Kinetics Mutual Funds

First Quarter 2020 - Conference Call with Peter Doyle

April 7, 2020

Important Risk Disclosures:

Horizon Kinetics Asset Management LLC ("HKAM") is pleased to announce that on April 7, 2020, Peter Doyle, Co-Founder of HKAM and Senior Portfolio Manager for Kinetics Mutual Funds, Inc., hosted a conference call to financial advisors. The transcript set forth below is intended to provide a summary of Mr. Doyle's remarks.

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Options contain special risks, including the imperfect correlation between the value of the option and the value of the underlying asset. In addition, investing in foreign securities involves more risk than does investing in U.S. investments, including the risk of currency fluctuations, political and economic instability, and differences in financial reporting standards. There may also be heightened risks investing in non-investment grade debt securities and the use of options. Also, there are risks associated with investing in small and medium size companies. Unlike other investment companies that directly acquire and manage their own portfolios of securities, the Funds pursue their investment objectives by investing all of their investable assets in a corresponding portfolio series of Kinetics Portfolio Trust.

The distributor of Kinetics Mutual Funds, Inc. is Kinetics Funds Distributor LLC.

Index Descriptions & Definitions:
The S&P® 500 Index represents an unmanaged, broad-based basket of stocks. It is typically used as a proxy for overall market performance. The S&P® 600 Index measures the small-cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable. The iShares MSCI ACWI Index seeks to measure the performance of both the MSCI World Index and MSCI Emerging Markets Index. The iShares EAFE Index measures international equity performance across large and mid-cap equities across developed markets in Europe, Australasia and the Far East, excluding the U.S. and Canada. The Barclays 1-3 U.S. Credit Bond Index is composed of investment grade U.S. credit securities with a maturity between one and three years. The Barclays U.S. Aggregate Bond Index is composed of the Barclays U.S. Government/Corporate Bond Index, Mortgage-Backed Securities Index, and Asset-Backed Securities Index, and includes securities that are of investment grade quality or better, have at least one year to maturity, and have an outstanding par value of at least $100 million. An investor cannot invest directly in an index.

Chris Bell: Hello, everyone on the phone. And thank you very much for your time today, and thank you for your confidence in what we do for you and your clients. To begin, I want to mention some updates to our website. If you go to www.kineticsfunds.com, you'll see our updated quarterly factsheets. But if you go to www.horizonkinetics.com and you go to the Research tab, you'll see some individual write-ups on our top holdings. Also, if you go to the tab marked Podcasts, you'll see our most recent postings. In addition to this call today, our Chairman and Chief Executive Officer, Murray Stahl, has recorded an hour-plus podcast, and Steven Bregman, President and Director of Research, has recorded a series of podcasts related to the markets. Also, there is a written piece from Horizon Kinetics. Finally, I want to make sure that you know that our sales team is available to you and to any of your clients, to speak to you at any time. Please reach out to us or to your HRC representative. If you need anything, we're available to you.

Today we're joined by Peter Doyle, President of Kinetics Mutual Funds, and by James Davolos, one of our Portfolio Managers. Peter will offer some more comments and James will present some statistics that we should all be considering. Next, I will discuss some updates on the Medical Fund and that portfolio manager's current thoughts. Afterwards, we'll take some questions. We have already received some questions, and we'll take some live questions as they're received. With that, I'd like to turn it over to Peter.

Peter Doyle: Good morning to everyone and thank you for taking the time to be with us this morning. We hope that you are well and that you and your loved ones are doing well. I've worked in the financial services industry since the mid-1980s, and I have witnessed firsthand the 1987 crash, the 1997 Asian crisis, the 1998 crisis of Long-Term Capital, the tech bubble and the 2008-2009 financial crisis; and there were many other crises and recessions in between. The current crisis is, by far, the largest in terms of immediate economic impact. The multi-trillion dollar question is how long and to what extent it will remain an economic crisis. Obviously, we all hope for a V-shaped recovery, but the fallout and the implications for the profitability of many companies is likely to linger for many, many months, if not years, in some cases. It is clearly made more tragic by the loss of life associated with this crisis but, in our role as asset managers, our focus is solely on what's happening on the economic front. And I just want to highlight some of the devastation that has occurred in such a short amount of time. In two weeks' time, the unemployment rate spiked from a starting point of 3.5% to approximately 10% today, and it is certainly on its way higher. Now, my guess is that to get back to 3.5% is going to take a number of years, because even with all the stimulus packages that are being proposed and implemented, they are not going to correct a number of businesses; certainly, many small businesses are likely to have to fold as a result of this situation. For the two-week period ending April 2nd, the total gross box office revenue for the movie theatres in this country was a total of $10,200. During the same time period in 2019, gross box office receipts totaled $385 million. So, that's just a staggering decline, obviously. I'm sure you all have your own examples, but just here in New YorkCity, MTA ridership of the subway is down 87%. If you think about that lost revenue and what's going on in various states and municipalities, the numbers are actually staggering. This shortfall has serious implications for future services, because, unlike the federal government, state and local governments don't have the ability to print money. Lost revenue from the NCAA Basketball Tournament is estimated to be $700 million. This does not factor into account all the business done by restaurants and bars during this tournament. That's lost to them forever, and some of them are obviously going to have to close up shop as a result of that. Here in New York, American Airlines has reduced its daily flights from all New York airports from 271 down to 13. I could go through all of the airlines: they have similar reductions. No one's traveling. It's self-evident. To counter this economic decline, the U.S. government has enacted the CARES Act, with, approximately $2.2 trillion of rescue and support for businesses and individuals. Further, the Federal Reserve has planned to spend, if necessary, trillions more to provide liquidity and stability to the financial system. James will provide color on the extent later in the presentation, but,, suffice it to say, it's unprecedented in its scope. This Federal Reserve push, if you will, has been going on for a number of previous crises. In the previous crises, it has actually worked for a short period of time, but they have built in their desire to eliminate volatility in the market place, and that has tended to create bigger crises. So, the CARES Act is the third rescue plan and by far the largest, but it is not likely to be the last. Congress is already considering a fiscal stimulus bill that will total several trillion dollars. The 2020 fiscal budget deficit was estimated to be, approximately, $1.2 trillion going into this crisis; it is now running at about $1.7 trillion and, at our best estimate, it's likely to total $2.5 trillion for the fiscal year 2020. Obviously, the longer we stay at home and don't get back to work, the greater the fiscal deficit is going to be. , You can see that without any real precedent, this is by far the largest economic crisis that we've ever experienced. Even during the start of the Great Depression, to get to 10% unemployment took two years. Now, I'm not suggesting that we're going into a depression, by any stretch of the imagination – the government is going to spend whatever it needs to spend; they're going to print money to prevent that from occurring. That's very different from what went on in the Great Depression. But the shock to the system has just been absolutely astounding, and the implications from it are such that it is hard to see where it's going to come out. On a portfolio front, we went into this crisis being very defensive, having a fair amount of cash, primarily because valuations were very extended, and we haven't really made a lot of changes. At the margin, we added here and there to our names. And the reason for that is that even though stocks have come down fairly substantially, despite the more recent rebound, the valuations were actually still extended, even when the market was down 30-some-odd percent. So, with that, I'm going to start the more formal presentation. James has labeled this "Old Paradigm, New Paradigm"; a paradigm is essentially a model.

And the model for us, as investors, has always been classical value investing. And this has always meant focusing on sustained business returns and paying attention to prices at our entry point. And that, over a long period of time, has held us in good stead. More recently, and I'm saying in the past 5-10 years, there has been a shift, and we've discussed it in the past; my colleague Murray Stahl has discussed it a thousand times and written probably at least 100 essays on it – the shift to passive strategies has really taken away any focus on valuation; valuation judgment has been thrown out the window. As more money has been taken away from active management and moved into passive strategies, the passive vehicles continue to buy the same names, irrespective of the price or the valuation. That is not going to come to a good end. And you can see that during this recent downdraft that we have had, if somebody wanted to raise money, they no longer have the ability to sell two stocks in the portfolio—they now have to sell all of the stocks. If they held the SPDR ETF, they sold 500 stocks. In their design to *control* volatility, they've actually *increased* volatility, and I don't believe we've seen the last of that. And certainly the large liquid names are probably where the most risk is in the market, despite the fact that they've run up in the last couple of days.

Old Paradigm

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paradigm noun

Save Word

par·a·digm | \ ˈper-ə-ˌdīm , ˈpa-rə- *also* -ˌdim \

Definition of *paradigm*

: a philosophical and theoretical framework of a scientific school or discipline within which theories, laws, and generalizations and the experiments performed in support of them are formulated

// the Freudian *paradigm* of psychoanalysis

broadly : a philosophical or theoretical framework of any kind

- Low (Declining Interest Rates); Low Inflation
- Growing Money Supply
- Modest Growth with Globalization of Trade
- Rising Federal Debts (Prolonged Deficits); Strong U.S. Dollar
- High (Expanding) Corporate Profit Margins
- Rising Corporate Debt and Share Buybacks

Source: Merriam-Webster Dictionary

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Here's the old paradigm. We had low declining interest rates and low inflation. We had a growing money supply. We had modest growth as a result of the globalization of trade. We had rising federal deficits and a strong U.S. dollar. We had high corporate profit margins and we had rising corporate debt and share buybacks. I might add to this bullet point that we also had the benefit of declining corporate tax rates and persistent low interest rates, with the 10-year Treasury yield today at 73 basis points. You're taking on a fair amount of risk.

Old Paradigm

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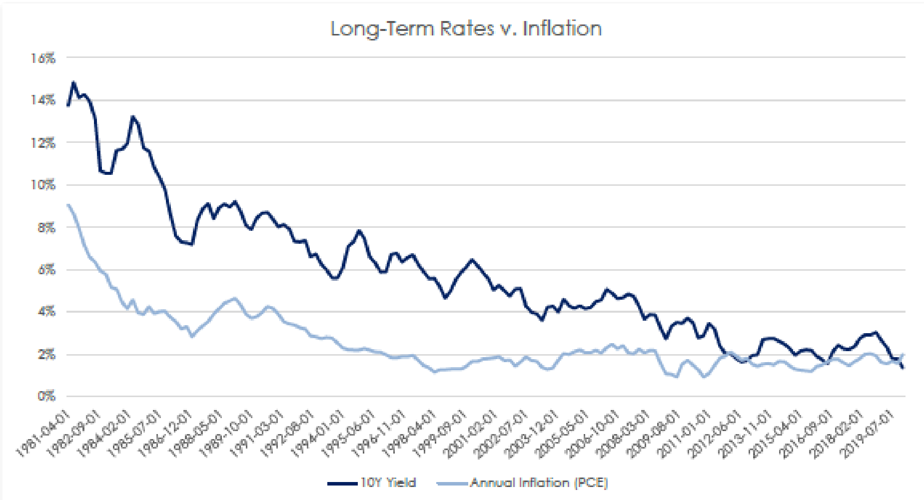
Low Rates and Low Inflation



The 10-Year Treasury has followed Fed Funds lower, amounting to over a 1400bps decline since the peak in 1981, while inflation has fallen from close to 10% to under 2% currently.

Source: St. Louis Federal Reserve Bank

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Obviously, on a nominal basis, you're losing money and there's no reward for that. So, the real challenge for investors today, and it has been true for some time, is that in this low interest rate environment, how do you get yield? How do you obtain fixed income? How do you get income for your investors? And the bond market is by far the largest and most important market in the world, followed secondarily by the currency market. Even though we traffic primarily in the equity market, we can't ignore that, and we can't ignore the issues that are confronting those markets in a very significant way. Therefore, a lot of this has had to do with, as I mentioned earlier, globalization. There was a desire – and you're now seeing that there are real problems with this desire – to increase efficiency. And having manufacturing around the world outside of your country is now being shown to be not so desirable, particularly when it comes to critical industries such as drug manufacturing or protective equipment for the medical community. You had the benefit of the last 30-plus years' dedication to lower inflation. You had the methodology by which the governments around the world calculate inflation. Our belief is that the real inflation rate is the growth of M2, and you can see that it's actually been much higher than the reported inflation rate, and it's actually spiking through the moon right now. And you've had further advances in technology. So, the 10-Year Treasury during this period of time had over a 1400 basis points decline since its peak in 1981, while real inflation rates fell from 10% to reported numbers of under 2%. This is, again, the old paradigm.

Old Paradigm

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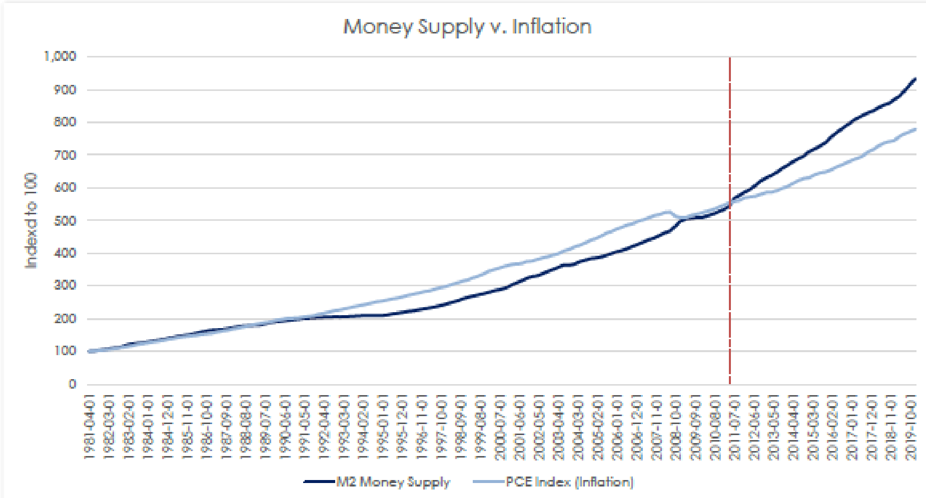
Growing Money Supply



The Personal Consumption Index ("PCE") nearly mirrored M2 Money Supply growth between 1981 and 2011. Since the end of 2011, M2 has grown over 22% more than PCE

Source: St. Louis Federal Reserve Bank

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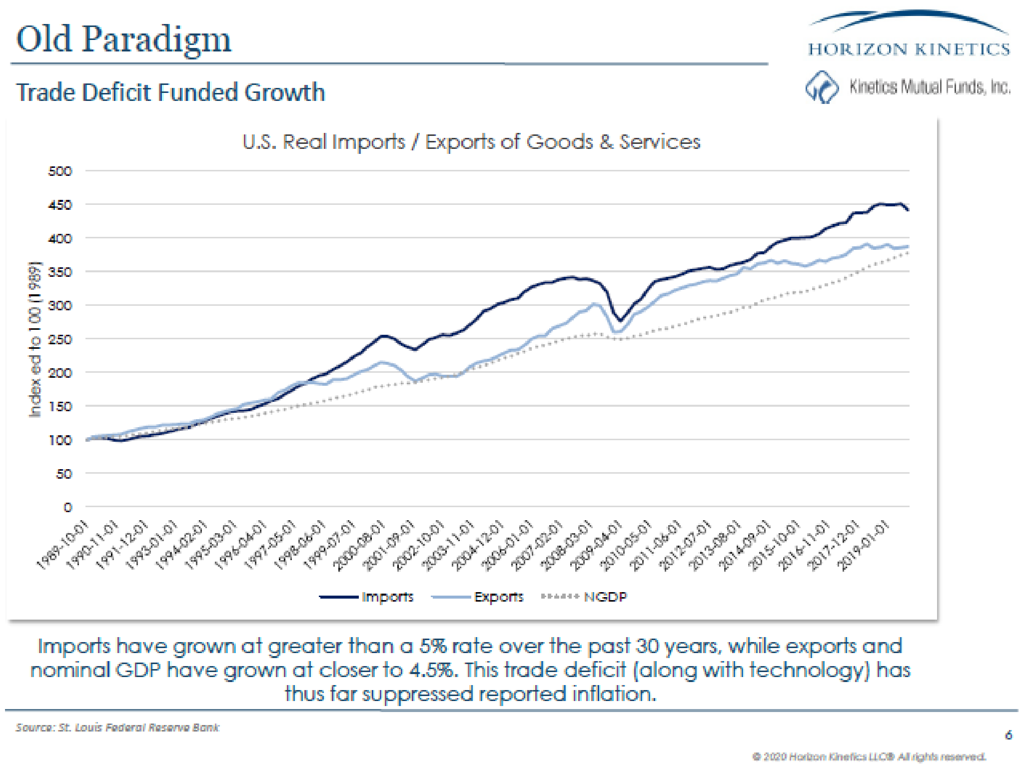
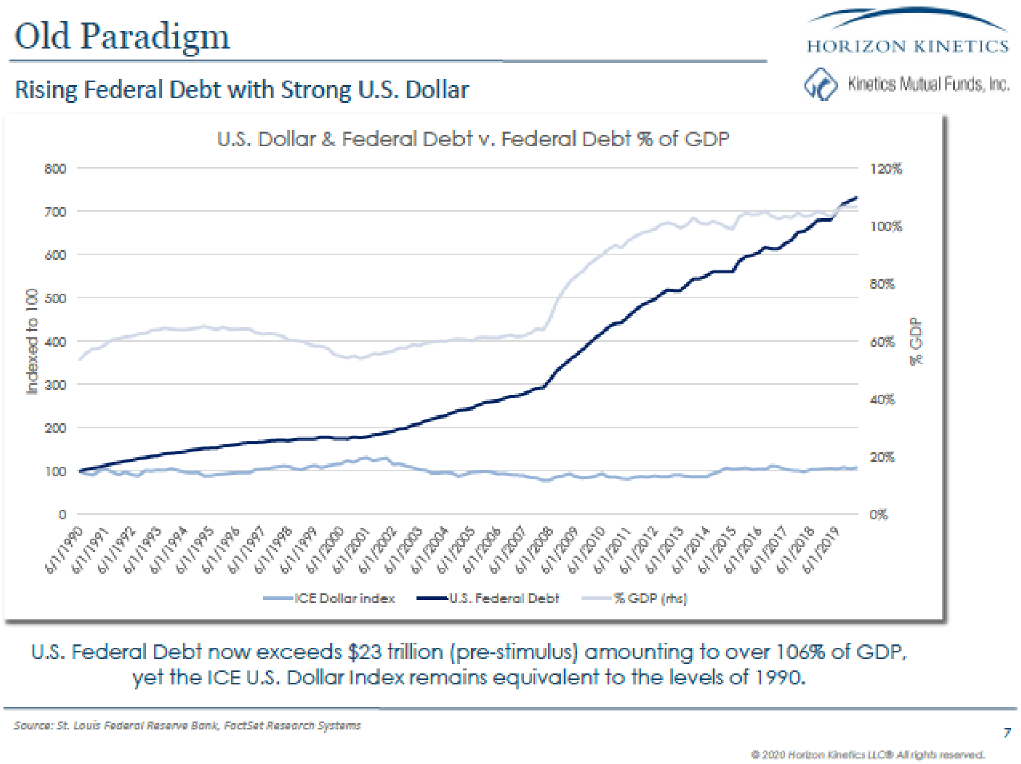
You can see here that the growth in money supply has actually been extended and has been growing faster, certainly since the end of 2011, faster than the Personal Consumption Expenditure Index. And we think that money supply growth is going to have significant implications for what's setting up to be the investment strategy for the future.



