KEY TAKEWAY

Optimism about a quick trade deal following the G-20 summit at the beginning of the quarter quickly dissipated as both the U.S. and China appeared to harden their negotiating positions. It worsened further after the U.S. threatened to impose additional tariffs on all imports from China.

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Third Quarter 2019 Commentary

The Thomas White American Opportunities Fund Investor Class shares returned +1.08% for the third quarter of 2019, compared to its primary benchmark, the Russell Midcap Index, which returned +0.48%. The Fund's secondary benchmark, the S&P 500 Index, returned +1.70% during the same period. Year-to-date, the Fund's Investor Class shares have returned +21.34% compared to +21.93% for the primary benchmark and +20.55% for the secondary benchmark.

AVERAGE ANNUAL RETURNS[1] AS OF SEPTEMBER 30, 2019

	3RD QTR	YTD	1Yr	3Yrs	5Yrs	10Yrs	Since Inception
American Opportunities Fund	**1.08%**	**21.34%**	**3.37%**	**9.93%**	**7.92%**	**11.34%**	**7.99%**
Russell Midcap Index[2]	0.48%	21.93%	3.19%	10.69%	9.10%	13.07%	9.41%
S&P 500 Index[2]	1.70%	20.55%	4.25%	13.39%	10.84%	13.24%	6.34%

Inception: 3/4/1999. Gross Expense Ratio: 1.43%. Net Expense Ratio: 1.34%*

Performance data is based upon past performance, which is no guarantee of future results. The 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 higher or lower than the performance data quoted. Please call 1-800-811-0535 to obtain performance data as of the most recent month-end. The Fund imposes a 2% redemption fee on shares held less than 60 days. Performance data does not reflect the redemption fee. If reflected, total returns would be lower.

** The Advisor has entered into a fee deferral/expense reimbursement agreement through 2/28/2020.*

Despite increased uncertainties surrounding the U.S.-China trade negotiations, U.S. domestic equities ended the quarter with modest gains. Optimism about a quick trade deal following the G-20 summit at the beginning of the quarter quickly dissipated as both the U.S. and China appeared to harden their negotiating positions. It worsened further after the U.S. threatened to impose additional tariffs on all imports from China. Nevertheless, relatively stable economic data, especially from the housing and labor markets, as well as increased expectations of additional interest rate cuts by the U.S. Federal Reserve supported investor sentiment. The U.S. economy expanded at an annual pace of 2% during the second quarter, helped by healthy consumer spending. Retail fuel prices have trended lower after the brief spike that followed an attack on Saudi Arabian production facilities.

FUND REVIEW

Sectors such as utilities, real estate, and consumer staples that are less sensitive to changes in economic trends outperformed during the third quarter. Energy underperformed the most while the healthcare sector continued to be beset by pressure on pricing. Positive stock selection in the materials, healthcare, energy and financials sectors helped the Fund outperform its primary benchmark for the quarter. Higher allocation to the utilities sector also helped the Fund. Stock selection was less effective in the technology and communication services sectors, while an underweight in the consumer staples and real estate sectors also hurt the Fund's relative performance.

The Fund continues to maintain an overweight exposure to the materials sector, mostly through holdings tied to the housing industry, as we believe the revival in construction activity will help their earnings growth. The overweight in industrials reflects our confidence in stable demand growth, especially in logistics. We continue to believe that the Fund's healthcare holdings, especially

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equipment manufacturers, are unlikely to see significant pricing pressure. The utilities sector continues to see steady earnings and cash flow gains and the Fund remains overweight. As their margins remain depressed on lower pricing power and more intense competition, the Fund is retaining lower exposures to the consumer staples and communication services sectors.

TOP AND BOTTOM PERFORMING STOCKS

DURING Q3 2019

Top Performers	Average Weight %	Total Return %	Contribution to Return %
Lam Research Corporation	1.5	23.65	0.33
Martin Marietta Materials	1.6	19.38	0.28
Hershey Company	1.7	16.20	0.24
Ross Stores	2.1	11.09	0.22
Sherwin-Williams Company	1.2	20.24	0.21

Bottom Performers	Average Weight %	Total Return %	Contribution to Return %
DXC Technology	0.4	-38.84	-0.37
Concho Resources	0.6	-34.08	-0.24
NetApp	1.3	-14.24	-0.21
Royal Caribbean Cruises	1.8	-10.01	-0.21
CBS Corporation	1.0	-18.77	-0.21

TOP TEN HOLDINGS

Company	Weight
Fidelity National Information	2.3%
Ross Stores, Inc.	2.2%
Ameren Corporation	2.0%
FleetCor Technologies, Inc.	1.8%
Voya Financial, Inc.	1.8%
CMS Energy Corporation	1.8%
Royal Caribbean Cruises Ltd.	1.7%
Old Dominion Freight Line, Inc.	1.7%
Martin Marietta Materials, Inc.	1.7%
Crown Castle International Corp.	1.7%

Total Number of Holdings: 80
Top 10 Holdings Weight: 18.7%

Lam Research, a manufacturer of semiconductor processing equipment, was the top performer during the period on signs of a global recovery in demand for chipsets used in consumer devices. Robust housing sector data helped **Martin Marietta**, a producer of construction aggregates, as well as paint maker **Sherwin-Williams**. Candy manufacturer **Hershey** continued to outperform as successful integration of past acquisitions and better pricing have boosted its revenue and earnings outlook. Discount retailer **Ross Stores** also outperformed as consumer spending on affordable apparel continues to grow. Discount stores in general have been less affected by online competition, when compared to stores catering to the mid-market segment.

