

# **Quarterly Report**

**June 30, 2024**

## **Provident Trust Strategy Fund**

**(PROVX)**

**A NO-LOAD MUTUAL FUND**

**Provident Trust Strategy Fund (PROVX)**  
**Letter to Shareholders (Unaudited)**

July 1, 2024

Dear Fellow Provident Trust Strategy Fund Shareholders,

Provident Trust Strategy Fund (PROVX) gained 3.12% vs. the S&P 500's 4.28% advance for the quarter ended June 30, 2024. During Provident's tenure as portfolio manager (beginning September 9, 2002), PROVX gained +758.05% cumulatively with an 80.5% average month-end allocation to equities vs. +825.34% for the always fully invested S&P 500. Top performers for the quarter ended June 30, 2024 were Alphabet, Inc. (Class A&C), Costco Wholesale Corp. and the TJX Companies, Inc. while Visa, Inc., Fastenal, Inc. and Accenture PLC underperformed. During the quarter we reduced our Alphabet Cl. A&C positions. Our June 30 equity exposure was 90.35%.

Since the 2020 pandemic, America's economy, household wealth, and income outgrew the rest of world (ROW). The US stock market rose to over 70% of global equities (Grant's Interest Rate Observer). USA's 4% of the world's population accounts for over 25% of global GDP. Challenges to continued growth include:

- Immigration. Immigration as a percentage of total population is soaring, with +4.8% Hispanic immigration/births offsetting flat population growth for all others (WSJ), straining social services and opportunities to assimilate.
- Energy. Oil/natural gas production is outpacing domestic consumption, storage, and pipeline capacity.
- Homeownership. Home prices jumped +49% and monthly mortgage payments more than doubled, a punishing burden for aspiring home buyers.
- Renewable energy. Subsidizing wind and solar, intermittent producers of expensive power, caused a +29% spike in residential electricity rates despite record natural gas production at low prices.

We marvel at America's resilience in the face of many challenges. We maintain our 2 – 3% 2024 – 2025 GDP and inflation forecasts, and expect 1 – 2 Federal Funds cuts, +5 – 10% earnings growth, and 3 – 5% UST 10-year rates. No recession or stag-flation. We remain optimistic that stocks remain the best asset class for positive absolute investor returns after fees and the cost of inflation. Since 4Q 2019, the S&P 500 gained +53.5% cumulatively vs. -10.3% for the Bloomberg Aggregate Bond Index, despite significant equity fund redemptions. PROVX's investment returns were aided by above consensus asset allocation and our emphasis on dominant growth. We forecast \$240 S&P 500 profits valued at 20 – 25X valuation range for 2024. We contend the tsunami of baby boomer wealth and reasonable valuations minimize the potential for a -40% 2000 – 2002 style decline.

Thank you for your interest in the Provident Trust Strategy Fund.



J. Scott Harkness, CFA  
President

The Fund's 1-year and annualized 5-year and 10-year returns through June 30, 2024 were: 21.80%, 11.76% and 11.58%, respectively. The S&P 500, the Fund's benchmark index, 1-year and annualized 5-year and 10-year returns through June 30, 2024 were: 24.56%, 15.05% and 12.86%, respectively.

*The returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemptions of Fund shares. Performance data quoted represents past performance; past performance does not guarantee 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 since the above time period may be higher or lower than the performance quoted. Performance data current to the most recent month end may be obtained by visiting [www.provfunds.com](http://www.provfunds.com).*

As per the Fund's January 31, 2024 Prospectus, the total annual Fund operating expenses as a percentage of the value of your investment, which incorporates indirect fees and expenses that the Fund incurs from investing in the shares of other mutual funds including money market funds, otherwise known as acquired fund fees and expenses or AFFE, was 0.97%. Provident Trust Company has contractually agreed to cap the ratio of expenses to average net assets (excluding AFFE) at 1.00% through January 31, 2025.

While the Fund is no load, there are management fees and operating expenses that do apply. Such fees and expenses are described in the Fund's Prospectus.

**Mutual fund investing involves risk. Principal loss is possible. The Fund is non-diversified, meaning it concentrates its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund. The Fund may invest in smaller and medium sized companies, which involve additional risk such as more limited liquidity and greater volatility. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. The Fund may invest in money market funds. An investment in a money market fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the money market fund seeks to preserve the value of an investment at \$1.00 per share, it is possible to lose money by investing in the fund.**

GDP: Gross domestic product is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period.

P/E: The price-to-earnings ratio is the ratio for valuing a company that measures its current share price relative to its earnings per share.

S&P 500: An unmanaged index, consisting of 500 selected common stocks, commonly used to measure the performance of U.S. stocks. It is not possible to invest directly into an index.

Fund holdings and sector allocations are subject to change and should not be considered a recommendation to buy or sell any security. For a complete list of Fund holdings as of September 30, 2023, please refer to the Schedule of Investments in this report.

