MATRIX ADVISORS VALUE FUND

10 Bank Street, Suite 590 • White Plains, NY 10606 • Tel. (212) 486-2004 • Fax (212) 486-1822

May 1, 2023

Dear Fellow Shareholder:

The Matrix Advisors Value Fund had a good start to the year, ahead of the Russell 1000® Value Index and the S&P 500's return. The Fund was up +7.95% in the quarter, versus the S&P 500's gain of +7.50% and the Russell 1000® Value Index's gain of +0.99%.

Disclosure Note:

For your information, for the period ended March 31, 2023, the Fund's average annual total returns for the one-year, five-years, ten-years and for the period from July 1, 1996, the inception of Matrix Asset Advisors' involvement with the Fund were –9.71, +8.30%, +9.35% and +7.80%, respectively. For the same periods, the returns for the S&P 500® Index were –7.75%, + 11.19%, + 12.24% and +8.99%.

Gross Expense Ratio: 1.16%
Net Expense Ratio: 0.99%**

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 800-366-6223 or by visiting www.matrixadvisorsvaluefund.com. Please see the Financial Highlights in this report for the most recent expense ratio.

**The Advisor has contractually agreed to reduce fees through 10/31/23.

Investment performance reflects fee waivers in effect. In the absence of such waivers, total return would be reduced. Matrix Asset Advisors became the sub-advisor on July 1, 1996, and Advisor to the Fund on May 11, 1997. Prior to those dates, the Fund was managed by another advisor.

The Fund's Net Asset Value on 03/31/23 was $75.22.

Many of 2022's weakest sectors and stocks rebounded strongly and led the Fund's portfolio higher in the 1st quarter of 2023.

During the quarter, the Fund started a new position in PNC Financial, swapping out from Truist Financial. Both companies are strong, well-managed regional banks, but in the recent sell-off of regional bank stocks, we believed this was a quality upgrade with similar upside potential.

The Fund also added to its position in Amazon, funding that purchase with a partial sale of eBay.

The Fund sold its position in Schlumberger when it reached its target sale price.

The largest sector weights in the portfolio on March 31st were Technology, Financials, Health Care, and Communication Services. We believe the Fund's investments in these sectors have strong appreciation potential from current levels.

Overall, the Fund's portfolio has an average estimated upside potential of above its historic average[1]. Its P/E ratio of 14.3 times estimated 2023 earnings is at a 14% discount to the S&P 500's P/E.

We remain confident that this will be a good year for stocks and that the Fund's portfolio is well positioned to benefit from a broadening out of the market's rally from mega-cap technology stocks to other sectors.

Matrix partners and associates are among the Fund's largest shareholders and our interests are directly aligned with yours. We thank you for your continued support and confidence in the Fund.

Sincerely,

David A. Katz, CFA
Fund Manager

Past performance is not a guarantee of future results.

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

Please refer to the Schedule of Investments in this report for details on fund holdings. Fund holdings and/or sector allocations are subject to change at any time and are not recommendations to buy or sell any security.

The information provided herein represents the opinion of the Matrix Advisors Value Fund management and is not intended to be a forecast of future events, a guarantee of future results, nor investment advice.

The S&P 500® Index is a broad-based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general.

The Russell 1000® Value Index measures the performance of those Russell 1000® Index companies with lower price-to-book ratios and lower forecasted growth values.

It is not possible to invest directly in an index.

Earnings per share (EPS) is the portion of a company's profit allocated to each share of common stock.

P/E Multiple Price to Earnings Multiple is used to compare a company's market value (price) with its earnings. A company with a price or market value that is high compared to its level of earnings has a high P/E multiple. A company with a low price compared to its level of earnings has a low P/E multiple.

Must be preceded or accompanied by a prospectus.

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[1] Based on Matrix Asset Advisors Valuations

Mutual fund investing involves risk. Principal loss is possible. The stock of value companies can continue to be undervalued for long periods of time and not realize its expected value. The value of the Fund may decrease in response to the activities and financial prospects of an individual company. Growth stocks typically are more volatile than value stocks; however, value stocks have a lower expected growth rate in earnings and sales.

Top Ten Holdings as of March 31, 2023:

Microsoft Corporation	7.3%
Alphabet Inc. Class C.	5.5%
Apple Inc.	5.1%
PayPal Holdings, Inc.	5.0%
Booking Holdings Inc.	4.3%
J.P. Morgan Chase & Co.	4.0%
Goldman Sachs Group, Inc.	4.0%
Morgan Stanley	4.0%
TE Connectivity Ltd.	3.9%
Cisco Systems Inc.	3.9%

Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any security.

The Matrix Advisors Value Fund is distributed by Quasar Distributors, LLC.