Here we have U.S. real imports versus exports, and you can see the trade deficit, and our ability to source products from overseas has definite inflation ramifications, and this, again, is going to have large implications because of the real issues of having all of our manufacturing overseas. One of the ways that the government is going to get out of this debt burden is that going to inflate their way out of it, and there are essentially two ways to really do that: 1) there's debasement of the currency, and since we're not a third world nation, the likelihood of that here in the United States is low, though not impossible; or 2) they're're going to have to build inefficiencies into the system. We're not going to go around the world and try to find the lowest price for manufacturing. We're going to have to bring a lot of that manufacturing home; we're going to have to pay higher prices for that, and that's a very likely scenario in our opinion. Let's move on to slide number 7.



Starting off with the bullet points, you can see that the rising federal deficit actually still hasn't really affected the U.S. dollar for a long period of time, and that's because the U.S. dollar is a reserve currency, and many countries around the world need it to acquire oil and other commodities. Typically, when a country expends more than they make and they continue to add on and pile on debt, their currency collapses. The U.S. has had the one major advantage of that not happening to us. There's obviously a number of countries around the world that would love to take that advantage away from the United States, and there's a number of people now that recognize that the system is broken, and they would like an option to get out of that situation and to not be so beholden to the United States or the U.S. dollar. Consequently, that's potentially going to have large implications for investing in the future.

Old Paradigm

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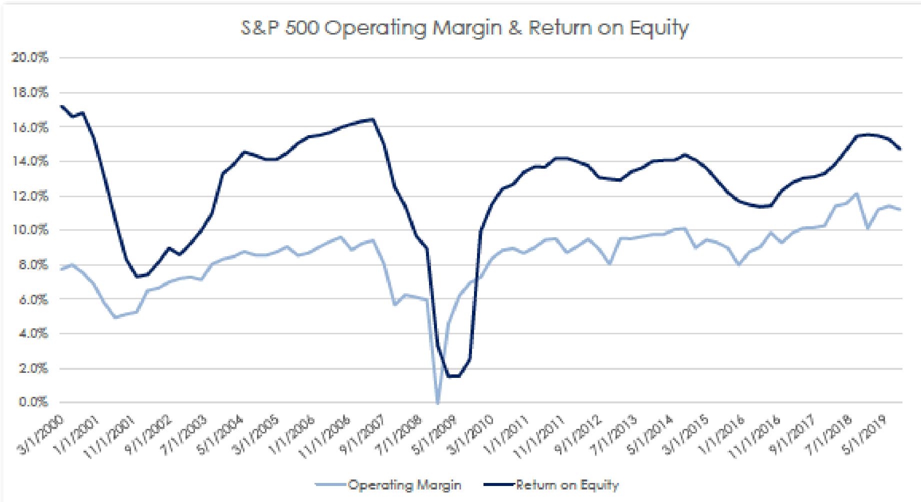
Peak Margins and Profits



S&P 500 Operating Margins are at nearly 12%, and returns on equity 15%. Margins are at an all-time high, while ROE has only been surpassed during 1999 and 2007 market bubbles.

Source: Source: S&P Global

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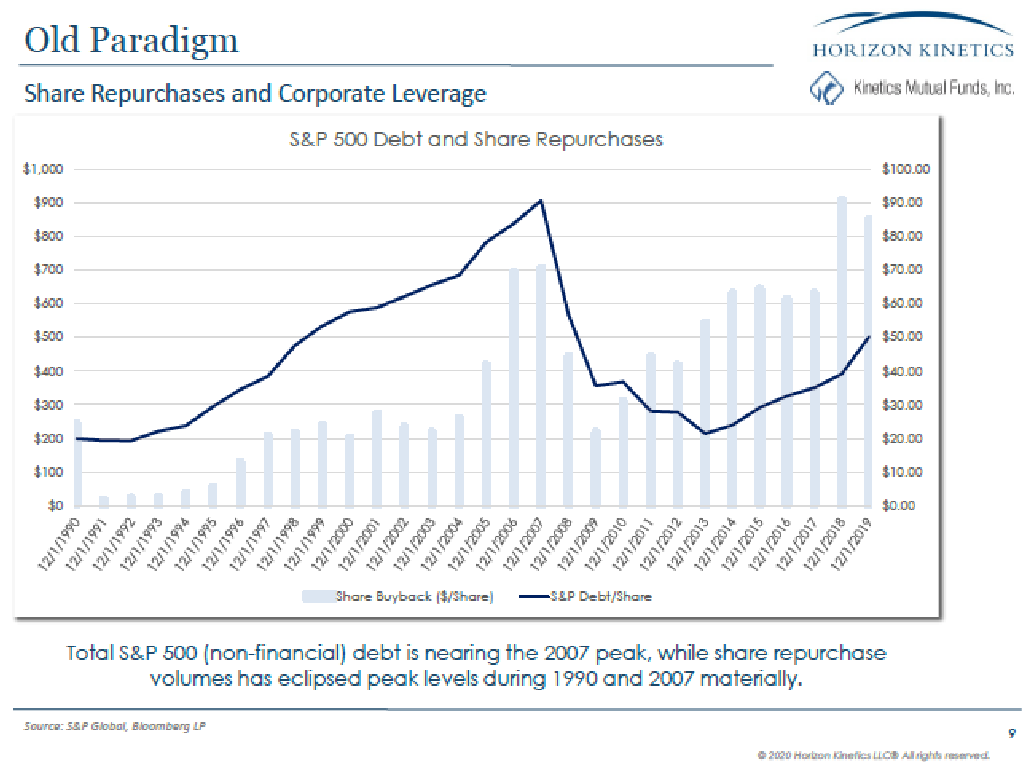
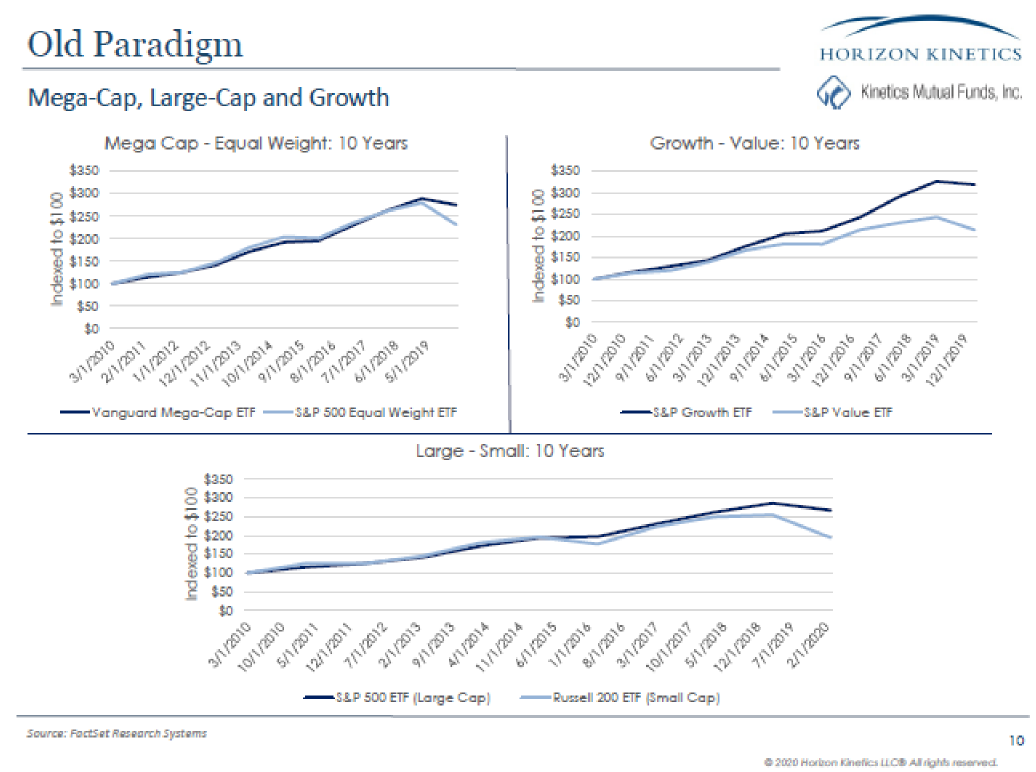
So, here we have the old peak models of the paradigm models of profitability. You can see that the returns on equity and profit margins for companies have grown considerably. Thus, the operating profit margins were nearly 12% for the S&P going into this crisis, with a return on equity of 15%. The long-term average has been for net profit margins to be somewhere between 6% and 7% and return on equity being somewhere around 11-12%. However, we've been operating at a far greater rate than that. There are a number of reasons for that. There are the issues I discussed before – globalization. There's also the issue of how large companies, particularly large technology companies, pay their employees. They pay them through stock options, and the stock options are a big chunk of the compensation expense that runs through the income statement, and they've been buying back their shares very aggressively to prevent this dilution.



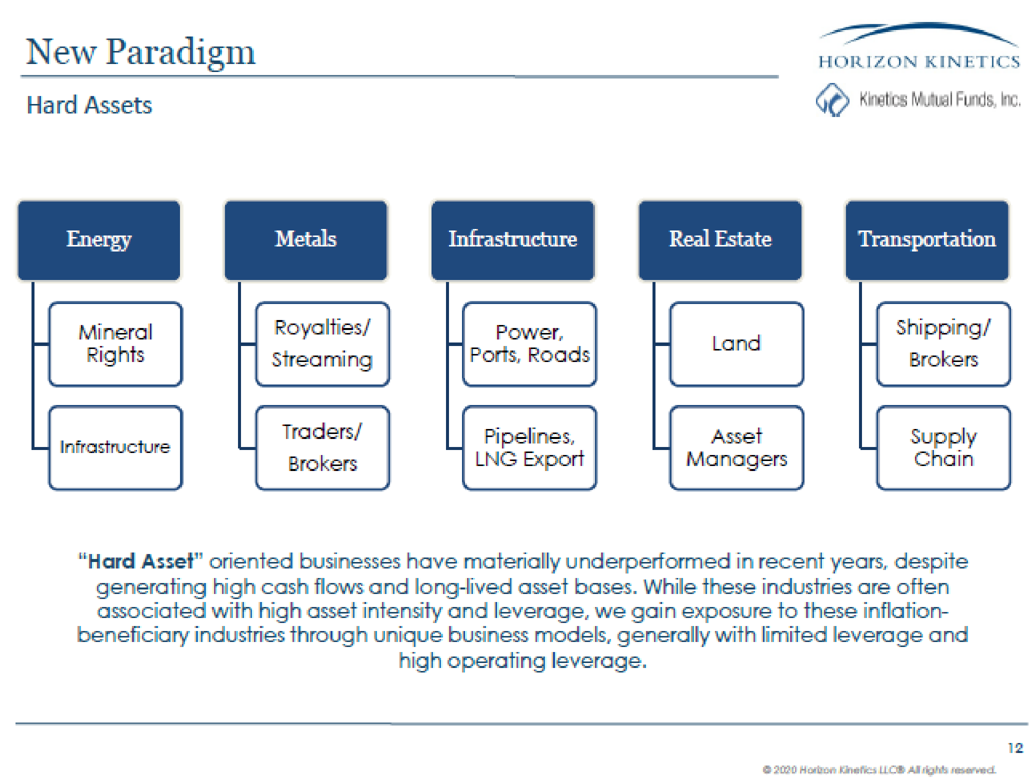
That model may potentially be broken. It remains to be seen how quickly the market comes back and how quickly the larger companies are able to reinstitute their share buybacks. But it certainly has implications for the returns of the stock market. Again, in the old paradigm, you had share repurchases. Over the last several years, corporate buybacks have accounted for somewhere between $700 and$800 billion worth of purchases. That's just a staggering sum. So, if you look at the transition that we've had from active management to passive, money taken away from active management going into passive is largely offset. The real marginal buyers have been corporations, and 75% of corporate buyback programs have been suspended right now. And if you're spending $700-800 billion and 75% of that is cut, you can see that the marginal buyer is not going to be there, despite whatever rallies are going on. So, how quickly can these companies restart their buyback programs? One of the things that irks a lot of people is that the airline industry spent 95% of its free cash flow over the last five years buying back its stock. We have a crisis and within two days, the airline industry had to turn to the government for help. Now, really, they should've been saving for a rainy day and they didn't, and a number of people are upset by that. So, we suffer the consequences as taxpayers. We pay the bill because we lend them the money to bail them out. We're not going to get paid back fully. And they get all the benefits., The executives collected hefty salaries over that five-year period of time, showing increased profitability because they shrunk their share count, and the taxpayer is basically burdened with the bailout. That's not going to fly politically going forward, in our opinion, and there are going to be consequences for that in the new paradigm. The old paradigm shows that mega-cap, large liquid names took in a big chunk of the flows. They outperformed value stocks. The tech names that I mentioned before, which we actually had been saying is why we've underperformed over this period of time, are grossly understating their true cost structures. If they can't pay people in stock options you're going to see the profit margins for those companies come down very aggressively. So, that's why I made the comment earlier before, even though some of those names might've been down 30%, they still were not cheap if you actually truly adjusted for stock options and paid their employees in cash. Maybe they get away with it, maybe it restarts up but it's certainly something to think about and something that we're concerned about.



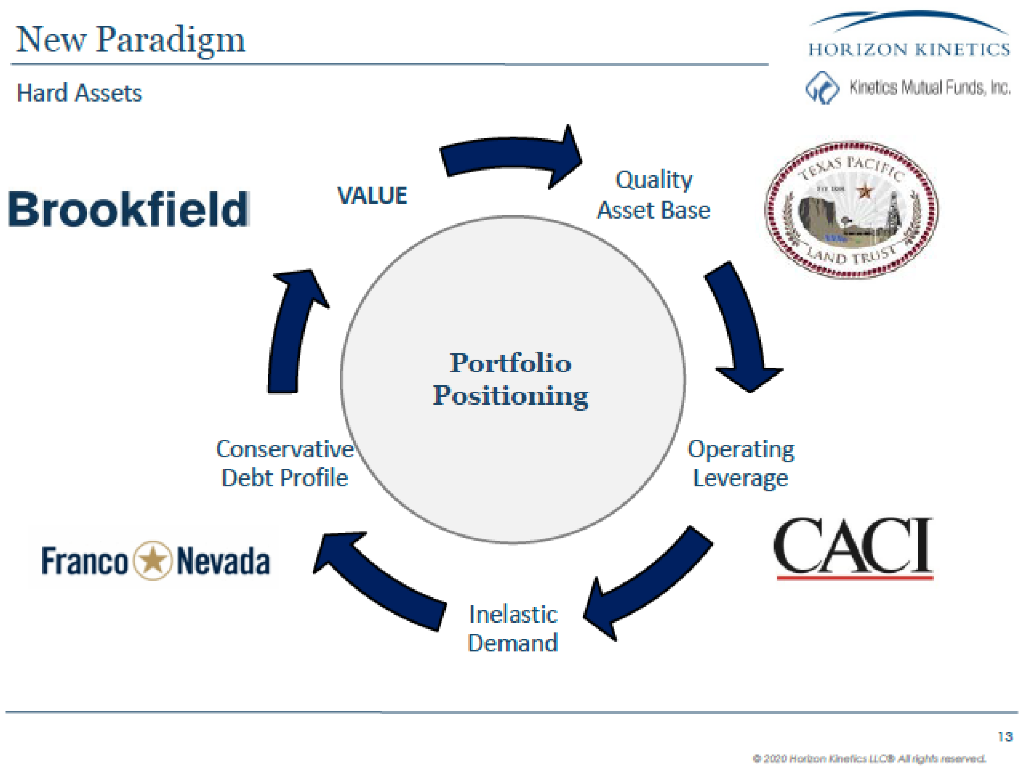
The small-cap Russell versus the S&P, again, is underperforming. The S&P is largely liquid names, easy to get in and out off through passive management. Those businesses had the most capital, so they were able to lever up their balance sheets to in order to execute corporate buybacks. That is the old paradigm and that paradigm is largely, I think, a thing of the past, and it's going to have implications for how you position yourself going forward. We were concerned about that old paradigm prior to this crisis; it's just become very stark to the rest of the world. And with that, I'm going to hand it over to James to shift us through to the New Paradigm.

James Davolos: Thanks Peter. So, Peter briefly went over all of the preconditions that had sustained asset prices and returns over the past 10 and even 30, 40, 50 years, and I think that a lot of investors today are incorrectly assuming that these preconditions are going to remain. And certainly there's a lot of algorithmic trading and structural and asset allocation-based models that haven't properly adjusted for what we think is going to be a profound paradigm shift, where it's, per the definition, an important change that happens when the usual way of thinking is replaced by a new and different way.

So, going line by line over the factors that Peter outlined, rates are at zero. The term structure of the U.S. yield curve is incredibly flat going all the way out to 10 and 30 years. We think – and we'll go through this in slides later – that inflation is destined to move higher, even if the government figures are deliberately understating true price increases. There's a rapidly accelerating money supply with global stimulus. M2 has been growing well in excess of inflation, but now it's wildly higher. And part of that, which we'll also talk about, is the velocity of money and what happened in the '08-'09 crisis versus today. There's going to be a severe temporary economic contraction. I think the expense and duration is anybody's guess. But something that people aren't properly forecasting when you look at different predictions and recovery scenarios is what happens when supply chains are disrupted. It's very difficult, if not impossible to just turn on a light switch and all of a sudden all of the Fifth Avenue retailers and restaurants are just suddenly fully supplied with inventory. Federal debt is now, I would guess, permanently going to be in excess of annual GDP in the United States – something that you probably would've thought was unlikely to have ever happened. Just to give you some context, the federal debt was about 106% of GDP before all the stimulus. You know, looking at the deficit this year, it's going to be meaningfully higher if you look at a $2 trillion estimated deficit. But the last time it was anywhere close to this high was when it was 120%, during World War II. And you had a massive GDP – real GDP growth during the war effort, but after the war, there was a contraction as everybody came home and things got back to normal. But then very robust growth occurred again, where debt went all the way back down to 40% by the 1980s. And then the 1980s, lo and behold, was when you saw extremely high inflation and, ultimately, the Federal Reserve acted to halt that. Corporate profit margins very likely will have to mean revert. Cost pressures are going to mount. I think that not only the supply chain but the globalization trends that we've seen where there's a labor arbitrage will be impacted. And one of the points on Peter's earlier slide was that we have been importing deflation where we've been importing cheap goods, cheap labor, cheap supply chains, and I think that that's been one of the reasons that headline inflation has been subdued. And then, finally, you really can't discredit the corporate deleveraging and impact on limited stock buybacks. So, with that, we'll go with a little more depth into these but our conclusion is that the way to be positioned for this new reality is hard assets.