DXC Technology, a provider of technology services, detracted the most from Fund returns for the quarter as it failed to meet earnings expectations for recent quarters. A leadership change announced recently has not helped build confidence in the growth outlook and the Fund exited its position during the quarter. Oil producer **Concho Resources** lagged as lower price realizations are expected to hurt earnings and cash flows. **NetApp**, which provides storage and data management solutions, declined on concerns about growing competition. Cruise line operator **Royal Caribbean** was negatively affected by lower revenue and earnings outlook from some of its competitors. Broadcaster **CBS** also underperformed on concerns that its merger with Viacom could distract from operational improvements when competition from streaming services is increasing.

The Fund's exposure to the real estate sector was increased with the purchase of healthcare real estate investment trust (REIT) **Medical Properties Trust** as well as multi-family residential REITs **Essex Property Trust** and **AvalonBay Communities**. Given the declining yields, income earning REITs are likely to retain investor attention in the medium term. Other additions to the Fund included semiconductor manufacturer **KLA Corp**, network security solutions provider **Fortinet**, and design automation solutions provider **Synopsys**. We believe these companies are well positioned to sustain their earnings growth, and current valuations appear relatively inexpensive. **Southwest Airlines** was sold as continued uncertainty over the grounded Boeing 737 Max aircraft could limit revenue growth. Natural gas producer **EQT Corp** was also sold after its earnings fell short of expectations repeatedly. Recreational vehicles manufacturer **Thor Industries** was sold as demand outlook remains subdued due to changing consumer lifestyle preferences. **Capri Holdings**, owner of Michael Kors and other brands, was also sold during the quarter as sales growth has been subdued.

OUTLOOK

Despite the harsher rhetoric, we believe the ability of the U.S. and China to further escalate the trade stalemate, or continue it much longer, is limited. On the face of it, the U.S. is better positioned to withstand the trade decline as its economy is more consumer driven. However, several large U.S. corporations count China as one their largest markets. Fears of weakening Chinese demand could hurt market valuations, and the resulting decline in household wealth may weaken U.S. consumer sentiment as well. Recent manufacturing sector surveys indicate that the U.S. is not quite impervious to the weaker global trends. Subdued industrial demand could reduce the pace of private sector hiring, which has been robust so far during 2019. Domestic political pressures ahead of next year's presidential elections could also limit the Trump administration's ability to persist with the trade disputes without further hurting the economy.

The meaningful decline in mortgage rates this year, along with the robust labor market that has supported moderate wage gains, has helped housing sector activity to reaccelerate. After the uncertain trends during the second half of 2018 as well as at the beginning of this year, sales of both new and existing homes have improved in recent months.

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The Federal Reserve continues to maintain that the U.S. domestic economy remains healthy, despite increased external risks caused by the trade slowdown. Nevertheless, the Fed has delivered two rate cuts so far this year and is expected to announce another cut before the end of 2019. Though the Fed, as indicated by the forward rate expectations in its 'dot plot', does not foresee much room for further rate cuts, the financial markets seem to have already priced in lower rates. Unless the economic data strengthens meaningfully from here on, the Fed is likely to feel pressure to deliver the expected rate cuts and avoid significant asset price declines.

Thank you for investing in the Thomas White American Opportunities Fund.

Mutual fund investing involves risk. Principal loss is possible. Investing in international markets may involve additional risks, such as social and political instability, market illiquidity, exchange-rate fluctuations, a high level of volatility and limited regulation. These risks are greater for emerging markets. Investments in small and mid cap companies involve additional risks such as limited liquidity and greater volatility.

Earnings growth is not representative of the Fund's future performance.

You should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. For a statutory or summary prospectus containing this and other information, please call 1-800-811-0535 or visit www.thomaswhitefunds.com. Read it carefully before investing.

Opinions expressed are those of the Thomas White Funds and are subject to change, are not intended to be a forecast of future events, a guarantee of future results, nor investment advice.

Fund holdings are subject to change at any time and are not recommendations to buy or sell any security.

Cash Flow: The incomings and outgoings of cash, representing the operating activities of an organization.

The G-20 (or Group of Twenty) is an international forum for the governments and central bank governors from 19 countries and the European Union. Although membership is generally based on the size of each member' economy in terms of Gross Domestic Product, this is not an absolute criteria. The organization has stated that "In a forum such as the G-20, it is particularly important for the number of countries involved to be restricted and fixed to ensure the effectiveness and continuity of its activity. There are no formal criteria for G-20 membership and the composition of the group has remained unchanged since it was established. In view of the objectives of the G-20, it was considered important that countries and regions of systemic significance for the international financial system be included. Aspects such as geographical balance and population representation also played a major part."

[1]Total return includes reinvestment of dividends and capital gains and reflects fee waivers/reimbursements, in the absence of which total returns would have been lower.

[2]The Russell Midcap Index measures the performance of the 800 smallest companies in the Russell 1000 Index, which measures the performance of the 1,000 largest US companies based on total market capitalization. The S&P 500 Index measures the performance of 500 leading companies in leading industries of the U.S. economy, capturing 75% coverage of U.S. equities. Both indices are not managed and returns assume the reinvestment of dividends. It is not possible to invest directly in an index.