Matrix Advisors Value Fund, Inc.
Capital Markets Commentary and Quarterly Report:
1st Quarter 2023

Capital Markets Highlights

The stock market[2] rallied in Q1 2023, despite the collapse of three U.S. banks in March that shook confidence in the health of the banking system. Those failures might easily have led to a market rout and rattled investors imagining another financial crisis and a deep recession. Instead, the stock market showed great resilience in the face of tremendous uncertainty, with investors concluding that the banking system remains strong, albeit with pockets of vulnerability that can be managed. We think that bodes well for the stock market's prospects and we continue to be upbeat in our stock market outlook for the year, while still expecting continued volatility along the way.

The year started strongly in January, reacting to better news on inflation, but then declined in February, when the inflation news was less good and Federal Reserve Chairman Powell said that the central bank was prepared to raise interest rates higher than previously expected[3].

March was a rollercoaster for the market, rattled by news that the 16th largest bank in the U.S., Silicon Valley Bank, had failed[4] along with two other smaller regional banks. Then, a few weeks later, the centuries-old global bank, Credit Suisse, was forced to merge with its rival UBS, as Swiss authorities were concerned that Credit Suisse would not survive on its own.

There was a palatable fear in March that this could be the beginning of a string of bank failures caused by the forced sale of Treasury securities bought by banks at much lower interest rates (higher prices) if depositors all demanded their money back at the same time.

But after an initial selloff, the market stabilized following assurances from the Fed, Treasury, and the FDIC about the integrity of the banking system and the safety of consumers' deposits beyond the $250,000 Federal Deposit Insurance limit. The market rallied from there and finished higher for the month.

During the quarter, the Federal Reserve raised interest rates twice, by ¼% each, in February and March, to the current 4.75% - 5.00% short-term rate. It was the 9th consecutive interest rate increase since the current rate hike cycle began in March 2022.

For some time, there has been a belief that the most rapid increase in the Fed Funds rate since the 1980s was creating a high probability scenario that something would break in the global financial system. But no one knew when or where until the Silicon Valley Bank failure in March. Though fears about financial system contagion have mostly abated, investors understandably remain nervous about further aftershocks. Our thoughts about this and our bank investments are discussed further in a section on financial stability on the 4th page of this letter.
In other news, the war in Ukraine entered its second year and the human suffering has been horrific. But the world's economies have adapted and avoided the worst-case scenarios of energy shortages and deep recessions.

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[2] All references to the stock market are the S&P 500® unless otherwise noted.
[3] NY Times, Fed Chair Opens Door to Faster Rate Moves and a Higher Peak, March 7, 2023.
[4] The second largest bank failure in U.S. history, Barron's, March 31, 2023

Stock market performance in Q1 2023 was led by the Technology and Communications Services sectors[5], last year's worst performers. Financials, Energy, Health Care, and Utilities were all down in the quarter showing mid- to low-single-digit declines. Among styles, Growth significantly outperformed Value[6] and Dividend Strategies. The NASDAQ was up double digits in the quarter versus Value's 1% return and the SPDR S&P Dividend ETF's decline of -1%.

Market Outlook

We began the year optimistic about the stock market's prospects in 2023. Market valuations came down a lot last year, while earnings and dividends for many high-quality companies rose in 2022. Our valuation work showed above-average appreciation potential. One caveat to this upbeat outlook was that we anticipated short-term market swings along the way.

Historically, powerful stock market rebounds have followed significant stock market declines. In early 2023, CNBC noted that since 1945, negative years in the stock market have been followed by gains 81% of the time, with an average increase of 14.2%. Our experience has been that most recoveries occur at a faster pace than generally expected and start when least expected. We do not think a deep recession is likely in 2023. We believe a pause in the Fed's raising rates is likely to happen soon, and that coupled with a mild recession would be well-received by the market, ultimately leading stocks higher.

As a result of the Fed's strong actions and words, reported inflation and inflation expectations data have improved meaningfully since mid-2022, notwithstanding some recent upward blips. Also, manufacturing and distribution logistics issues are easing markedly. Together, these should give the Fed comfort that its inflation-fighting actions are working.

Surprising to many, the employment situation is still quite constructive overall, with low unemployment and an expanding labor market. This data may be confounding the Fed, which vigorously raised interest rates over the last year in an aggressive campaign to cut inflation by slowing the economy and employment.

We look for slower, modestly positive economic growth for the balance of the year, but in the aftermath of the Silicon Valley Bank failure, believe the chance of a shallow and short-lived recession has increased. The full impact of the rapid rise in interest rates has yet to be felt and businesses and consumers will likely be even more cautious after the recent bank failures. Banks are likely to tighten lending further, as they manage their liquidity more carefully. Recent economic data is already indicating a slowdown in economic activity with the effects of the mini-banking crisis yet to be reflected in the numbers. Manufacturing, retail sales, and housing are all signaling moderating growth. Unemployment is expected to rise as the economy slows but remains at a historically low level, with the last unemployment report for March at 3.5%. Earnings expectations, usually optimistic at the beginning of the year, are subdued.

However, we think the economic picture will look brighter by year-end, and the stock market, as it has done historically, is likely to rise well before the beginnings of accelerating economic expansion become obvious. We remain confident that this will be a good year for stocks, with continued volatility.