A lot of different alternative asset managers including one that I respect a lot, Brookfield Asset Management, refer to them as real assets. But rather than looking at a real asset in terms of yield, we also look at it in terms of what is the asset value from which we are set up to be a beneficiary of this paradigm shift through high operating leverage, high returns on equity, and scalability, where these business models are dramatically impacted and for the better, very quickly, as this shifts? So, with energy, we're not thrilled with the capital intensity of the upstream businesses and of their high amounts debt. But if you own permanent mineral rights and if you own critical infrastructure, with metals and mining, royalties and streaming, and, to a lesser extent, traders and brokers, and again, with a very small balance sheet, high operating leverage, and high profitability, we believe that you are poised for success. As to infrastructure: there are power networks, transmission grids, not so much generation, but ports, roadways, and also, pipelines. Obviously, there are some that are not fully upstream, and there are a lot that are critical to liquefied natural gas exports that we think have structural tailwinds that are going to last decades and decades. As to real estate, it is difficult to own a mall and difficult to own hospitality like hotels today. You know, it's anybody's guess on how the government's going to step in here, but there are a lot of landlords or tenants that aren't going to be able to pay their rent, and ultimately, landlords are using a lot of leverage – 60-70% percent of their asset value. And if you look at what that is as a percentage of annual rent, their interest – their debt service and carrying cost, a couple months of zero revenue puts you in a tight spot. But I think there are ways to play real estate today. Raw land, where again, inflation and cost can be pushed out, and there's a tremendous capability to leverage increases in land value. And there are also asset managers. I mentioned Brookfield, where again, they own some properties but generally through permanent vehicles, conservative leverage, and by owning Brookfield, the fees accrue to you as a manger, not so much as a landlord. And then, finally, there is transportation. There are different parts of the shipping market that we find very attractive, primarily brokerage, where they don't have to own the vessels, they don't have to leverage the vessels, they don't have to operate the vessels, but there are different dynamics right now in the floating storage, in the VLCC and LR1 and 2 markets. And these companies are making a killing just simply by matching buyers and vessels. But then, there is also the supply chain. You know, transportation is critical to national security, and there's a long and very important supply chain within the United States economy that I think you really need to pay attention to. So, while a lot of these sectors might be viewed as capital intensive, with poor return potential, if you look down into the subsectors and niches within these asset classes, we believe that there's a very attractive risk-adjusted way to participate in this shift without taking the associated risks that many people associate with all of these industries. Moving on to the next slide, this gives you an idea of exactly how we look at these opportunities..



Quality asset base, operating leverage, inelastic demand, and a conservative debt profile. I'm not sure if you can see it clearly but in bold is value. You know, very few conversations I hear today about market levels even remotely mention the price that you're paying for what you get. So, you can say the price is what you pay; the value is what you get. We're much more concerned with what you get. And if you look at the asset bases of Franco Nevada, Brookfield, Texas Pacific, CACI: these are irreplaceable, incredibly highly demanded asset bases, whether it's intellectual property, land, resources, infrastructure, or operating capabilities. They have tremendous operating leverage, and generally a very conservative capital structure. Texas Pacific and Franco have zero debt. CACI is conservatively levered. Brookfield – most of the financing is at the asset level, not with the parent. You know, we're not concerned with what this year is going to be because these companies can survive a very, very long downturn. But when you look to 2021, 2022, 2023, and discount these businesses back, we get pretty excited about our outlook even with the uncertainty regarding the ultimate economic impact of the current disruption.

Current Market

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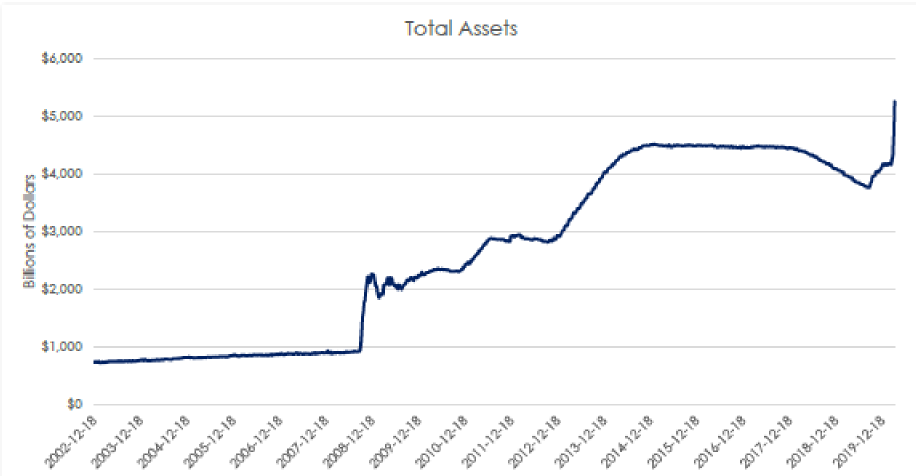
Federal Reserve Balance Sheet



Federal Reserve balance sheet now exceeds $5 trillion, compared to less than $1 trillion prior to the Global Financial Crisis

Source: St. Louis Federal Reserve Bank

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There's another thing that I just wanted to touch on regarding inflation. The Federal Reserve has taken an unprecedented role in the market where there's really a concern. I used to laugh but slightly worry about modern monetary theory where you just keep printing money and can keep the cycle going. In December of 2019, the Federal Reserve had $5 trillion of assets on its balance sheet. And this is pretty considerable when you look at 2012, which I'd say was when people started to think maybe we were reaching stable ground in the recovery from the global financial crisis – we were at $3 trillion. You can see we tried to taper into late '18, and the markets went haywire at the end of the year. We cut rates twice and then went back into the market with easing related to repos and other types of activities.

Current Market

HORIZON KINETICS
Kinetics Mutual Funds, Inc.

Reported Stimulus (Thus Far)

Country	Stimulus (% GDP)	% Global GDP	Contribution Global GDP
United States	9.95%	23.91%	2.38%
Euro Area	0.31%	15.88%	0.05%
China, P.R.: Mainland	1.37%	15.84%	0.22%
Japan	18.40%	5.79%	1.07%
Germany	18.90%	4.60%	0.87%
United Kingdom	1.77%	3.32%	0.06%
France	14.26%	3.23%	0.46%
India	0.18%	3.16%	0.01%
Italy	1.40%	2.43%	0.03%
Brazil	3.50%	2.18%	0.08%
Canada	6.12%	1.99%	0.12%
Russian Federation	0.28%	1.93%	0.01%
Korea, Rep. of	0.71%	1.89%	0.02%
Australia	9.96%	1.67%	0.17%
Spain	15.00%	1.65%	0.25%
Indonesia	0.21%	1.21%	0.00%
Saudi Arabia	2.36%	0.92%	0.02%
Turkey	2.34%	0.90%	0.02%
Argentina	1.00%	0.61%	0.01%
South Africa	0.00%	0.43%	0.00%
China, P.R.: Hong Kong	5.26%	0.42%	0.02%
			5.85%

Total reported global stimulus (through April 1st) already exceeds 5% of total global GDP.

Source: IMF, JP Morgan, Horizon Kinetics Research

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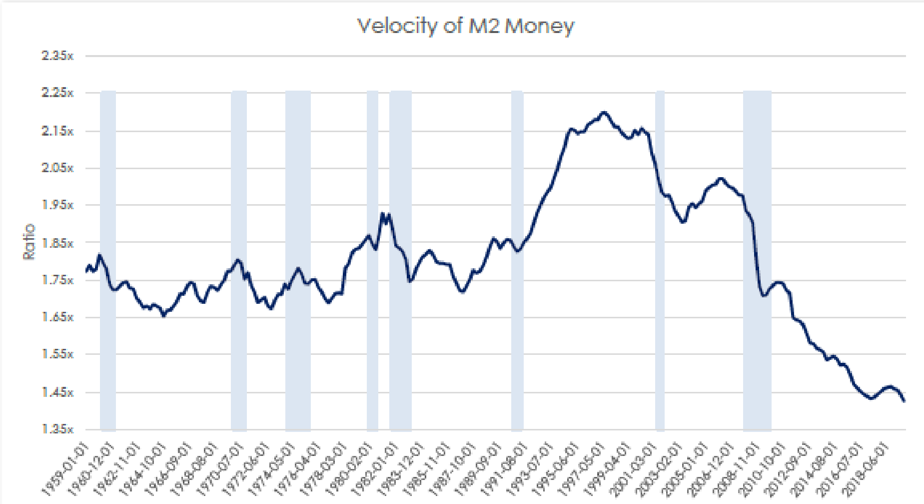
So, this is a dynamic number that changes every day. But if you look at – here are the countries – and in the second column, this gives you the stimulus as a percentage of GDP only of what has been reported and is being considered as of April 1st. For example, in the United States, there's a bill floating today throwing out another trillion dollars that's not included in these numbers. And Japan has far stronger measures that are in the pipeline. If you look at the third column, that's the percentage of global GDP. So, if you just simply do a sum product on the right, we've already added something close to 6% of global GDP equivalent in stimulus in the last couple of weeks to the economy, and it's only getting started. As to the original $2 trillion bill, the federal government and everybody else knows it's not going to be nearly sufficient. It was seemingly targeted at workers, but now we have to worry about the business owners, and then ultimately the property owners, where there are really, really scary things that are happening in the collateralized – the CLO markets, commercial REITs and even residential REITs, where there have been no bids for non-agency RMBS. Welcome back to '08. There are all these mortgage-backed securities again that are just completely illiquid and which previously evaporated in a crisis. So, this is just the beginning.

Current Market

HORIZON KINETICS
Kinetics Mutual Funds, Inc.

Velocity of Money



Velocity of Money is at a 60-year low, despite enlarged balance sheets at U.S. Federal Reserve Bank and U.S. Federal Government

Source: St. Louis Federal Reserve Bank

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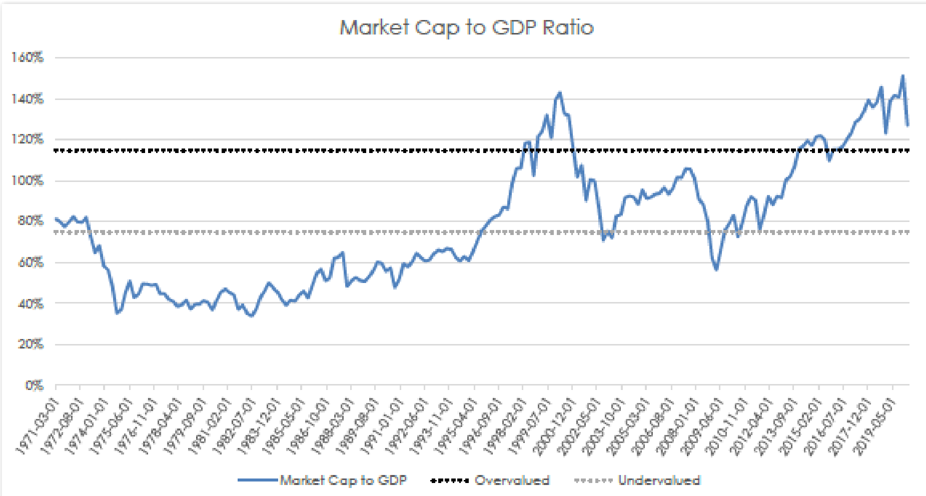
This is something that I alluded to earlier: the velocity of money. Even though we've been pumping more and more liquidity into the system, you can see the light bars here in recessions – typically, the reason why M2 declines is that money supply increases, which is M2 is basically divided by nominal GDP. So, if money supply is going up while GDP is going down, clearly velocity is going to shrink. But the idea is that afterwards – and you can see after a bottoming, every single time, you start to see velocity pick up. And that was a big part of what happened in the Greenspan era of the '90s, where you can see after the '91 recession, velocity really soared, stayed high, came down a little bit during the tech bubble's bursting, came back up pretty sharply going into the financial crisis, but ever since then, we've just been incredibly depressed. And I think a big part of that is that a lot of the liquidity measures, particularly in '08-'09, went to the banks. And the banks are better capitalized, but that money's not finding its way into the system. These new stimulus efforts are not giving money to banks yet. It's going directly to consumers; it's going to go directly to consumption, so there's going to be a very big change in, I think, the velocity of money simply based on where the stimulus is going and how it's going to flow through the real economy, not simply the financial plumbing.

Current Market

HORIZON KINETICS
Kinetics Mutual Funds, Inc.

Equity Valuations



The total stock market capitalization to GDP is currently approximately 130% - this uses a full-year GDP decline estimate of -6.2%

Source: St. Louis Federal Reserve Bank, Bloomberg LP, Goldman Sachs

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This is something that I think is really important. You know, we mentioned how little people talk about valuation right now. And a lot of really intelligent people we respect a lot in the value investing community say there’s not much to get excited about in the market. And I think this is really emblematic of why. Some people call this the Buffett indicator; the aggregate equity market capitalization to GDP. Warren Buffett has said in the past that you can see the lower bound slightly below 80% up to 120%, where overvalue and undervalue are. And you can see where that range is in between an estimate of fair value. It peaked slightly over 140% during the tech bubble. You’ll notice in 2006 and ’07, it actually didn’t even get above 120%. But going into 2020, at the end of last year, the market cap to GDP ratio was meaningfully higher even than the 1999 blowout peak in tech valuations and categorically higher than the 2007-2008 bubble. So, if we were to assume – and this uses a market value as of April 1st where we’ve rallied something like 10% off that low – if we assume, approximately, a 6.2% GDP decline this year, which was a number that Goldman Sachs estimated, I think people are assuming slightly less of a contraction for the year, the ratio is still at about 130%. So, this doesn’t scream bargain to anybody, but we don’t really care about aggregate numbers. If you look at what’s driving the aggregate market cap, look no further than the mega-cap stocks. I’ll ignore Amazon for the time being. There’s a story there that everybody’s ordering from home. So, maybe you believe that this is a staff function change for them. Apple: obviously, their supply chain is dramatically altered. You know, China is one of their major growth markets, which is going to see a very big change to their dynamic. If you believe unadjusted earnings for the year – the year ending September 2020 – are met, you are still paying in excess of 21 times forward earnings for that company. Again, this is a hardware company that has some services in tech, and a lot of people suspect that their fourth quarter numbers from last year were aided by the dramatically declining selling prices of new iPhones. About a year and a half ago they stopped disclosing iPhone volumes and pricing, which typically is not a good sign regarding where your business is headed. Google, again, is a phenomenal business but it's advertising. It's purely an advertising-based business model. If you believe their December forecast, which has been unadjusted for the COVID crisis, you're paying 25 times forward earnings for an advertising company in the middle of what is going to be an unprecedented shock to global supply and demand. Microsoft has been one of those businesses that people consider to be completely unassailable. There was a big upgrade cycle going into the fourth quarter but, you know, a big part of this business is the economy – subscriptions, renewals to all of their software products. Small business is a big part of that and the Azure Cloud business, which, from what I've been reading, is actually underperforming peers dramatically; if you believe the June estimate, which has been unadjusted, you're paying 30 times forward earnings for Microsoft. So, that's the mega-cap complex that is, by in large, holding up the indices this year. Microsoft is up year to date. But even going into the story stocks – you know, I looked at Netflix, where, sure, there are probably a lot more people streaming Netflix today because they're stuck at home. How sustainable is that and how profitably can it happen? Nobody cares. But, objectively, Netflix has about 70 million subscribers in North America. You know, if you add up total households in the United States, the 128 million, 12 million in Canada, works out to exactly 50% penetration. I think that's an incredibly high penetration rate. But even at that level of penetration in the U.S. and Canada, which is by far their most profitable market in terms of average subscription price, although they don't break out their segment profit margins, and using last year, you're buying Netflix at 100 times earnings. Now, one of the big stories about Netflix beyond growth in terms of penetration, both domestically but more so internationally, which, again – monthly subscription prices are anywhere from 30-50% lower as they continue to fight the content war – I thought it was pretty startling that they earned, roughly, a 10% profit margin last year. And a big part of that is that they're able to amortize their content over 30 years, even though I think, objectively, the useful life of a binge-able Netflix show might be more like 10 days or 10 weeks. But the margin expansion when they're basically in an all-out streaming war with the likes of Disney, and Amazon, and traditional media, at 10%, that's the same profit margin approximately of SiriusXM, which is a business that we own. And basically all they do is pass on the cost to individuals.

Summary

HORIZON KINETICS
Kinetics Mutual Funds, Inc.

Quality Assets & Value

- The entire global economy is at the outset of a transition, altering the investment backdrop that has persisted over the past 30+ years
- Geopolitics, supply chains and business models will need to be permanently altered
- The structure of capital markets may be regulated in light of passive/index dysfunction impacting all assets classes, but particularly credit markets
- Dormant inflationary forces are likely to abruptly arise due to global stimulus efforts coupled with supply side shortfalls – 40 Year Bond Bull Market unlikely to persist
- Equity and other "risk assets" will have less linear returns, and excess returns will be isolated (alpha v. beta)

HARD ASSETS, STRONG BALANCE SHEETS, DURABLE PRODUCTS/SERVICES

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We're altering all of the assumptions and backdrop over 30 years. You're going to really need to pay attention to new geopolitics, supply chains and business models. I think market structure is going to be dramatically altered because there are very obvious distortions, particularly in fixed income markets, from indexation: theoretically, very safe municipal bonds with no bids and gapping down. Also, inflation is very, very likely to creep. Probably not immediately, but longer term, you want to be positioned for that. The 40-year bull market in long bonds is very unlikely to persist unless locking your money up below inflation for 30 years is going to be a good allocation. And then, finally, equity and other risk assets are not going to have a linear trajectory of growth and I think excess returns are going to be far more isolated and selective. So, we advocate hard assets, strong balance sheets, durable products and services. So, with that, I'll turn it over to Peter for concluding remarks. And I think Chris was going to touch on some of our other sector funds quickly.

Peter Doyle: Thank you, James. So, I mean, James touched on a lot of really excellent points. And what we've been saying for years is that our due diligence is really based on price and valuation. And we are trying to look at the world through different lenses, and we've been on the wrong side of this for a number of years. I think we're on the right side of it but in terms of performance, we've been on the wrong side of it. It's quite likely that this Coronavirus crisis has pricked the bubble in a way that's going to change the world and how it operates. And this really is a time to sit up and take notice and see what we're doing. So, with that, I will just turn it over to Chris – if you want to add something about the Medical Fund. And I know you've been talking to Paul on that. And then we'll open it up for questions.

Chris Bell: Yes, thank you. Thank you, Peter. Sorry, everyone, for my audio earlier. Basically, I was telling people to go to the website at www.horizonkinetics.com. We have a number of podcasts by Murray Stahl and by Steven Bregman that you might be interested in. Paul Abel reached out to me. He has been the portfolio manager of the Medical Fund for the last 20 years. If you go to www.kineticsfunds.com, you can read his shareholder letter. The Medical Fund turned 20-years old in the last quarter, and he cited quite a few different reasons that the mainline pharma companies, the mainline biotech companies, would be interesting to own in a portfolio. And his main view is that the civilized world has been creating drugs and creating therapies forever, and this is a long product life cycle and it's not going anywhere. So, it fits Warren Buffett's view of having a long product life cycle as a good investment. Paul Abel will be doing a podcast, which we should have online in the next week, and he will cover a variety of issues and the fact that the science is getting better and better. Drug research, genomics, AI: they're all merging and creating individual therapies that are just remarkable. I can speak firsthand about this in my personal life. If you look historically, pharma has been a leader in the marketplace, with a high return on equity, and we think that you should take a look. So, again, it's www.kineticsfunds.com for information about the Medical Fund.

