lipper's USDE large-cap floor. Large-cap core funds have more latitude in the companies in which they invest. These funds typically have an average characteristics compared to the S&P 500 Index. One cannot invest directly in an index.

The statements and opinions expressed are those of the author as of the date of this report. All information is historical and not indicative of future results and subject to change. This information is not a recommendation to buy or sell any security. Past performance does not guarantee future results.

You should consider Pax Funds' investment objectives, risks, and charges and expenses carefully before investing. For this and other important information, please obtain a fund prospectus by calling 800.767.1729 or visiting [www.paxworld.com](http://www.paxworld.com). Please read it carefully before investing.

An investment in the Pax Funds involves risk, including loss of principal.

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