**Opinions expressed are subject to change, are not guaranteed and should not be considered investment advice or recommendations to buy or sell any security. Current and future holdings are subject to risk.**

*You may obtain a hard copy of the prospectus and the most recent performance data by calling (855) 739-9950 (also available at [www.provfunds.com](http://www.provfunds.com)). Please read the statutory and summary prospectus carefully to consider the investment objectives, risks, charges and expenses before investing or sending money. The prospectus contains this and more information. Please read the prospectus carefully before investing.*

<b>Shares or Principal Amount</b>		<b>Value</b>
<b>COMMON STOCKS - 90.3%</b>		
	<b>Airlines – 3.5%</b>	
244,719	Southwest Airlines Co.	\$ 7,001,411
	<b>Computer Services - 9.6%</b>	
62,760	Accenture PLC, CIA	\$ 19,042,012
	<b>Data Processing/Management - 1.5%</b>	
20,360	Fiserv, Inc.	\$ 3,034,454
	<b>Distribution/Wholesale - 2.9%</b>	
92,800	Fastenal Co.	\$ 5,831,552
	<b>Finance, Credit Card - 6.7%</b>	
50,891	Visa Inc.	\$ 13,357,361
	<b>Finance, Investment Banker/Broker - 5.0%</b>	
135,045	The Charles Schwab Corp.	\$ 9,951,466
	<b>Investment Management/Advisory Services - 5.3%</b>	
91,560	T. Rowe Price Group Inc.	\$ 10,557,784
	<b>Medical, Drugs - 1.3%</b>	
69,455	GSK PLC ADR	\$ 2,674,018
	<b>Medical, Health Maintenance Organization - 5.9%</b>	
22,905	UnitedHealth Group Inc.	\$ 11,664,600
	<b>Retail, Building Products - 3.7%</b>	
21,285	The Home Depot, Inc.	\$ 7,327,148
	<b>Retail, Discount - 14.1%</b>	
33,110	Costco Wholesale Corp.	\$ 28,143,169
	<b>Retail, Gardening Products - 1.7%</b>	
12,350	Tractor Supply Co.	\$ 3,334,500
	<b>Retail, Major Department Stores – 2.3%</b>	
41,970	The TJX Companies, Inc.	\$ 4,620,897
	<b>Super-Regional Banks - United States - 7.1%</b>	
91,220	PNC Financial Services Group, Inc.	\$ 14,182,886
	<b>Web Portals/Internet Service Providers - 19.6%</b>	
106,285	Alphabet, Inc., CIA	\$ 19,359,813
107,030	Alphabet, Inc., C1C	\$ 19,631,443
		\$ 38,991,255
	Total common stocks	<b>\$ 179,714,512</b>
<b>SHORT-TERM INVESTMENTS - 9.7% (a)</b>		
	<b>Money Market Fund - 9.7%</b>	
19,271,719	First American Treasury Obligations Fund, C1X	\$ 19,271,719
	Total short-term investments	\$ 19,271,719
	<b>Total Assets - 100.0%</b>	<b>\$ 198,986,231</b>

The Fund has adopted fair valuation accounting standards that establish an authoritative definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs used to develop the measurements of fair value. These inputs are summarized in the three broad levels listed below:

**Level 1:** Valuations based on unadjusted quoted prices in active markets for identical assets.

**Level 2:** Valuations based on quoted prices for similar securities or in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

**Level 3:** Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The following table summarizes the Fund's investments as of June 30, 2024, based on the inputs used to value them:

<b>Valuation Inputs</b>		<b>Investments in Securities</b>
<b>Assets:</b>		
Level 1:	Common Stocks	\$ 179,714,512
	Money Market Fund	\$ 19,271,719
<b>Total Level 1</b>		\$ 198,986,231
Level 2:		\$ -
Level 3:		\$ -
<b>Total:</b>		\$ 198,986,231

# ***Provident Trust Strategy Fund***

***N16 W23217 Stone Ridge Drive, Suite 310  
Waukesha, Wisconsin 53188***

## ***BOARD OF DIRECTORS***

JOHN F. HENSLER  
ADAM S. RIX  
THOMAS N. TUTTLE, JR.  
WILLARD T. WALKER, JR.

## ***INVESTMENT ADVISER***

PROVIDENT TRUST COMPANY  
N16 W23217 Stone Ridge Drive, Suite 310  
Waukesha, Wisconsin 53188

## ***ADMINISTRATOR, ACCOUNTANT, TRANSFER AGENT AND DIVIDEND DISBURSING AGENT***

U.S. BANK GLOBAL FUND SERVICES  
615 East Michigan Street  
Milwaukee, Wisconsin 53202  
800-811-5311 or 414-765-4124

## ***CUSTODIAN***

U.S. BANK, N.A.  
1555 North RiverCenter Drive, Suite 302  
Milwaukee, Wisconsin 53212

## ***DISTRIBUTOR***

QUASAR DISTRIBUTORS, LLC  
111 E. Kilbourn Avenue, Suite 2200  
Milwaukee, Wisconsin 53202

## ***INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM***

COHEN & COMPANY, LTD.  
1350 Euclid Avenue, Suite 800  
Cleveland, Ohio 44115

## ***LEGAL COUNSEL***

GODFREY & KAHN, S.C.  
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