Peter and James, we have some questions from the field. And the first question is whether or not we have added any new names in the last quarter. And then what our highest conviction ideas are, other than Texas Pacific Land Trust – I think anyone who knows us knows that we like that. I know James went over a few of these. But, Peter?

Peter Doyle: So, James, I think, did an excellent job and particularly on that slide 17, the market cap to GDP. And even during the peak of the downdraft that we had in the market, it wasn't so easy to find securities that were priced attractively. And even now, the market has corrected 30% and it's not a screaming buy. So, we've added things at the margin, we've added things in individual accounts, particularly things that were already in a kind of depression prior to this crisis and they got hit further. So, the gas pipeline companies that were trading at very low valuations, they have very predictable businesses, their yields are incredibly high, we tried to find the ones that had the least amount of leverage. Even if the companies themselves can't maintain their dividend payout, you're likely to get paid back all your money in four years' time in some cases. And if the market ever corrects and people revalue these because they're looking around for yields, you can see how you can make 8-10 times your money on the upside. Maybe that's a little bit high, but you can see how you can do that. We're not putting a ton of money in there because it's not entirely clear that they can maintain their dividends. So, even though we've had a downdraft, even though things are very unsettled here, the profitability outlook for a lot of companies, if you look a trace path of what I mentioned earlier regarding the movie theatres – the movie theatres essentially lost 100 percent of their revenues for the last several weeks. That has implications for the people that own the real estate or the real estate people that are leveraged and that own those properties have got to be able to pay their mortgages. Is that going to start trickling into the banking system? So, my guess is that the market – the economy is actually going to come back better than people anticipate, but it's still going to have lingering effects for a long period of time, and it's not entirely clear to me that the profitability for many companies is ever going to be restored. In addition to what I stated earlier, the large companies, I think, are grossly overstating their earnings. And when that comes to light, if they can't restart their share buyback programs, those names are going to come down hard, and you want to be as far away from that as possible. So, James, I don't know if you have anything you want to add there.

James Davolos: I'd say at the margin, names that we aren't at liberty to discuss because we're actively buying them, but we have found some what we would consider ultra-high quality, ultra-durable businesses that maybe are trading at single-digit earnings multiples, but companies that we believe are actually going to grow over 10 years, probably expand profit margins, and we still think we can make a very attractive rate of return. Again, there's – I like to describe what we're doing today as the three buckets, where it's just the quality companies at a reasonable price, the ultra-discounted companies, and then the companies that can compound and grow uniquely. And I think that there are some early opportunities in the quality side that aren't fully appreciated.

Peter Doyle: I'm just going to – we had an Investment Committee meeting yesterday and Murray used the example of General Electric. And I know I've used it in the past. General Electric at one point was the largest market capitalization in the S&P 500. But for 10-15 years, we saw and were concerned about their accounting, and we felt that basically they could create earnings using GE capital to buy assets because they could raise money in the commercial paper market at very low cost and buy even shoddy assets and get a return, a spread. And we thought that was not sustainable. And, ultimately, GE lost 85-90% of its value in a very short period of time. That's the type of downdraft that you could see in a lot of these large names. That's how overstated we think their earnings are. So, the S&P 500, to me, is really poised to have a very, very bad period. That being said, it doesn't mean that, as a stock investor, you have to do poorly. There are opportunities out there. And I think, again, we've been on the "wrong side of the ship" from active to passive and lack of growth names, particularly technology names. That world, in our opinion, is going to end badly. We thought it was going to end sooner than this – this really could be the prick to that bubble that basically ends it, and we're positioned for that.

Chris Bell: Agustin, do you have any questions that have been sent in?

Agustin Krisnawahjuesa: Yes. The next question that I see online is related to the U.S. dollar. "There has been a theory that they will default by replacing the U.S. dollar as the reserve currency and also that the IMF will include gold in the basket. It seems like this is moving in that direction. What are your thoughts?

Peter Doyle: I don't know – I don't exactly understand the question about who will default. I don't know that the United States is going to default. I'm quite certain they're not going to default on their debt. They can monetize and they are starting to very aggressively monetize their debt. So, I don't see that as being a real threat. I think there are two paths. I think inflation is definitely the outcome. There are two paths to that. There's the complete debasement of your currency; I don't think the United States is going to take that path, but I don't want to say it's a zero probability; and then there's what James has really discussed and highlighted quite sufficiently, that the supply chains are going to be disrupted and changed and they're going to build in efficiencies, and they're going to create inflation here in this country through that path. So, there's no question that if I'm running China or I'm running Russia, etc., I don't want the U.S. dollar to have that status anymore, and they're going to try to undermine it. And perhaps they're going to be successful in the sense that they'll start weaning away from that because now there are alternatives. There are certainly private alternatives and currencies that are not in the hands of any particular government. James talked about the hard assets and the potential for that to happen, so we're positioned for that type of scenario. Do you have anything to add?

James Davolos: Yeah, just to add to that, one of the – and I've seen similar reports about how the IMF and World Bank were going to look at reserve currencies going forward. Part of the reason for that is that there's an incentive of sorts for basically the entire globe to see a weaker dollar. And that includes the United States because, remember, we're paying back our ballooning federal debts in very, very strong dollars and we're not able to inflate. And you're paying back nominal debt and you can debase the dollar. I mean, not fully debase, but it cheapens your debt load. Also, there's a lot of international corporates and countries that have dollar-denominated debts, and a weak dollar – if their inflows are in local currencies that continue to depreciate against the dollar or remain weak, you know, that puts them in an extremely difficult scenario. Thirdly, most commodities in the world are generally priced in dollars. And so the strength of the dollar– one of the terminologies I've heard is it's the least rotten apple, which doesn't make a lot of sense to own it but maybe it makes sense to own it over euros, yen and pounds. But to the extent that the dollar can soften even slightly, that enables the entirety of the rest of the world, 75% of global GDP, to access all of these dollar-denominated markets on better terms. So, I think it behooves everyone to look at their portfolio from the sensitivity of the dollar strength and what might happen over the next five years.

Chris Bell: Agustin?

Agustin Krisnawahjuesa: Great. The next question relates to our comments on our focus in companies with quality assets and strong balance sheets. "Can we address the recent Howard Hughes equity raise as well as Civeo, please?"

Chris Bell: James?

James Davolos: Yeah. Sure. I can do those both fairly quickly. I mean, Howard Hughes – they haven't publicly addressed their capital raise. But looking at the company, they have exposure to hotels, particularly in the Woodlands and Houston, and some retail notably in lower Manhattan, as well as Summerlin, in Nevada. But they had a fairly robust cash position at the end of the year, $400 million plus a couple hundred million of restricted that was pledged to properties, and it appeared that they were in a fairly good position. But in December, they closed on a transaction where they bought two Class A office towers in Houston from Occidental Petroleum, one of which is the Occidental headquarters, fully leased on, I believe, an 18 or a 15-year sale leaseback. The other is another Class A building right on the water that they were going to use as their headquarters. Part of the deal was also that they had to buy a variety of Occidental assets in the corridor – the energy corridor of Houston, which is not as attractive as the Woodlands and they were going to immediately remarket them for sale. The company had a bridge loan to buy two towers for about $300 million. And I think they basically needed to say, look, if we can't get mortgages during this crisis, we need to take this bridge loan risk off the table. And I think it's a vote of confidence from the chairman of their board, who is putting $500 million of his own money into the company. It was dilutive at those levels but I do think that it – in this scenario you want to basically protect yourself from the known unknowns. You know, at $50 I think you're buying Howard Hughes at maybe – in the vicinity of about 35% of NAV, and that's putting pretty big haircuts on a lot of the assets. You know, with Civeo, that's one of the rare exceptions to the framework that we work with where we feel as though the assets are extremely high quality. And without getting into the minutia of the Canadian oil stance, it's extremely difficult for these projects to come offline. So, if they have a locked- in base, to the extent that they can use that free cash flow to pay down debt after engaging in a couple of transactions over the past years, there's a pretty attractive trajectory for there being a very asymmetric equity upside there. So, for further information on either of those companies, I'd direct you again to the Horizon Kinetics website where there are brief one-and-a-half page summaries of each company with a 2020 update that goes through what I just summarized in far more detail.

Chris Bell: Thank you, James. We're sitting on an hour now. Agustin, I don't know if you have another question. Why don't we make this the last one?

Agustin Krisnawahjuesa: Okay. There are two questions related to TPL. The first one is: "Could dislocation in the oil market that can hurt weaker companies actually create long-term value for firms like TPL or Viper?" And the second question: "Is TPL land being developed currently, or is it mostly new development on hold?"

Peter Doyle: James, I know you can answer this for an hour at a time – but there are two things. One, there is a written report that was just put up on our website, so I would direct the people or the person who asked that question to horizonkinetics.com. And then in addition to that, there's a podcast, which I think is excellent, that was done by Steven Bregman: it t goes into great detail regarding the oil industry as it currently stands as well as Texas Pacific in particular. And it's about a half-hour's worth of your time, and I think it's among the best things that we've actually put out in the history of our firm. So, I highly encourage people to listen to that. So, I'm going to just – I think that will suffice to answer that question. So, with that, I want to thank James for doing an excellent job, as always. Chris, thank you. Agustin, thank you. And thanks everyone, for listening today.

[END]

The Kinetics Alternative Income Fund

1Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $3.8 billion in assets as of 03/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Management Team

Murray Stahl
Chief Investment Officer
41 years of management experience
Co-Manager of Fund since 2012

Matt Houk
Co-Portfolio Manager
14 years of management experience
Co-Manager of Fund since 2015

Class Information

Class	Ticker	Cusip	12b-1 fee
Adv. A	KWIAX	494613714	0.50%
Adv. C	KWICX	494613698	1.00%
Inst.	KWIIX	494613680	-
No Load	KWINX	494613722	-

Fund Characteristics

Total Net Assets	$14.7 million
Total Number of Positions*	5
Turnover Ratio	0%
Minimum Purchase	$2,500

*Calculated such that all securities issued by one issuer are counted as one position.

Portfolio Allocation

Cash and Cash Equivalents	61.1%
Other Investments	38.9%

www.kineticsfunds.com

Alternative Income Fund Overview

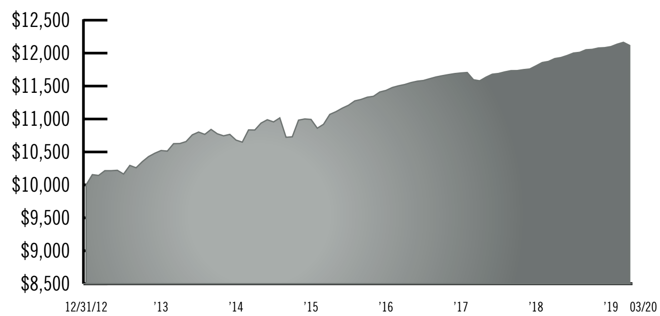
- A two-part investment strategy focused on generating income and capital gains in excess of traditional short duration, investment grade fixed income indexes.
- The strategy primarily invests in a diversified portfolio of short-term, investment grade bonds with an emphasis on liquidity, diversification, and lower interest rate or duration risk (1-3 years).
- A conservative equity option strategy supplements bond portfolio income via the collection of option premiums. Option exposures are allocated broadly across quality companies and indexes/exchange traded funds. The investment adviser seeks to mitigate incremental risks by selecting option strike prices that are below their underlying stock prices (out-of-the-money) and by limiting option notional exposures.

Historical Total Return (No-Load Class) as of 03/31/20

	2013	2014	2015	2016	2017	2018	2019	YTD'20	Since 1/1/13
Fund (KWINX)	5.22%	1.50%	2.94%	4.00%	2.32%	0.92%	2.47%	0.14%	2.69%
Bloomberg Barclays US Agg. Bond Index	-2.02%	5.97%	0.55%	2.65%	3.54%	0.01%	8.72%	3.15%	3.06%
Bloomberg Barclays 1-3 Year US Credit Index	1.45%	1.12%	0.85%	2.11%	1.66%	1.64%	5.01%	-0.70%	1.80%

Growth of $10,000 Returns

$12,116



Statistics

	Fund	Barclays Agg.
Beta	0.05	1.00
Standard Deviation	2.11	3.10
Sharpe Ratio	0.89	0.73

Equity Option Overview

Option Statistics

Notional % of Portfolio with Put Options	0
Average Life of Options (days)	N/A
Average Option % Moneyness	N/A
Average Option Delta	

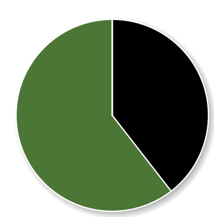
Fixed Income Overview

Fixed Income Statistics

Average Duration (years)	0.59
Average Maturity (years)	0.61

Credit Quality (%)

Cash	61.1%
A	38.9%



The Kinetics Alternative Income Fund

1Q 2020

Performance (No-Load Class)

	3 Month	YTD	1YR	3YR	5YR	10YR	Since Inception
			Annualized Returns as of 03/31/20				
Alternative Income Fund (KWINX)	0.14%	0.14%	1.67%	1.68%	2.26%	1.96%	0.61%
Bloomberg Barclays US Agg. Bond Index	3.15%	3.15%	8.93%	4.82%	3.36%	3.88%	4.53%
Bloomberg Barclays 1-3 Year US Credit Index	-0.70%	-0.70%	2.56%	2.30%	1.96%	2.11%	2.96%

The Alternative Income Fund No Load Class inception date is 6/29/07. Performance prior to 1/1/13 reflects the Fund's prior investment objective and restrictions and may not be indicative of the Fund's prospective results. Figures include changes in principal value, reinvested dividends and capital gains distributions. Performance data quoted represents past performance and does not guarantee future results. Investment return and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Call 1-800-930-3828 or visit us at www.kineticsfunds.com for the most recent month-end performance data. Current performance may be lower or higher than the performance data quoted. Performance data does not reflect the deduction of sales load or fee which, if reflected, would reduce the performance quoted. You will be charged a redemption fee equal to 2.00% of the net amount of the redemption if you redeem or exchange your shares 30 days or less after you purchase them.

Expense Ratios by Share Class

	Adv. A	Adv. C	No Load	Inst.
Gross	2.18%	2.68%	1.93%	1.88%
Net	1.25%	1.75%	1.00%	0.80%

The Gross expense ratios listed are as of 12/31/2018 as reported in the 4/30/2019 prospectus. The Fund's adviser voluntarily agreed to waive management fees and reimburse fund expenses so that net annual fund operating expenses do not exceed certain levels, not including acquired fund fees and expenses (AFFE), through May 1, 2020 and may be discontinued at any time by the Fund's adviser after May 1, 2020.

Definitions:

Average Put Option % Moneyness: % moneyness refers to a put option's strike price relative to the price of its underlying security in percentage terms. The average put option % moneyness is the average % moneyness for the option exposures weighted by each option's % of notional exposure. In-the-money (ITM) refers to a put option with a strike price that is above the underlying security's price. At-the-money (ATM) refers to a put option with a strike prices that is equal to the underlying security's price. Out-the-money (OTM) refers to a put option with a strike price that is below the underlying security's price. For example, a put option that is 5% OTM has a strike price that is 5% below the underlying security's price and a put option that is 5% ITM has a strike price that is 5% higher than the underlying security's price. **Beta:** A statistic that measures the volatility of the fund, as compared to the overall market. The market's beta is set at 1.00; therefore a beta higher than 1.00 is considered to be more volatile than the market, while a beta lower than 1.00 is considered to be less volatile. It is important to note that a low beta for a fund does not necessarily imply that the fund has a low level of volatility, a low beta signifies only that the fund's market-related risk is low. Beta has been calculated starting 12/31/12. **Delta:** A statistical measure relating the changes in an option's price to price changes of the option's underlying security. **Notional % of Portfolio with Put Options:** Represents the aggregate notional value of all written put options (strike price multiplied by the number of contracts) as a percentage of the portfolio's net assets, as of the stated date. **Sharpe Ratio:** A statistical measure that uses standard deviation and excess return to determine reward per unit of risk. A higher Sharpe ratio implies a better historical risk-adjusted performance. The Sharpe ratio has been calculated starting 12/31/12 using the 3-month treasury bill for the risk-free rate of return. **Standard Deviation:** A statistical measure of portfolio risk used to measure variability of total return around an average, over a specified period of time. The greater the standard deviation over the period, the wider the variability or range of returns and hence, the greater the fund's volatility. The standard deviation has been calculated starting 12/31/12. **Turnover Ratio:** A measure of how frequently assets within a fund are bought and sold by the managers represented over a one year period.

This Fund is classified as diversified; however, asset allocation/diversification does not guarantee profit or eliminate risk of loss.

Factsheet statistics that rely on Fund data prior to January 1, 2013 will reflect the Fund's prior investment objective and restrictions and may not be indicative of the Fund's current positioning or prospective results.

In April 2019, Kinetics Asset Management LLC ("KAM") and Kinetics Advisers, LLC ("KA") reorganized into Horizon Asset Management LLC ("HAM"), following which HAM was renamed Horizon Kinetics Asset Management LLC ("HKAM"). KAM, HAM and KA were all wholly-owned subsidiaries of Horizon Kinetics LLC, and HKAM will remain a wholly-owned subsidiary. HKAM is the Fund's adviser, previously, KAM was the Fund's adviser. Neither the portfolio managers of the Fund nor the Fund's investment objective and investment strategy have changed.

The Growth of $10,000 chart illustrates the performance of a hypothetical $10,000 investment made in No Load Class shares on 12/31/2012 in commencement with the investment objective change on that date. It assumes reinvestment of capital gains and dividends. This chart is not intended to imply any future performance.

The Top Sectors displayed represent a percentage of the net assets and excludes cash equivalents and other assets in excess of liabilities. For purposes of calculating the top percentage holdings of the fund, the top 10 equity and fixed income holdings are valued at their applicable market value.

You should consider the investment objectives, risks, charges and expenses of the fund carefully before investing. For a free copy of the fund's prospectus, which contains this and other information, visit our website at www.kineticsfunds.com or call 1-800-930-3828. You should read the prospectus carefully before you invest.

Past performance does not guarantee future results. You will be charged a redemption fee equal to 2.00% of the net amount of the redemption if you redeem or exchange your shares 30 days or less after you purchase them. In addition, investing in foreign securities involves more risk than just U.S. investments, including the risk of currency fluctuations, political and economic instability and differences in financial reporting standards. There may also be heightened risks investing in non-investment grade debt securities and the use of options. There are also risks associated with investing in small and medium sized companies. Non-investment grade debt securities, i.e., junk bonds, are subject to greater credit risk, price volatility and risk of loss than investment grade securities. Options contain special risks including the imperfect correlation between the value of the option and the value of the underlying asset. Unlike other investment companies that directly acquire and manage their own portfolios of securities, the Fund pursues its investment objective by investing all of its investable assets in a corresponding portfolio series of Kinetics Portfolios Trust.