As mentioned earlier, the stock market showed great resilience in Q1 in the face of much uncertainty. After the strong rebound in Growth stocks in Q1, we expect the market's advance to broaden to more market sectors and expect a slowdown in the melt-up in the mega-cap technology firms.

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[5] This and future references to Sector or Asset class specific returns are from J.P. Morgan Market Insights "*Guide to the Markets®" US 2Q/2023 as of March 31, 2023*

[6] iShares Russell Growth & Value ETFs

Financials stand out to us as a sector that is due for a nice bounce as confidence returns to the strong companies in this area. The sector got off to a good start in 2023 but fell out of favor when three badly managed banks failed. The banks where we have investments are all large, well-managed, very profitable, strongly capitalized, and trading at attractive valuations with good dividend yields. In recent weeks, growing concerns about commercial real-estate loans have brought down valuations further for all banks. But most of those loans, 67% [7] are held by small and mid-size banks below the top 25 lenders. Credit quality generally, consumer and commercial, remains very good. Ultimately, we look for significant P/E multiple expansion for larger banks on growing earnings, as forecasts of forward economic conditions improve, and they gain market share. The pullback in interest rates in March is also a positive for the group, reducing the paper losses in their securities holdings and loan portfolios.

Other sectors that look attractive to us are Consumer Discretionary, Industrials, Health Care, Communications Services, and select Technology stocks.

Despite a strong relative 2022, we believe our Health Care stocks have continued upside potential and after a breather in the first quarter, are poised for gains as the year progresses.

Technology and Communications Services were the worst-performing sectors in 2022. Last year's harsh sell-off in these sectors did not differentiate strong, profitable companies from more speculative names. We believe each of our holdings has excellent outlooks for their long-term business performance and remains attractively priced, even after their Q1 rally.

Predicting the Fed's action on interest rate hikes from here is a coin toss but we do not anticipate short-term interest rates will move significantly higher from current levels. We expect the fallout from the recent bank failures will weigh on the Fed's thinking about future rate hikes, making them more cautious about putting additional unnecessary stress on the banking system and the economy. Our best guess is in line with the consensus thinking that the Fed is either already done hiking rates or will stop after possibly one more ¼% hike at the May meeting, as they have previously projected.

The risks to the economy and stock market we see in 2023 remain like those expressed in our year-end letter: the Fed continuing to raise interest rates higher and for longer than necessary to combat inflation that is already trending down and the unpredictable but ever-present geopolitical risks with China and Russia. The political standoff about the debt ceiling will create a lot of noise but will ultimately be resolved.

Thoughts on Financial Stability

In mid-March, three banks failed and were taken over by the FDIC in one week. Our early take was that the Federal Reserve, Treasury, and the FDIC had stepped up in a meaningful way to protect the integrity of the financial system and that contagion or a full-blown financial crisis would be averted. That seems on the mark.

We agree with Jamie Dimon, the CEO of JP Morgan Chase, who in an April 7th CNN interview stated that the bank crisis is probably nearing its end, even if more unforeseen failures occur.

During this mini-banking panic, we did a deep dive into all of our banks and were very comfortable that all are well-capitalized with strong liquidity and were not seeing any unusual activity in their banking operations. We are confident that our banks will weather the current storm of investor and depositor stress and many, because of their size, strength, and reputations, are likely to gain deposits as bank customers seek out the safest banks.

7 WSJ, Smaller Banks' Critical Role in Economy Means Distress Raises Recession Risks, March 19, 2023.

1st Quarter Review

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During the quarter, the Fund bought a new position in PNC Financial, swapping out from Truist Financial. Both companies are strong, well-managed regional banks, but in the recent sell-off of regional bank stocks, we believed this was a quality upgrade with similar upside potential.

PNC Financial is the 6th largest bank in the United States by assets. The firm's branch network extends from St. Louis to Pittsburgh and down to Texas and Florida. PNC has a long history of being a "relationship-based" bank with more of its revenues coming from lower-risk clients and lower-risk service fees such as treasury, payments, and asset management. We view PNC positively for its growth potential from national expansion, lower credit risk historically, a disciplined acquisition strategy, valuation discount to historical metrics, and strong technology. The firm pays a safe and healthy dividend yield which should grow nicely due to good earnings growth and a conservative payout ratio.

The Fund also added to its position in Amazon, funding that purchase with a partial sale of eBay.

The Fund sold its position in Schlumberger when it reached its target sale price.

The largest sector weights in the Fund on March 31st were Technology, Financials, Health Care, and Communication Services. We believe the Fund's investments in these sectors have strong appreciation potential from current levels.

Overall, the Fund's portfolio has an average estimated upside above its historic average. Its P/E ratio of 14.3 times estimated 2023 earnings is at a 14% discount to the S&P 500's P/E.

We believe the Fund's portfolio is positioned to show further healthy gains when the market rally expands beyond the mega-cap Technology stocks.

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We thank you for your continued confidence. If you have questions about any part of this commentary, please do not hesitate to call.

Best regards.