The Bloomberg Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency). The Bloomberg Barclays US 1-3 Year Credit Index measures the performance of investment grade corporate debt and sovereign, supranational, local authority, and non-US agency bonds that have a remaining maturity of at least one year and less than three years. Both Bloomberg indices are trademarks of Bloomberg. An investor cannot invest directly in an index.

Distributor: Kinetics Funds Distributor LLC is not an affiliate of Kinetics Mutual Funds, Inc.

Kinetics Mutual Funds, Inc.

We Do *Our* Research

The Kinetics **Global** Fund

1Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $3.8 billion in assets as of 03/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Managers

Murray Stahl
Chief Investment Officer
41 years of management experience
Co-Manager of Fund since 2011

Steve Tuen, CFA
Co-Portfolio Manager
30 years of management experience
Co-Manager of Fund since 2003

Class Information

Class	Ticker	Cusip	12b-1 fee	Net	Gross
Adv. A	KGLAX	494613631	0.50%	1.64%	2.78%
Adv. C	KGLCX	494613623	1.00%	2.14%	3.28%
No Load	WWWEX	494613805	-	1.39%	2.53%

Fund Characteristics

Total Net Assets	$12.4 million
Total Number of Positions*	30
Turnover Ratio	4%
Investment Style	Global Equity
Market Cap Focus	All Cap
Minimum Purchase	$2,500

*Calculated such that all securities issued by one issuer are counted as one position.

Portfolio Allocation

Cash and Cash Equivalents	56.8%
Common Stocks	33.9%
Unit Investment Trust	9.1%
Preferred Stocks	0.1%
Other Investments	0.1%

www.kineticsfunds.com

Global Fund Overview

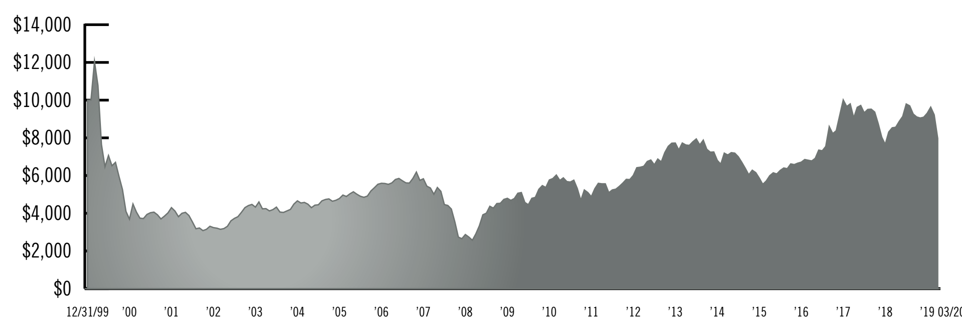
- Global Fund focuses on classic value investment opportunities worldwide with at least 40% of net assets in companies located outside the U.S.
- Seeks to identify unique business models with pricing dislocations
- On March 11, 2008 the Fund changed its name and investment mandate from the Internet Emerging Growth Fund to the Global Fund.

Performance (No-Load Class)

			Annualized Returns as of 03/31/20					
	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (WWWEX)	-14.31%	-14.31%	-6.87%	5.58%	2.38%	4.65%	-1.49%	-1.11%
S&P 500 Index	-19.60%	-19.60%	-6.98%	5.10%	6.73%	10.53%	4.79%	4.85%
MSCI ACW Index	-21.37%	-21.37%	-11.26%	1.50%	2.85%	5.88%	3.22%	3.23%

The Global Fund No Load Class inception date is 12/31/99. Figures include changes in principal value, reinvested dividends and capital gains distributions. Performance data quoted represents past performance and does not guarantee future results. Investment return and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Call 1-800-930-3828 or visit us at www.kineticsfunds.com for the most recent month-end performance data. Current performance may be lower or higher than the performance data quoted. Performance data does not reflect the deduction of sales load or fee which, if reflected, would reduce the performance quoted. You will be charged a redemption fee equal to 2.00% of the net amount of the redemption if you redeem or exchange your shares 30 days or less after you purchase them.

Growth of $10,000 Returns Since Inception **$7,973**



Top 10 Holdings (%) as of 03/31/20

Grayscale Bitcoin Trust	9.1%
Texas Pacific Land Trust	9.0%
CACI International, Inc. - Class A	6.4%
Franco-Nevada Corporation	3.9%
Wheaton Precious Metals Corporation	2.9%
Clarkson plc	2.6%
Brookfield Asset Management, Inc. - Class A	1.4%
CME Group, Inc.	1.1%
Siem Industries, Inc.	0.9%
CBOE Global Markets, Inc.	0.8%

Statistics

Statistics	Fund	S&P 500
Beta	0.94	1.00
Standard Deviation	21.59	14.83
Up Market Capture Ratio	0.88	-
Down Market Capture Ratio	1.11	-
Sharpe Ratio	-0.13	0.21
Weighted Avg. Mkt. Cap. ($mil)	$7,383	$284,130
Median Market Cap. ($mil)	$1,880	$18,019
Price to Book	1.24	2.68
Price to Earnings	7.05	17.38
Return on Equity	32.11%	25.03%
Active Share	99.63%	-

The Kinetics **Global** Fund

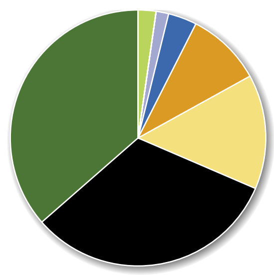
1Q 2020

Historical Total Return (No-Load Class) as of 03/31/20

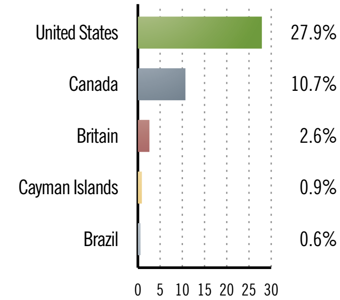
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD'20
Fund (WWWEX)	-63.10%	16.53%	-24.65%	33.56%	7.67%	2.65%	16.90%	4.27%	-50.72%	-63.10%	20.30%	-15.41%	23.16%	28.59%	-11.89%	-13.83%	14.40%	49.20%	-23.58%	21.61%	-14.31%
S&P 500 Index	-9.10%	-11.89%	-22.10%	28.68%	10.88%	4.91%	15.79%	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	-19.60%
MSCI ACW Index	-14.21%	-16.21%	-19.32%	33.99%	15.23%	10.84%	20.95%	11.66%	-42.20%	34.63%	12.67%	-7.35%	16.13%	22.80%	4.16%	-2.36%	7.86%	23.97%	-9.42%	26.60%	-21.37%

Top 10 Sectors (%)

Mining, Quarrying, and Oil and Gas Extraction	16.1%
Finance and Insurance	14.2%
Professional, Scientific, and Technical Services	6.4%
Transportation and Warehousing	4.2%
Management of Companies and Enterprises	1.6%
Accommodation and Food Services	0.7%
Real Estate and Rental and Leasing	0.0%
Manufacturing	0.0%
Retail Trade	0.0%
Information	0.0%



Top Countries (%)



Definitions:

Active share: A measure of the percentage of holdings in a portfolio that differ from a benchmark index. It is calculated by taking the sum of the differences of the weight of each holding in the portfolio and the weight of each holding in the benchmark index and dividing by two. Active share is measured against the iShares S&P 500 ETF. **Beta:** A statistic that measures the volatility of the fund, as compared to the overall market. The market's beta is set at 1.00; therefore a beta higher than 1.00 is considered to be more volatile than the market, while a beta lower than 1.00 is considered to be less volatile. It is important to note that a low beta for a fund does not necessarily imply that the fund has a low level of volatility, a low beta signifies only that the fund's market-related risk is low. **Down Market Capture Ratio:** A statistical measure of an investment manager's overall performance in down-markets. The down-market capture ratio is used to evaluate how well or poorly an investment manager performed relative to an index during periods when that index has dropped. The down-market capture ratio has been calculated since inception. **Median Market Capitalization:** The median market capitalization (value of outstanding shares) of a basket of stocks. **Price to Book Ratio:** The harmonic weighted average of the price/book (P/B) ratios of the equity securities referenced. The ratio calculated by dividing the current price of the stock by the company's book value per share (assets minus liabilities). **Price to Earnings Ratio:** The harmonic weighted average of the price/earnings (P/E) ratios of the equity securities referenced. The P/E ratio is calculated by dividing the current price of the stock by the trailing one year earnings. **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. **Sharpe Ratio:** A statistical measure that uses standard deviation and excess return to determine reward per unit of risk. A higher Sharpe ratio implies a better historical risk-adjusted performance. The Sharpe ratio has been calculated since inception using the 3-month treasury bill for the risk-free rate of return. **Standard Deviation:** A statistical measure of portfolio risk used to measure variability of total return around an average, over a specified period of time. The greater the standard deviation over the period, the wider the variability or range of returns and hence, the greater the fund's volatility. The standard deviation has been calculated since inception. **Turnover Ratio:** A measure of how frequently assets within a fund are bought and sold by the managers represented over a one year period. **Up Market Capture Ratio:** A statistical measure of an investment manager's overall performance in up-markets. The up-market capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen. The up-market capture ratio has been calculated since inception. **Weighted Avg. Mkt. Cap:** The mean market capitalization (value of outstanding shares) of a basket of stocks, taking into account the relative weight of each investment.

The Gross expense ratios listed are as of 12/31/2018 as reported in the 4/30/2019 prospectus. The Fund's adviser voluntarily agreed to waive management fees and reimburse fund expenses so that net annual fund operating expenses do not exceed certain levels, not including acquired fund fees and expenses (AFFE), through May 1, 2020 and may be discontinued at any time by the Fund's adviser after May 1, 2020.

In April 2019, Kinetics Asset Management LLC ("KAM") and Kinetics Advisers, LLC ("KA") reorganized into Horizon Asset Management LLC ("HAM"), following which HAM was renamed Horizon Kinetics Asset Management LLC ("HKAM"). KAM, HAM and KA were all wholly-owned subsidiaries of Horizon Kinetics LLC, and HKAM will remain a wholly-owned subsidiary. HKAM is the Fund's adviser, previously, KAM was the Fund's adviser. Neither the portfolio managers of the Fund nor the Fund's investment objective and investment strategy have changed.

The Growth of $10,000 chart illustrates the performance of a hypothetical $10,000 investment made in No Load Class shares on commencement of operations (12/31/99). It assumes reinvestment of capital gains and dividends. This chart is not intended to imply any future performance.

Holdings are expressed as a percentage of total net investments and may vary over time. Equity holdings are subject to change, and may not be indicative of actual market position due to the use of call and put options.

The Top 10 Sectors and Top Countries displayed represent a percentage of the net assets and excludes cash equivalents and other assets in excess of liabilities.

You should consider the investment objectives, risks, charges and expenses of the fund carefully before investing. For a free copy of the fund's prospectus, which contains this and other information, visit our website at www.kineticsfunds.com or call 1-800-930-3828. You should read the prospectus carefully before you invest.

The Fund is classified as diversified; however, asset allocation/diversification does not guarantee a profit or eliminate risk of loss. In addition, investing in foreign securities involves more risk than just U.S. investments, including the risk of currency fluctuations, political and economic instability and differences in financial reporting standards. There may also be heightened risks investing in non-investment grade debt securities and the use of options. There are also risks associated with investing in small and medium sized companies. Non-investment grade debt securities, i.e., junk bonds, are subject to greater credit risk, price volatility and risk of loss than investment grade securities. Options contain special risks including the imperfect correlation between the value of the option and the value of the underlying asset. Unlike other investment companies that directly acquire and manage their own portfolios of securities, the Fund pursues its investment objective by investing all of its investable assets in a corresponding portfolio series of Kinetics Portfolios Trust.

The Fund holds investments that provide exposure to bitcoin. The value of bitcoins is determined by the supply of and demand for bitcoins in the global market for the trading of bitcoins, which consists of transactions on electronic bitcoin exchanges ("Bitcoin Exchanges"). Pricing on Bitcoin Exchanges and other venues can be volatile and can adversely affect the value of the bitcoin. Currently, there is relatively small use of bitcoins in the retail and commercial marketplace in comparison to the relatively large use of bitcoins by speculators, thus contributing to price volatility that could adversely affect a portfolio's direct or indirect investments in bitcoin. Bitcoin transactions are irrevocable, and stolen or incorrectly transferred bitcoins may be irretrievable. As a result, any incorrectly executed bitcoin transactions could adversely affect the value of a portfolio's direct or indirect investment in bitcoin. Only investors who can appreciate the risks associated with an investment should invest in cryptocurrencies or products that offer cryptocurrency exposure. As with all investments, investors should consult with their investment, legal and tax professionals before investing, as you may lose money.

S&P 500 Index statistics chart data is based on the iShares S&P 500 Index Fund for market cap, price to book, price to earnings, return on equity, and active share. iShares is a product of BlackRock, Inc.

The MSCI ACWI (All Country World Index) Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The Standard & Poor's 500 Index represents an unmanaged, broad-based basket of stocks. It is typically used as a proxy for overall market performance. The S&P 500 Index returns assumes that dividends are reinvested. An investor cannot invest directly in an index.

Distributor: Kinetics Funds Distributor LLC is not an affiliate of Kinetics Mutual Funds, Inc.

Kinetics Mutual Funds, Inc.
We Do *Our* Research

The Kinetics **Internet** Fund

1Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $3.8 billion in assets as of 03/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Managers

Murray Stahl
Chief Investment Officer
41 years of management experience
Co-Manager of Fund since 1999

Peter Doyle
Senior Portfolio Manager
34 years of management experience
Co-Manager of Fund since 1999

James Davolos
Co-Portfolio Manager
14 years of management experience
Co-Manager of Fund since 2010

Class Information

Class	Ticker	Cusip	12b-1 fee	Net	Gross
Adv. A	KINAX	494613862	0.50%	2.09%	2.09%
Adv. C	KINCX	494613763	1.00%	2.59%	2.59%
No Load	WWWFX	460953102	-	1.84%	1.84%

Fund Characteristics

Total Net Assets	$94.7 million
Total Number of Positions*	29
Turnover Ratio	1%
Investment Style	Global Equity
Market Cap Focus	All Cap
Minimum Purchase	$2,500

*Calculated such that all securities issued by one issuer are counted as one position.

Portfolio Allocation

Common Stocks	50.6%
Cash and Cash Equivalents	33.3%
Unit Investment Trust	16.1%

Internet Fund Overview

- A fund that invests in undervalued companies participating in the growth of the Internet.
- Focused not only on investing in traditional technology companies, but also those that provide new kinds of services or products made possible by development or improvement of Internet-related technologies within a variety of sectors.
- Favor companies with strong alignment of interest and high barriers to entry, such as growing information library, scalability and network/adoption.

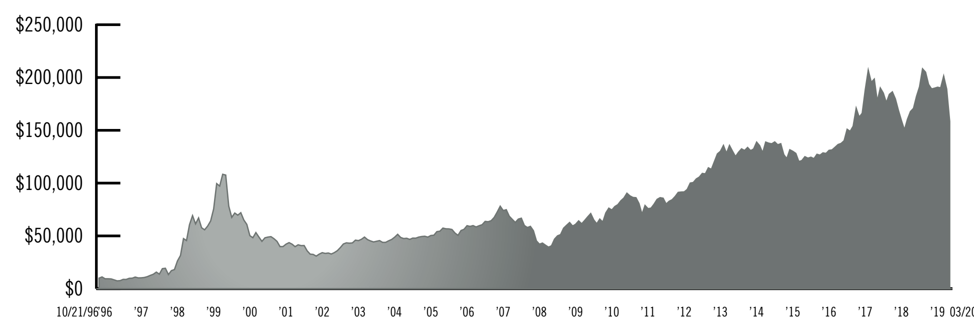
Performance (No-Load Class)

			Annualized Returns as of 03/31/20					
	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (WWWFX)	-16.67%	-16.67%	-7.23%	4.82%	2.83%	8.83%	1.95%	12.51%
S&P 500 Index	-19.60%	-19.60%	-6.98%	5.10%	6.73%	10.53%	4.79%	7.68%
NASDAQ Composite Index	-14.18%	-14.18%	-0.38%	9.21%	9.46%	12.37%	2.64%	8.12%

The Internet Fund No Load Class inception date is 10/21/96. Figures include changes in principal value, reinvested dividends and capital gains distributions. Performance data quoted represents past performance and does not guarantee future results. Investment return and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Call 1-800-930-3828 or visit us at www.kineticsfunds.com for the most recent month-end performance data. Current performance may be lower or higher than the performance data quoted. Performance data does not reflect the deduction of sales load or fee which, if reflected, would reduce the performance quoted. You will be charged a redemption fee equal to 2.00% of the net amount of the redemption if you redeem or exchange your shares 30 days or less after you purchase them.

Growth of $10,000 Returns Since Inception

$158,443



Top 10 Holdings (%) as of 03/31/20

Grayscale Bitcoin Trust	16.1%
Texas Pacific Land Trust	8.4%
CACI International, Inc. - Class A	6.5%
PayPal Holdings, Inc.	6.4%
Alphabet, Inc. - Class C	3.9%
Alphabet, Inc. - Class A	3.9%
Visa, Inc. - Class A	3.6%
OTC Markets Group, Inc. - Class A	3.4%
ManTech International Corporation - Class A	1.9%
MasterCard, Inc. - Class A	1.8%

Statistics

Statistics	Fund	S&P 500
Beta	1.21	1.00
Standard Deviation	29.56	15.21
Up Market Capture Ratio	1.40	-
Down Market Capture Ratio	1.19	-
Sharpe Ratio	0.33	0.37
Weighted Avg. Mkt. Cap. ($mil)	$135,156	$284,130
Median Market Cap. ($mil)	$5,637	$18,019
Price to Book	2.29	2.68
Price to Earnings	8.22	17.38
Return on Equity	36.68%	25.03%
Active Share	93.37%	-

The Kinetics **Internet** Fund

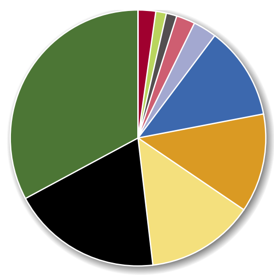
1Q 2020

Historical Total Return (No-Load Class) as of 03/31/20

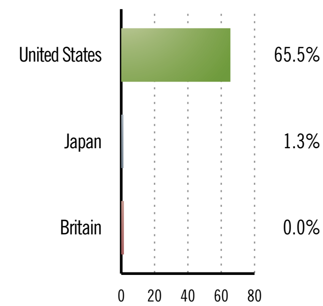
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD'20
Fund (WWWFX)	-51.49%	-9.62%	-23.44%	40.11%	10.06%	-1.69%	16.49%	26.81%	-42.24%	48.61%	21.18%	-1.98%	23.24%	44.28%	-0.16%	-5.42%	2.59%	57.43%	-27.32%	26.45%	-16.67%
S&P 500 Index	-9.10%	-11.89%	-22.10%	28.68%	10.88%	4.91%	15.79%	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	-19.60%
NASDAQ Composite Index	-39.29%	-21.05%	-31.53%	50.01%	8.59%	1.37%	9.52%	9.81%	-40.54%	43.89%	16.91%	-1.80%	15.91%	38.32%	13.40%	5.73%	7.50%	28.24%	-3.88%	35.23%	-14.18%

Top 10 Industries (%)

Sec., Cmmdty Contracts, and Other Fin. Inv. and Rel. Act.	22.1%
Data Processing, Hosting, and Related Services	12.8%
Professional, Scientific, and Technical Services	9.2%
Oil and Gas Extraction	8.4%
Other Information Services	7.9%
Other Telecommunications	2.0%
Credit Intermediation and Related Activities	1.6%
Promoters of Performing Arts, Sports, and Similar Events	0.9%
Spectator Sports	0.9%
Other Professional, Scientific, and Technical Services	0.5%



Top Countries (%)



Definitions:

Active share: A measure of the percentage of holdings in a portfolio that differ from a benchmark index. It is calculated by taking the sum of the differences of the weight of each holding in the portfolio and the weight of each holding in the benchmark index and dividing by two. Active share is measured against the iShares S&P 500 ETF. **Beta:** A statistic that measures the volatility of the fund, as compared to the overall market. The market's beta is set at 1.00; therefore a beta higher than 1.00 is considered to be more volatile than the market, while a beta lower than 1.00 is considered to be less volatile. It is important to note that a low beta for a fund does not necessarily imply that the fund has a low level of volatility, a low beta signifies only that the fund's market-related risk is low. **Down Market Capture Ratio:** A statistical measure of an investment manager's overall performance in down-markets. The down-market capture ratio is used to evaluate how well or poorly an investment manager performed relative to an index during periods when that index has dropped. The down-market capture ratio has been calculated since 11/01/96. **Median Market Capitalization:** The median market capitalization (value of outstanding shares) of a basket of stocks. **Price to Book Ratio:** The harmonic weighted average of the price/book (P/B) ratios of the equity securities referenced. The ratio calculated by dividing the current price of the stock by the company's book value per share (assets minus liabilities). **Price to Earnings Ratio:** The harmonic weighted average of the price/earnings (P/E) ratios of the equity securities referenced. The P/E ratio is calculated by dividing the current price of the stock by the trailing one year earnings. **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. **Sharpe Ratio:** A statistical measure that uses standard deviation and excess return to determine reward per unit of risk. A higher Sharpe ratio implies a better historical risk-adjusted performance. The Sharpe ratio has been calculated since 11/01/96 using the 3-month treasury bill for the risk-free rate of return. **Standard Deviation:** A statistical measure of portfolio risk used to measure variability of total return around an average, over a specified period of time. The greater the standard deviation over the period, the wider the variability or range of returns and hence, the greater the fund's volatility. The standard deviation has been calculated since 11/01/96. **Turnover Ratio:** A measure of how frequently assets within a fund are bought and sold by the managers represented over a one year period. **Up Market Capture Ratio:** A statistical measure of an investment manager's overall performance in up-markets. The up-market capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen. The up-market capture ratio has been calculated since 11/01/96. **Weighted Avg. Mkt. Cap:** The mean market capitalization (value of outstanding shares) of a basket of stocks, taking into account the relative weight of each investment.

The Gross expense ratios listed are as of 12/31/2018 as reported in the 4/30/2019 prospectus. The Fund's adviser voluntarily agreed to waive management fees and reimburse fund expenses so that net annual fund operating expenses do not exceed certain levels, not including acquired fund fees and expenses (AFFE), through May 1, 2020 and may be discontinued at any time by the Fund's adviser after May 1, 2020.

In April 2019, Kinetics Asset Management LLC ("KAM") and Kinetics Advisers, LLC ("KA") reorganized into Horizon Asset Management LLC ("HAM"), following which HAM was renamed Horizon Kinetics Asset Management LLC ("HKAM"). KAM, HAM and KA were all wholly-owned subsidiaries of Horizon Kinetics LLC, and HKAM will remain a wholly-owned subsidiary. HKAM is the Fund's adviser, previously, KAM was the Fund's adviser. Neither the portfolio managers of the Fund nor the Fund's investment objective and investment strategy have changed.

The Growth of $10,000 chart illustrates the performance of a hypothetical $10,000 investment made in No Load Class shares on commencement of operations (10/21/96). It assumes reinvestment of capital gains and dividends. This chart is not intended to imply any future performance.

Holdings are expressed as a percentage of total net investments and may vary over time. Equity holdings are subject to change, and may not be indicative of actual market position due to the use of call and put options.

The Top 10 Industries and Top Countries displayed represent a percentage of the net assets and excludes cash equivalents and other assets in excess of liabilities.

You should consider the investment objectives, risks, charges and expenses of the fund carefully before investing. For a free copy of the fund's prospectus, which contains this and other information, visit our website at www.kineticsfunds.com or call 1-800-930-3828. You should read the prospectus carefully before you invest.

As a non-diversified fund, the value of its shares may fluctuate more than shares invested in a broader range of companies. In addition, investing in foreign securities involves more risk than just U.S. investments, including the risk of currency fluctuations, political and economic instability and differences in financial reporting standards. There may also be heightened risks investing in non-investment grade debt securities and the use of options. There are also risks associated with investing in small and medium sized companies. Non-investment grade debt securities, i.e., junk bonds, are subject to greater credit risk, price volatility and risk of loss than investment grade securities. Options contain special risks including the imperfect correlation between the value of the option and the value of the underlying asset. Furthermore, Internet stocks are subject to a rate of change in technology obsolescence and competition that is generally higher than that of other industries, and have experienced extreme price and volume fluctuations. Unlike other investment companies that directly acquire and manage their own portfolios of securities, the Fund pursues its investment objective by investing all of its investable assets in a corresponding portfolio series of Kinetics Portfolios Trust.

The Fund holds investments that provide exposure to bitcoin. The value of bitcoins is determined by the supply of and demand for bitcoins in the global market for the trading of bitcoins, which consists of transactions on electronic bitcoin exchanges ("Bitcoin Exchanges"). Pricing on Bitcoin Exchanges and other venues can be volatile and can adversely affect the value of the bitcoin. Currently, there is relatively small use of bitcoins in the retail and commercial marketplace in comparison to the relatively large use of bitcoins by speculators, thus contributing to price volatility that could adversely affect a portfolio's direct or indirect investments in bitcoin. Bitcoin transactions are irrevocable, and stolen or incorrectly transferred bitcoins may be irretrievable. As a result, any incorrectly executed bitcoin transactions could adversely affect the value of a portfolio's direct or indirect investment in bitcoin. Only investors who can appreciate the risks associated with an investment should invest in cryptocurrencies or products that offer cryptocurrency exposure. As with all investments, investors should consult with their investment, legal and tax professionals before investing, as you may lose money.

S&P 500 Index statistics chart data is based on the iShares S&P 500 Index Fund for market cap, price to book, price to earnings, return on equity, and active share. iShares is a product of BlackRock, Inc.

The NASDAQ Composite (NASDAQ) and the Standard & Poor's 500 Index (S&P 500) each represent an unmanaged, broad-based basket of stocks. They are typically used as a proxy for overall market performance. NASDAQ Composite returns stated above do NOT include reinvested dividends, while the S&P 500 Index returns assume that dividends are reinvested. An investor cannot invest directly in an index.

Kinetics Mutual Funds, Inc

We Do *Our* Research

The Kinetics **Market Opportunities** Fund

1Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $3.8 billion in assets as of 03/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Managers

Murray Stahl
Chief Investment Officer
41 years of management experience
Co-Manager of Fund since inception (2006)

Peter Doyle
Senior Portfolio Manager
34 years of management experience
Co-Manager of Fund since inception (2006)

Class Information

Class	Ticker	Cusip	12b-1 fee	Net	Gross
Adv. A	KMKAX	494613771	0.50%	1.65%	2.11%
Adv. C	KMKCX	494613730	1.00%	2.15%	2.61%
Inst.	KMKYX	494613615	-	1.20%	1.81%
No Load	KMKNX	494613789	-	1.40%	1.86%

Fund Characteristics

Total Net Assets	$62.9 million
Total Number of Positions*	37
Turnover Ratio	4%
Investment Style	Global Equity
Market Cap Focus	All Cap
Minimum Purchase	$2,500

*Calculated such that all securities issued by one issuer are counted as one position.

Portfolio Allocation

Cash and Cash Equivalents	49.5%
Common Stocks	43.0%
Unit Investment Trust	6.8%
Preferred Stocks	0.4%
Other Investments	0.3%

www.kineticsfunds.com

Market Opportunities Fund Overview

- U.S. focused global fund invests in companies engaged in capital markets related activities and services, which trade at attractive valuations.
- Investments are focused on companies that generally benefit from increasing transactional volume or facilitating financial transactions without employing financial leverage or risking their own capital.
- Such companies tend to have high operating leverage, high returns on equity and scalability.

Performance (No-Load Class)

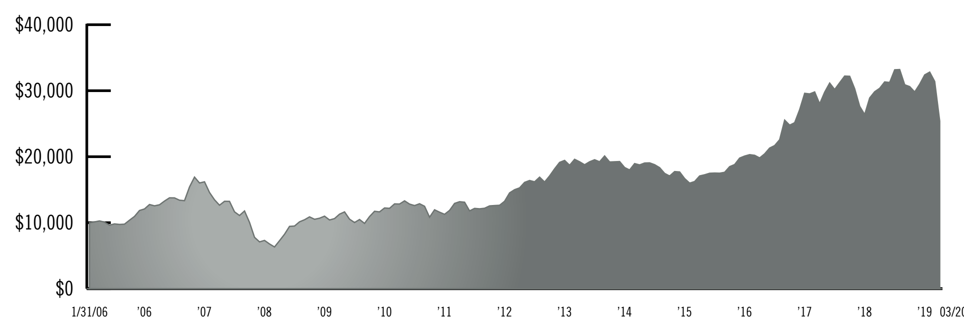
Annualized Returns as of 03/31/20

	3 Month	YTD	1YR	3YR	5YR	10YR	Since Inception
Fund (KMKNX)	-21.60%	-21.60%	-16.36%	8.62%	6.25%	8.44%	6.80%
S&P 500 Index	-19.60%	-19.60%	-6.98%	5.10%	6.73%	10.53%	7.32%
MSCI EAFE Index	-22.83%	-22.83%	-14.38%	-1.82%	-0.62%	2.72%	1.88%

The Market Opportunities Fund No Load Class inception date is 1/31/06. Figures include changes in principal value, reinvested dividends and capital gains distributions. Performance data quoted represents past performance and does not guarantee future results. Investment return and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Call 1-800-930-3828 or visit us at www.kineticsfunds.com for the most recent month-end performance data. Current performance may be lower or higher than the performance data quoted. Performance data does not reflect the deduction of sales load or fee which, if reflected, would reduce the performance quoted. You will be charged a redemption fee equal to 2.00% of the net amount of the redemption if you redeem or exchange your shares 30 days or less after you purchase them.

Growth of $10,000 Returns Since Inception

$25,397



Top 10 Holdings (%) as of 03/31/20

Texas Pacific Land Trust	21.9%
Grayscale Bitcoin Trust	6.8%
Dream Unlimited Corp. - Class A	2.9%
Partners Value Investments LP	2.3%
Visa, Inc. - Class A	2.0%
Associated Capital Group, Inc. - Class A	1.9%
CME Group, Inc.	1.6%
MasterCard, Inc. - Class A	1.5%
Clarkson plc	1.4%
IntercontinentalExchange Group, Inc.	1.3%

Statistics	Fund	S&P 500
Beta	1.10	1.00
Standard Deviation	19.83	14.68
Up Market Capture Ratio	1.13	-
Down Market Capture Ratio	1.17	-
Sharpe Ratio	0.28	0.42
Weighted Avg. Mkt. Cap. ($mil)	$29,024	$284,130
Median Market Cap. ($mil)	$2,035	$18,019
Price to Book	1.86	2.68
Price to Earnings	6.88	17.38
Return on Equity	52.48%	25.03%
Active Share	96.99%	-

The Kinetics **Market Opportunities** Fund

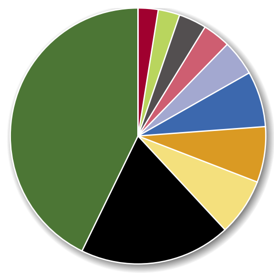
1Q 2020

Historical Total Return (No-Load Class) as of 03/31/20

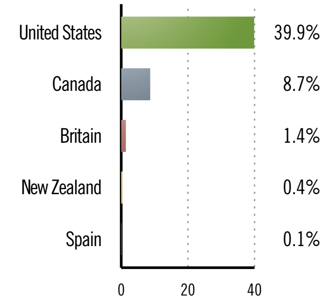
	2006*	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD'20
Fund (KMKNX)	20.85%	34.03%	-54.83%	50.21%	11.31%	-7.85%	17.52%	46.74%	-5.55%	-9.11%	20.45%	47.28%	-10.86%	22.76%	-21.60%
S&P 500 Index	10.80%	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	-19.60%
MSCI EAFE Index	20.97%	11.17%	-43.38%	31.78%	7.75%	-12.14%	17.32%	22.78%	-4.90%	-0.81%	1.00%	25.03%	-13.79%	22.01%	-22.83%

Top Industries (%)

Oil and Gas Extraction	21.9%
Sec., Cmmdty Contracts, and Other Fin. Inv. and Rel. Act.	9.8%
Other Investment Pools and Funds	3.7%
Data Processing, Hosting, and Related Services	3.6%
Real Estate	3.6%
Management of Companies and Enterprises	2.3%
Mining (except Oil and Gas)	1.8%
Securities and Commodity Exchanges	1.8%
Support Activities for Water Transportation	1.4%
Other Financial Investment Activities	0.3%



Top Countries (%)



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S&P 500 Index statistics chart data is based on the iShares S&P 500 Index Fund for market cap, price to book, price to earnings, return on equity, and active share. iShares is a product of BlackRock, Inc.

The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. The Standard & Poor's 500 Index represents an unmanaged, broad-based basket of stocks. It is typically used as a proxy for overall market performance. The S&P 500 Index returns assume that dividends are reinvested. An investor cannot invest directly in an index.

Distributor: Kinetics Funds Distributor LLC is not an affiliate of Kinetics Mutual Funds, Inc.

Kinetics Mutual Funds, Inc

We Do *Our* Research

The Kinetics **Medical** Fund

1Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $3.8 billion in assets as of 03/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Medical Fund Overview

- Invests in patented first line pharmaceuticals and biologics as these products tend to have high profit margins and significant barriers to entry.
- Employs a long-term perspective seeking to capture returns of both intrinsic valuation realization and scientific discovery.
- Bio-Pharma sector is relatively insensitive to economic turmoil, while novel research and development imply sustained growth.

Performance (No-Load Class)

			Annualized Returns as of 03/31/20					
	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (MEDRX)	-10.10%	-10.10%	-3.00%	4.13%	1.03%	8.64%	5.84%	8.43%
S&P 500 Index	-19.60%	-19.60%	-6.98%	5.10%	6.73%	10.53%	4.79%	5.50%
NASDAQ Composite Index	-14.18%	-14.18%	-0.38%	9.21%	9.46%	12.37%	2.64%	5.16%

The Medical Fund No Load Class inception date is 9/30/99. Figures include changes in principal value, reinvested dividends and capital gains distributions. Performance data quoted represents past performance and does not guarantee future results. Investment return and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Call 1-800-930-3828 or visit us at www.kineticsfunds.com for the most recent month-end performance data. Current performance may be lower or higher than the performance data quoted. Performance data does not reflect the deduction of sales load or fee which, if reflected, would reduce the performance quoted. You will be charged a redemption fee equal to 2.00% of the net amount of the redemption if you redeem or exchange your shares 30 days or less after you purchase them.

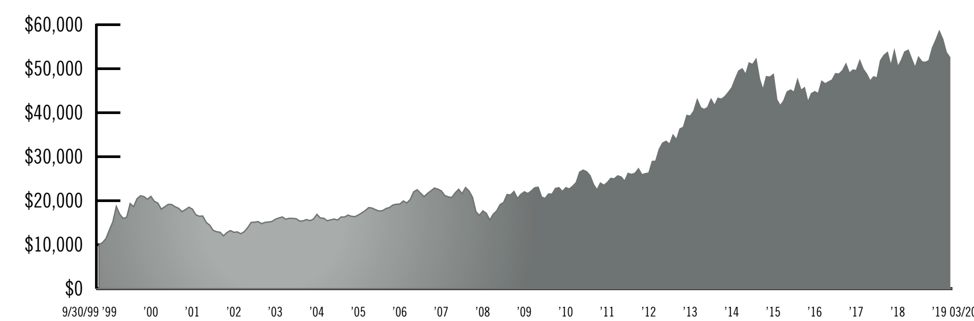
Portfolio Managers

Paul Abel
Co-Portfolio Manager
20 years of management experience
Manager of Fund since inception (1999)

Peter Doyle
Senior Portfolio Manager
34 years of management experience
Co-Manager of Fund since inception (1999)

Growth of $10,000 Returns Since Inception

$52,579



Class Information

Class	Ticker	Cusip	12b-1 fee	Net	Gross
Adv. A	KRXAX	494613847	0.50%	1.64%	2.48%
Adv. C	KRXCX	494613755	1.00%	2.14%	2.98%
No Load	MEDRX	494613102	-	1.39%	2.23%

Fund Characteristics

Total Net Assets	$14.6 million
Total Number of Positions*	27
Turnover Ratio	8%
Investment Style	Global Equity
Market Cap Focus	All Cap
Minimum Purchase	$2,500

*Calculated such that all securities issued by one issuer are counted as one position.

Portfolio Allocation

Common Stocks	99.3%
Cash and Cash Equivalents	0.4%
Other Investments	0.3%

Top 10 Holdings (%) as of 03/31/20

Bristol-Myers Squibb Company	9.0%
Biogen, Inc.	8.1%
Eli Lilly & Company	8.1%
Novartis AG - ADR	7.9%
Merck & Co., Inc.	7.9%
Johnson & Johnson	7.2%
Pfizer, Inc.	6.7%
AstraZeneca plc - ADR	6.1%
Gilead Sciences, Inc.	5.6%
GlaxoSmithKline plc - ADR	5.6%

Statistics

Statistics	Fund	S&P 500
Beta	0.69	1.00
Standard Deviation	16.77	14.85
Up Market Capture Ratio	0.87	-
Down Market Capture Ratio	0.64	-
Sharpe Ratio	0.40	0.25
Weighted Avg. Mkt. Cap. ($mil)	$130,748	$284,130
Median Market Cap. ($mil)	$55,113	$18,019
Price to Book	4.05	2.68
Price to Earnings	18.74	17.38
Return on Equity	29.06%	25.03%
Active Share	93.64%	-

The Kinetics **Medical** Fund

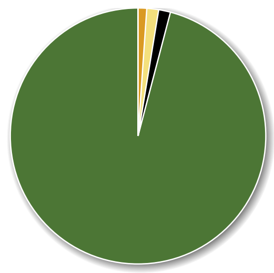
1Q 2020

Historical Total Return (No-Load Class) as of 03/31/20

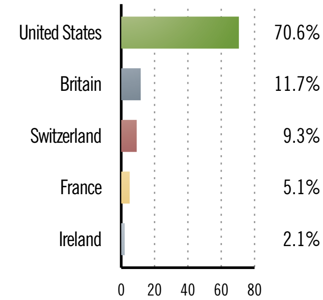
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD'20
Fund (MEDRX)	57.04%	-13.77%	-29.14%	23.19%	6.96%	-0.72%	14.81%	15.47%	-20.42%	24.47%	4.30%	5.11%	8.86%	49.25%	16.44%	6.59%	-8.01%	10.71%	1.67%	16.04%	-10.10%
S&P 500 Index	-9.10%	-11.89%	-22.10%	28.68%	10.88%	4.91%	15.79%	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	-19.60%
NASDAQ Composite Index	-39.29%	-21.05%	-31.53%	50.01%	8.59%	1.37%	9.52%	9.81%	-40.54%	43.89%	16.91%	-1.80%	15.91%	38.32%	13.40%	5.73%	7.50%	28.24%	-3.88%	35.23%	-14.18%

Top Industries (%)

Pharmaceutical and Medicine Manufacturing	96.3%
Chemical Manufacturing	1.5%
Professional, Scientific, and Technical Services	1.5%
Scientific Research and Development Services	0.1%



Top Countries (%)



Definitions:

Active share: A measure of the percentage of holdings in a portfolio that differ from a benchmark index. It is calculated by taking the sum of the differences of the weight of each holding in the portfolio and the weight of each holding in the benchmark index and dividing by two. Active share is measured against the iShares S&P 500 ETF. **Beta:** A statistic that measures the volatility of the fund, as compared to the overall market. The market's beta is set at 1.00; therefore a beta higher than 1.00 is considered to be more volatile than the market, while a beta lower than 1.00 is considered to be less volatile. It is important to note that a low beta for a fund does not necessarily imply that the fund has a low level of volatility, a low beta signifies only that the fund's market-related risk is low. **Down Market Capture Ratio:** A statistical measure of an investment manager's overall performance in down-markets. The down-market capture ratio is used to evaluate how well or poorly an investment manager performed relative to an index during periods when that index has dropped. The down-market capture ratio has been calculated since inception. **Median Market Capitalization:** The median market capitalization (value of outstanding shares) of a basket of stocks. **Price to Book Ratio:** The harmonic weighted average of the price/book (P/B) ratios of the equity securities referenced. The ratio calculated by dividing the current price of the stock by the company's book value per share (assets minus liabilities). **Price to Earnings Ratio:** The harmonic weighted average of the price/earnings (P/E) ratios of the equity securities referenced. The P/E ratio is calculated by dividing the current price of the stock by the trailing one year earnings. **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. **Sharpe Ratio:** A statistical measure that uses standard deviation and excess return to determine reward per unit of risk. A higher Sharpe ratio implies a better historical risk-adjusted performance. The Sharpe ratio has been calculated since inception using the 3-month treasury bill for the risk-free rate of return. **Standard Deviation:** A statistical measure of portfolio risk used to measure variability of total return around an average, over a specified period of time. The greater the standard deviation over the period, the wider the variability or range of returns and hence, the greater the fund's volatility. The standard deviation has been calculated since inception. **Turnover Ratio:** A measure of how frequently assets within a fund are bought and sold by the managers represented over a one year period. **Up Market Capture Ratio:** A statistical measure of an investment manager's overall performance in up-markets. The up-market capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen. The up-market capture ratio has been calculated since inception. **Weighted Avg. Mkt. Cap:** The mean market capitalization (value of outstanding shares) of a basket of stocks, taking into account the relative weight of each investment.

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S&P 500 Index statistics chart data is based on the iShares S&P 500 Index Fund for market cap, price to book, price to earnings, return on equity, and active share. iShares is a product of BlackRock, Inc.

The NASDAQ Composite (NASDAQ) and the Standard & Poor's 500 Index (S&P 500) each represent an unmanaged, broad-based basket of stocks. They are typically used as a proxy for overall market performance. NASDAQ Composite returns stated above do NOT include reinvested dividends, while the S&P 500 Index returns assume that dividends are reinvested. An investor cannot invest directly in an index.

Distributor: Kinetics Funds Distributor LLC is not an affiliate of Kinetics Mutual Funds, Inc.

Kinetics Mutual Funds, Inc

We Do *Our* Research

Kinetics Multi-Disciplinary Income Fund

1Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $3.8 billion in assets as of 03/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Management Team

Murray Stahl
Chief Investment Officer
41 years of management experience
Co-Manager of Fund since inception (2008)

Matt Houk
Co-Portfolio Manager
14 years of management experience
Co-Manager of Fund since 2015

Class Information

Class	Ticker	Cusip	12b-1 fee
Adv. A	KMDAX	494613664	0.50%
Adv. C	KMDCX	494613656	1.00%
Inst.	KMDYX	494613649	-
No Load	KMDNX	494613672	-

Fund Characteristics

Total Net Assets	$29.8 million
Total Number of Positions*	28
Turnover Ratio	0%
Minimum Purchase	$2,500

*Calculated such that all securities issued by one issuer are counted as one position.

Portfolio Allocation

Fixed Income	70.0%
Cash and Cash Equivalents	22.2%
Other Investments	7.8%

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Multi-Disciplinary Income Fund Overview

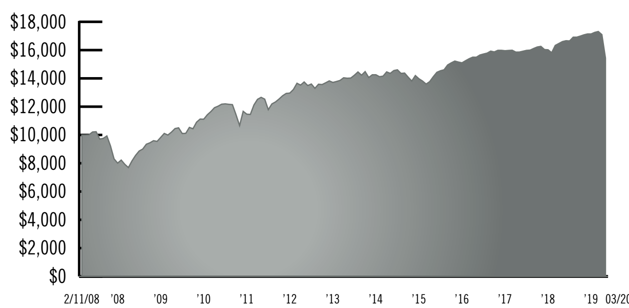
- Multi-strategy investment approach that opportunistically invests in income oriented securities and utilizes an equity option strategy which seeks to generate income and capital gains in excess of traditional fixed income indexes while assuming less interest rate risk or duration risk.
- Fixed income investments generally comprise limited duration securities, including investment grade and high yield bonds, and emphasize the avoidance of permanent capital losses.
- A selective equity option strategy supplements fixed income investments through the monetization of equity market volatility. The investment adviser aims to moderate incremental risks by selecting option strike prices that are below their underlying stock prices and by limiting option notional exposures.

Performance (No-Load Class)

	3 Month	YTD	Annualized Returns as of 03/31/20 1YR	3YR	5YR	10YR	Since Inception	5 Year Standard Deviation
Multi-Disciplinary Income Fund (KMDNX)	-10.52%	-10.52%	-7.02%	-0.13%	1.46%	3.98%	3.64%	5.87%
BB Barclays US Agg. Bond Index	3.15%	3.15%	8.93%	4.82%	3.36%	3.88%	4.13%	3.09%
BB Barclays US HY Corp. Bond Index	-12.68%	-12.68%	-6.94%	0.77%	2.78%	5.64%	6.60%	7.49%

The Multi-Disciplinary Income Fund No Load Class inception date is 2/11/08. Performance data quoted represents past performance and does not guarantee future results. Investment return and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Call 1-800-930-3828 or visit us at www.kineticsfunds.com for the most recent fund month-end performance data. Current performance may be lower or higher than the performance data quoted. Performance data does not reflect the deduction of sales load or fee which, if reflected, would reduce the performance quoted. You will be charged a redemption fee equal to 2.00% of the net amount of the redemption if you redeem or exchange your shares less than 30 days after you purchase them.

Growth of $10,000 Returns Since Inception $15,437



Statistics

	Fund	Barclays Agg.
Beta	0.37	1.00
Standard Deviation	5.87	3.09
Up Market Capture Ratio	0.69	-
Down Market Capture Ratio	0.98	-
Sharpe Ratio	0.05	0.72

Recent Fund Distributions**

	Fund
Mar-2020	$0.12
Dec-2019	$0.10
Sep-2019	$0.12
Jun-2019	$0.11

Fixed Income Overview

Fixed Income Statistics

Average Duration (years)	2.73
Average Maturity (years)	3.44

Top 10 Fixed Income Holdings (%) as of 03/31/20

Penske Automotive Group, Inc.	11.1%
Ashland, Inc.	9.9%
Lamb Weston Holdings, Inc.	6.5%
Lennar Corporation	6.4%
Stolt-Nielsen Limited	6.2%
The Howard Hughes Corporation	5.4%
Sirius XM Radio, Inc.	3.5%
Murphy Oil Corp.	2.9%
Crown Castle International Corp.	2.4%
Brookfield Residential Properties	1.9%

Historical Total Return (No-Load Class) as of 03/31/20

	2008*	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD'20
Fund (KMDNX)	-17.76%	22.90%	13.04%	0.24%	15.38%	4.28%	2.46%	-2.17%	10.41%	4.75%	-1.00%	9.08%	-10.52%
BB Barclays US Agg. Bond Index	4.08%	5.93%	6.54%	7.84%	4.21%	-2.02%	5.97%	0.55%	2.65%	3.54%	0.01%	8.72%	3.15%
BB Barclays US HY Corp. Bond Index	-27.02%	58.21%	15.12%	4.98%	15.81%	7.44%	2.45%	-4.47%	17.13%	7.50%	-2.08%	14.32%	-12.68%

*Cumulative return from Fund's inception to year-end.

Expense Ratios by Share Class

	Adv. A	Adv. C	No Load	Inst.
Gross	2.54%	3.04%	2.29%	2.24%
Net	2.06%	2.56%	1.81%	1.61%

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**Distributions by the Fund are subject to change and may discontinue at any time without notice.

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Holdings are expressed as a percentage of total net investments and may vary over time. Holdings are subject to change, and may not be indicative of actual market position due to the use of call and put options.

The Top Sectors displayed represent a percentage of the net assets and excludes cash equivalents and other assets in excess of liabilities. For purposes of calculating the top percentage holdings of the fund, the top 10 equity and fixed income holdings are valued at their applicable market value. Fixed Income Statistics include details on instruments held directly by the Fund and do not include securities which may be held within a portfolio owned by the Fund.

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The Fund is classified as diversified; however, asset allocation/diversification does not guarantee a profit or eliminate risk of loss. In addition, investing in foreign securities involves more risk than just U.S. investments, including the risk of currency fluctuations, political and economic instability and differences in financial reporting standards. There may also be heightened risks investing in non-investment grade debt securities and the use of options. There are also risks associated with investing in small and medium sized companies. Non-investment grade debt securities, i.e., junk bonds, are subject to greater credit risk, price volatility and risk of loss than investment grade securities. Options contain special risks including the imperfect correlation between the value of the option and the value of the underlying asset. Unlike other investment companies that directly acquire and manage their own portfolios of securities, the Fund pursues its investment objective by investing all of its investable assets in a corresponding portfolio series of Kinetics Portfolios Trust.

The Bloomberg Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency). The Bloomberg Barclays US Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Barclays EM country definition, are excluded. Both Bloomberg indices are trademarks of Bloomberg. An investor cannot invest directly in an index.

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The Kinetics **Paradigm** Fund

1Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $3.8 billion in assets as of 03/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Managers

Murray Stahl
Chief Investment Officer
41 years of management experience
Co-Manager of Fund since inception (1999)

Peter Doyle
Senior Portfolio Manager
34 years of management experience
Co-Manager of fund since inception (1999)

Class Information

Class	Ticker	Cusip	12b-1 fee	Net	Gross
Adv. A	KNPAX	494613854	0.50%	1.89%	1.98%
Adv. C	KNPCX	494613821	1.00%	2.39%	2.48%
Inst.	KNPYX	494613797	-	1.44%	1.68%
No Load	WWNPX	494613607	-	1.64%	1.73%

Fund Characteristics

Total Net Assets	$507.7 million
Total Number of Positions*	44
Turnover Ratio	1%
Investment Style	Global Equity
Market Cap Focus	All Cap
Minimum Purchase	$2,500

*Calculated such that all securities issued by one issuer are counted as one position.

Portfolio Allocation

Common Stocks	71.4%
Cash and Cash Equivalents	25.8%
Unit Investment Trust	2.8%

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Paradigm Fund Overview

- U.S. focused global all-cap fund comprised of investments in misunderstood or underappreciated companies whose businesses exhibit long product life cycles and have substantial barriers to entry.
- Proprietary in-house research sources original investment opportunities in companies for which investors fail to distinguish between permanent and transitory problems.
- The strategy seeks to capture long-term results commensurate with the returns of companies' underlying businesses, and has low turnover.

Performance (No-Load Class)

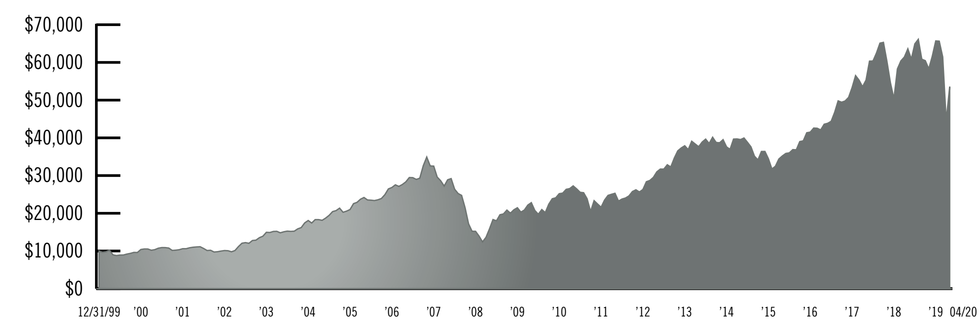
Annualized Returns as of 03/31/20

	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (WWNPX)	-32.22%	-32.22%	-27.51%	1.89%	2.31%	7.22%	7.65%	7.66%
S&P 500 Index	-19.60%	-19.60%	-6.98%	5.10%	6.73%	10.53%	4.79%	4.85%
MSCI ACW Index	-21.37%	-21.37%	-11.26%	1.50%	2.85%	5.88%	3.22%	3.23%

The Paradigm Fund No Load Class inception date is 12/31/99. Figures include changes in principal value, reinvested dividends and capital gains distributions. Performance data quoted represents past performance and does not guarantee future results. Investment return and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Call 1-800-930-3828 or visit us at www.kineticsfunds.com for the most recent month-end performance data. Current performance may be lower or higher than the performance data quoted. Performance data does not reflect the deduction of the sales load or fee which, if reflected, would reduce the performance quoted. You will be charged a redemption fee equal to 2.00% of the net amount of the redemption if you redeem or exchange your shares 30 days or less after you purchase them.

Growth of $10,000 Returns Since Inception

$53,567



Top 10 Holdings (%) as of 03/31/20

Texas Pacific Land Trust	27.7%
Brookfield Asset Management, Inc. - Class A	5.6%
The Howard Hughes Corporation	4.3%
Franco-Nevada Corporation	3.9%
Icahn Enterprises LP	3.4%
Live Nation Entertainment, Inc.	3.2%
Grayscale Bitcoin Trust	2.8%
Liberty Broadband Corporation - Series C	2.2%
CACI International, Inc. - Class A	1.9%
Associated Capital Group, Inc. - Class A	1.7%

Statistics

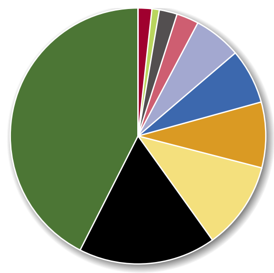
Statistics	Fund	S&P 500
Beta	0.99	1.00
Standard Deviation	18.45	14.83
Up Market Capture Ratio	1.10	-
Down Market Capture Ratio	0.94	-
Sharpe Ratio	0.32	0.21
Weighted Avg. Mkt. Cap. ($mil)	$8,658	$284,130
Median Market Cap. ($mil)	$7,166	$18,019
Price to Book	1.76	2.68
Price to Earnings	9.20	17.38
Return on Equity	38.05%	25.03%
Active Share	99.41%	-

Historical Total Return (No-Load Class) as of 03/31/20

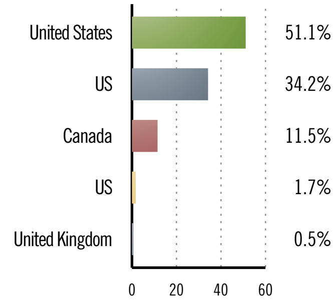
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD'20
Fund (WWNPX)	4.00%	2.02%	-4.62%	47.77%	20.93%	16.11%	27.81%	21.14%	-53.17%	41.02%	17.37%	-14.27%	21.78%	44.07%	-0.79%	-8.33%	20.45%	28.41%	-5.55%	30.48%	-32.22%
S&P 500 Index	-9.10%	-11.89%	-22.10%	28.68%	10.88%	4.91%	15.79%	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	-19.60%
MSCI ACW Index	-14.21%	-16.21%	-19.32%	33.99%	15.23%	10.84%	20.95%	11.66%	-42.20%	34.63%	12.67%	-7.35%	16.13%	22.80%	4.16%	-2.36%	7.86%	23.97%	-9.42%	26.60%	-21.37%

Top 10 Sectors (%)

Mining, Quarrying, and Oil and Gas Extraction	31.8%
Finance and Insurance	13.0%
Information	8.3%
Real Estate and Rental and Leasing	6.2%
Management of Companies and Enterprises	5.2%
Arts, Entertainment, and Recreation	4.5%
Professional, Scientific, and Technical Services	2.1%
Accommodation and Food Services	1.7%
Transportation and Warehousing	0.7%
Utilities	0.3%



Top Countries (%)



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As a non-diversified fund, the value of its shares may fluctuate more than shares invested in a broader range of companies. Non-investment grade debt securities, ie., junk bonds, are subject to greater credit risk, price volatility and risk of loss than investment grade securities. Options contain special risks including the imperfect correlation between the value of the option and the value of the underlying asset. In addition, investing in foreign securities involves more risk than just U.S. investments, including the risk of currency fluctuations, political and economic instability and differences in financial reporting standards. There may also be heightened risks investing in non-investment grade debt securities and the use of options. There are also risks associated with investing in small and medium sized companies. Unlike other investment companies that directly acquire and manage their own portfolios of securities, the Fund pursues its investment objective by investing all of its investable assets in a corresponding portfolio series of Kinetics Portfolios Trust.

The Fund holds investments that provide exposure to bitcoin. The value of bitcoins is determined by the supply of and demand for bitcoins in the global market for the trading of bitcoins, which consists of transactions on electronic bitcoin exchanges ("Bitcoin Exchanges"). Pricing on Bitcoin Exchanges and other venues can be volatile and can adversely affect the value of the bitcoin. Currently, there is relatively small use of bitcoins in the retail and commercial marketplace in comparison to the relatively large use of bitcoins by speculators, thus contributing to price volatility that could adversely affect a portfolio's direct or indirect investments in bitcoin. Bitcoin transactions are irrevocable, and stolen or incorrectly transferred bitcoins may be irretrievable. As a result, any incorrectly executed bitcoin transactions could adversely affect the value of a portfolio's direct or indirect investment in bitcoin. Only investors who can appreciate the risks associated with an investment should invest in cryptocurrencies or products that offer cryptocurrency exposure. As with all investments, investors should consult with their investment, legal and tax professionals before investing, as you may lose money.

S&P 500 Index statistics chart data is based on the iShares S&P 500 Index Fund for market cap, price to book, price to earnings, return on equity, and active share. iShares is a product of BlackRock, Inc.

The MSCI ACWI (All Country World Index) Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The Standard & Poor's 500 Index represents an unmanaged, broad-based basket of stocks. It is typically used as a proxy for overall market performance. The S&P 500 Index returns assume that dividends are reinvested. An investor cannot invest directly in an index.

Distributor: Kinetics Funds Distributor LLC is not an affiliate of Kinetics Mutual Funds, Inc.

Kinetics Mutual Funds, Inc
We Do *Our* Research

The Kinetics **Small Cap Opportunities** Fund

1Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $3.8 billion in assets as of 03/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Managers

Murray Stahl
Chief Investment Officer
41 years of management experience
Co-Manager of Fund since inception (2000)

Peter Doyle
Senior Portfolio Manager
34 years of management experience
Co-Manager of Fund since inception (2000)

Matt Houk
Co-Portfolio Manager
14 years of management experience
Co-Manager of Fund since 2011

Class Information

Class	Ticker	Cusip	12b-1 fee	Net	Gross
Adv. A	KSOAX	494613839	0.50%	1.90%	2.00%
Adv. C	KSOCX	494613748	1.00%	2.40%	2.50%
Inst.	KSCYX	494613813	-	1.45%	1.70%
No Load	KSCOX	494613706	-	1.65%	1.75%

Fund Characteristics

Total Net Assets	$154.1 million
Total Number of Positions*	35
Turnover Ratio	3%
Investment Style	Global Equity
Market Cap Focus	Small Cap
Minimum Purchase	$2,500

*Calculated such that all securities issued by one issuer are counted as one position.

Portfolio Allocation

Common Stocks	85.3%
Cash and Cash Equivalents	12.2%
Unit Investment Trust	1.4%
Preferred Stocks	0.6%
Other Investments	0.5%

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Small Cap Opportunities Fund Overview

- U.S. focused global small-cap fund seeking to invest in fundamentally undervalued companies with market capitalizations at or below the highest market capitalization of a component security within the S&P SmallCap 600 Index.
- Investments are concentrated in companies that have a small capitalization with the potential to expand to higher valuations either through revaluation, growth or a combination thereof.
- Fund targets companies with substantial barriers to entry, long product life cycles and sound capital structures; on occasion companies may be less mature companies and in the process of developing a superior product or market niche.

Performance (No-Load Class)

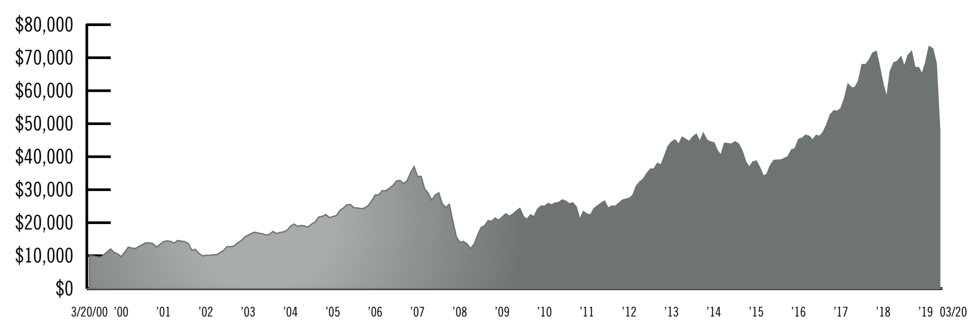
Annualized Returns as of 03/31/20

	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (KSCOX)	-34.39%	-34.39%	-30.14%	2.25%	1.84%	7.40%	8.23%	8.16%
S&P SmallCap 600 Index	-32.64%	-32.64%	-25.89%	-5.34%	0.45%	8.06%	7.35%	7.26%
S&P 500 Index	-19.60%	-19.60%	-6.98%	5.10%	6.73%	10.53%	4.79%	4.93%

The Small Cap Opportunities Fund No Load Class inception date is 3/20/00. Figures include changes in principal value, reinvested dividends and capital gains distributions. Performance data quoted represents past performance and does not guarantee future results. Investment return and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Call 1-800-930-3828 or visit us at www.kineticsfunds.com for the most recent month-end performance data. Current performance may be lower or higher than the performance data quoted. Performance data does not reflect the deduction of sales load or fee which, if reflected, would reduce the performance quoted. You will be charged a redemption fee equal to 2.00% of the net amount of the redemption if you redeem or exchange your shares 30 days or less after you purchase them.

Growth of $10,000 Returns Since Inception

$48,130



Top 10 Holdings (%) as of 03/31/20

Texas Pacific Land Trust	29.4%
Dream Unlimited Corp. - Class A	9.5%
Icahn Enterprises LP	8.8%
CACI International, Inc. - Class A	7.7%
Partners Value Investments LP	4.1%
Live Nation Entertainment, Inc.	3.7%
Associated Capital Group, Inc. - Class A	3.5%
The Wendy's Company	3.3%
The Howard Hughes Corporation	3.0%
Rubis SCA	2.5%

Statistics

Statistics	Fund	S&P 600
Beta	0.88	1.00
Standard Deviation	20.54	19.11
Up Market Capture Ratio	0.86	-
Down Market Capture Ratio	0.74	-
Sharpe Ratio	0.32	0.30
Weighted Avg. Mkt. Cap. ($mil)	$3,782	$1,556
Median Market Cap. ($mil)	$1,799	$757
Price to Book	1.38	1.18
Price to Earnings	6.74	13.21
Return on Equity	36.66%	9.43%
Active Share	99.48%	-

The Kinetics **Small Cap Opportunities** Fund

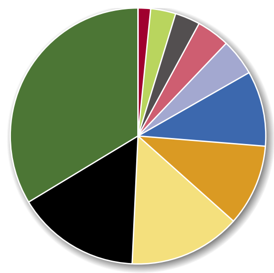
1Q 2020

Historical Total Return (No-Load Class) as of 03/31/20

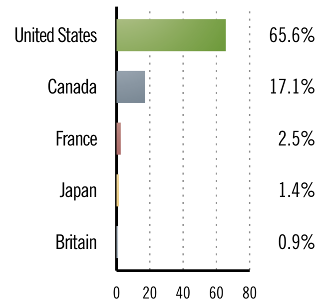
	2000*	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD'20
Fund (KSCOX)	11.00%	30.63%	-30.28%	66.51%	16.40%	13.17%	28.37%	19.65%	-57.88%	58.16%	13.86%	-13.65%	26.74%	59.40%	-7.28%	-12.26%	24.39%	26.23%	0.29%	27.06%	-34.39%
S&P SmallCap 600 Index	4.27%	6.54%	-14.63%	38.79%	22.65%	7.68%	15.12%	-0.30%	-31.07%	25.57%	26.31%	1.02%	16.33%	41.31%	5.76%	-1.97%	26.56%	13.23%	-8.48%	22.78%	-32.64%
S&P 500 Index	-8.57%	-11.89%	-22.10%	28.68%	10.88%	4.91%	15.79%	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	-19.60%

Top 10 Sectors (%)

Mining, Quarrying, and Oil and Gas Extraction	29.7%
Management of Companies and Enterprises	13.8%
Real Estate and Rental and Leasing	12.5%
Professional, Scientific, and Technical Services	9.1%
Finance and Insurance	8.4%
Accommodation and Food Services	4.1%
Arts, Entertainment, and Recreation	3.7%
Transportation and Warehousing	2.8%
Manufacturing	2.8%
Wholesale Trade	0.4%



Top Countries (%)



Definitions:

Active share: A measure of the percentage of holdings in a portfolio that differ from a benchmark index. It is calculated by taking the sum of the differences of the weight of each holding in the portfolio and the weight of each holding in the benchmark index and dividing by two. Active share is measured against the iShares Core S&P Small-Cap ETF. **Beta:** A statistic that measures the volatility of the fund, as compared to the overall market. The market's beta is set at 1.00; therefore a beta higher than 1.00 is considered to be more volatile than the market, while a beta lower than 1.00 is considered to be less volatile. It is important to note that a low beta for a fund does not necessarily imply that the fund has a low level of volatility, a low beta signifies only that the fund's market-related risk is low. **Down Market Capture Ratio:** A statistical measure of an investment manager's overall performance in down-markets. The down-market capture ratio is used to evaluate how well or poorly an investment manager performed relative to an index during periods when that index has dropped. The down-market capture ratio has been calculated since 04/01/00. **Median Market Capitalization:** The median market capitalization (value of outstanding shares) of a basket of stocks. **Price to Book Ratio:** The harmonic weighted average of the price/book (P/B) ratios of the equity securities referenced. The ratio calculated by dividing the current price of the stock by the company's book value per share (assets minus liabilities). **Price to Earnings Ratio:** The harmonic weighted average of the price/earnings (P/E) ratios of the equity securities referenced. The P/E ratio is calculated by dividing the current price of the stock by the trailing one year earnings. **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. **Sharpe Ratio:** A statistical measure that uses standard deviation and excess return to determine reward per unit of risk. A higher Sharpe ratio implies a better historical risk-adjusted performance. The Sharpe ratio has been calculated since 04/01/00 using the 3-month treasury bill for the risk-free rate of return. **Standard Deviation:** A statistical measure of portfolio risk used to measure variability of total return around an average, over a specified period of time. The greater the standard deviation over the period, the wider the variability or range of returns and hence, the greater the fund's volatility. The standard deviation has been calculated since 04/01/00. **Turnover Ratio:** A measure of how frequently assets within a fund are bought and sold by the managers represented over a one year period. **Up Market Capture Ratio**: A statistical measure of an investment manager's overall performance in up-markets. The up-market capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen. The up-market capture ratio has been calculated since 04/01/00. **Weighted Avg. Mkt. Cap:** The mean market capitalization (value of outstanding shares) of a basket of stocks, taking into account the relative weight of each investment.

*Cumulative return from Fund's inception to year end.

The Gross expense ratios listed are as of 12/31/2018 as reported in the 4/30/2019 prospectus. The Fund's adviser voluntarily agreed to waive management fees and reimburse fund expenses so that net annual fund operating expenses do not exceed certain levels, not including acquired fund fees and expenses (AFFE), through May 1, 2020 and may be discontinued at any time by the Fund's adviser after May 1, 2020.

In April 2019, Kinetics Asset Management LLC ("KAM") and Kinetics Advisers, LLC ("KA") reorganized into Horizon Asset Management LLC ("HAM"), following which HAM was renamed Horizon Kinetics Asset Management LLC ("HKAM"). KAM, HAM and KA were all wholly-owned subsidiaries of Horizon Kinetics LLC, and HKAM will remain a wholly-owned subsidiary. HKAM is the Fund's adviser, previously, KAM was the Fund's adviser. Neither the portfolio managers of the Fund nor the Fund's investment objective and investment strategy have changed.

The Growth of $10,000 chart illustrates the performance of a hypothetical $10,000 investment made in No Load Class shares commencement of operations (3/20/00). It assumes reinvestment of capital gains and dividends. This chart is not intended to imply any future performance.

Holdings are expressed as a percentage of total net investments and may vary over time. Equity holdings are subject to change, and may not be indicative of actual market position due to the use of call and put options.

The Top 10 Sectors and Top Countries displayed represent a percentage of the net assets and excludes cash equivalents and other assets in excess of liabilities.

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S&P SmallCap 600 Index statistics chart data is based on the iShares Core S&P Small-Cap ETF for market cap, price to book, price to earnings, return on equity, and active share. iShares is a product of BlackRock, Inc.

The S&P SmallCap 600 Index represents an unmanaged, broad-based basket of small-cap stocks in the U.S equity market. The S&P SmallCap 600 returns assume that dividends are reinvested. The Standard & Poor's 500 Index represents an unmanaged, broad-based basket of stocks. It is typically used as a proxy for overall market performance. The S&P 500 Index returns assume that dividends are reinvested. An investor cannot invest directly in an index.

Distributor: Kinetics Funds Distributor LLC is not an affiliate of Kinetics Mutual Funds, Inc.

Kinetics Mutual Funds, Inc

We Do *Our* Research

The Kinetics **Spin-off and Corporate Restructuring** Fund

1Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $3.8 billion in assets as of 03/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Managers

Murray Stahl
Chief Investment Officer
41 years of management experience
Co-Manager of Fund since inception (2007)

Steven Bregman
President
34 years of management experience
Co-Manager of fund since inception (2007)

Class Information

Class	Ticker	Cusip	12b-1 fee	Net	Gross
Adv. A	LSHAX	494613557	0.25%	1.61%	2.17%
Adv. C	LSHCX	494613540	0.75%	2.36%	2.67%
Inst.	LSHUX	494613532	-	1.36%	1.87%
No Load	LSHEX	494613524	-	1.56%	1.92%

Fund Characteristics

Total Net Assets	$11.7 million
Total Number of Positions*	32
Turnover Ratio	0%
Investment Style	Global Equity
Market Cap Focus	All Cap
Minimum Purchase	$2,500

*Calculated such that all securities issued by one issuer are counted as one position.

Portfolio Allocation

Common Stocks	99.2%
Cash and Cash Equivalents	0.8%

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Spin-off and Corporate Restructuring Fund Overview

- U.S. focused global all-cap fund comprised of investments in:
  - Spin-off companies and parent companies of spin-offs.
  - Subsidiary companies resulting from an equity "carve out" or "partial initial public offering" where a parent company sells equity of such subsidiary.
  - Companies subject to a corporate restructuring, or public shareholder activist holding companies which cause other companies to undergo a spin-off or corporate restructuring.
- Return potential is often the result of the market's inefficiency in initially valuing these securities, due in part to the lack of coverage by the investment community, lack of a natural shareholder base immediately following the transaction, and resulting initial, indiscriminate selling pressure.

Performance (Institutional Class)*

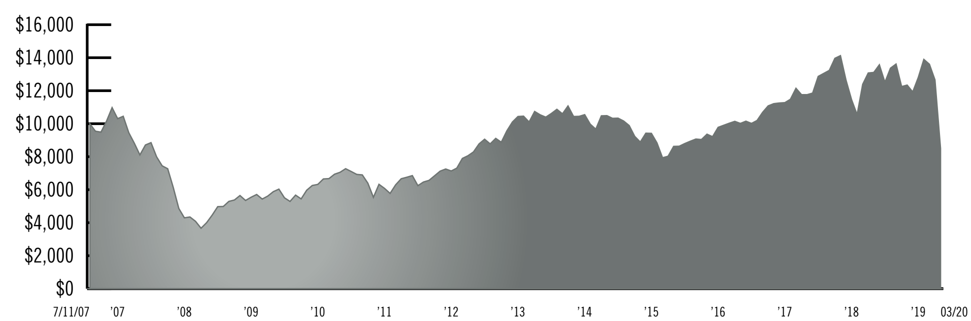
Annualized Returns as of 03/31/20

	3 Month	YTD	1YR	3YR	5YR	10YR	Since Inception
Fund (LSHUX)	-38.80%	-38.80%	-35.11%	-5.31%	-4.10%	3.76%	-1.26%
S&P 500 Index	-19.60%	-19.60%	-6.98%	5.10%	6.73%	10.53%	6.50%

The Spin-off and Corporate Restructuring Fund Institutional Class inception date is 7/11/07. Figures include changes in principal value, reinvested dividends and capital gains distributions. Performance data quoted represents past performance and does not guarantee future results. Investment return and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Call 1-800-930-3828 or visit us at www.kineticsfunds.com for the most recent month-end performance data. Current performance may be lower or higher than the performance data quoted. Performance data does not reflect the deduction of the sales load or fee which, if reflected, would reduce the performance quoted. You will be charged a redemption fee equal to 2.00% of the net amount of the redemption if you redeem or exchange your shares 30 days or less after you purchase them.

Growth of $10,000 Returns Since Inception

$8,505



Top 10 Holdings (%) as of 03/31/20

Texas Pacific Land Trust	34.8%
Dream Unlimited Corp. - Class A	11.6%
PayPal Holdings, Inc.	9.1%
Associated Capital Group, Inc. - Class A	8.8%
CSW Industrials, Inc.	8.3%
The Howard Hughes Corporation	4.1%
Graham Holdings Company - Class B	3.2%
Liberty Broadband Corporation - Series A	2.7%
A.P. Moeller-Maersk A/S - Class B - ADR	1.8%
Capital Southwest Corporation	1.7%

Statistics

Statistics	Fund	S&P 500
Beta	1.28	1.00
Standard Deviation	22.33	15.32
Up Market Capture Ratio	1.07	-
Down Market Capture Ratio	1.47	-
Sharpe Ratio	-0.07	0.40
Weighted Avg. Mkt. Cap. ($mil)	$12,803	$284,130
Median Market Cap. ($mil)	$976	$18,019
Price to Book	1.29	2.68
Price to Earnings	8.71	17.38
Return on Equity	37.66%	25.03%
Active Share	99.35%	-

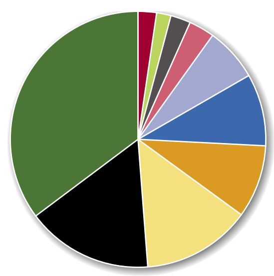
Historical Total Return (Institutional Class)* as of 03/31/20

	2007†	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD'20
Fund (LSHUX)	4.51%	-58.40%	31.35%	16.49%	-13.17%	26.54%	43.07%	-4.65%	-11.37%	12.08%	15.90%	-8.11%	31.74%	-38.80%
S&P 500 Index	-2.43%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	-19.60%

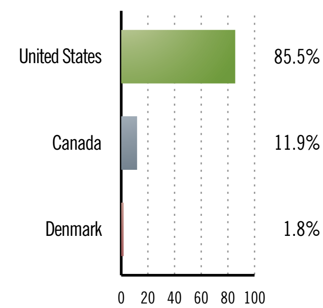
†Cumulative return from Fund's inception to year-end.

Top 10 Sectors (%)

Mining, Quarrying, and Oil and Gas Extraction	34.8%
Real Estate and Rental and Leasing	15.8%
Manufacturing	13.6%
Admin. and Spprt. and Wst. Mgmt. and Rem. Srvcs.	9.1%
Management of Companies and Enterprises	9.0%
Information	6.7%
Educational Services	3.2%
Finance and Insurance	2.5%
Transportation and Warehousing	1.8%
Arts, Entertainment, and Recreation	1.3%



Top Countries (%)



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The Top 10 Industries and Top Countries displayed represent a percentage of the net assets and excludes cash equivalents and other assets in excess of liabilities.

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