MATRIX ADVISORS VALUE FUND

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October 19, 2023

Dear Fellow Shareholder:

After a strong start to the year, the Matrix Advisors Value Fund was down modestly in the third quarter, declining -2.18%, less than the S&P 500® Index's decline of -3,27%. For the first nine months of the year, the Fund was up +10.95% versus a gain of + 13.07% for the S&P 500 Index.

Disclosure Note:

For your information, for the period ended September 30, 2023, the Fund's average annual total returns for the one-year, five-year, ten-years and for the period from July 1, 1996, the inception of Matrix Asset Advisors' involvement with the Fund were +19.18%, +7.11% and +8.38%, respectively. For the same periods, the returns for the S&P 500 Index were +21.62%, +9.82%, and +12.34%

Gross Expense Ratio: 1.23%
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 10/31/24.

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 9/30/23 was $77.31.

The Fund's portfolio continues to be led by many of last year's weakest stocks and sectors, although more stocks and sectors have contributed to the portfolio's performance since the beginning of June as the market rally broadened.

In Q3, we started a new position in RTX Corp., formerly Raytheon Technologies, an aerospace and defense company that provides advanced systems and services for commercial, military and government customers worldwide.

We trimmed FedEx and sold Booking Holdings as they became oversized and/or approached fair value. We increased holdings in L3Harris and UnitedHealth Group, and began to rebuild the position in Zimmer, as the stock had a meaningful decline since our scale back in June.

Overall, the companies in the portfolio showed strong operating performance vs. expectations in their recent quarterly reports, impressive against frequent descriptions of the current economic environment as "tough."

On September 30, the average P/E multiple of the Fund's portfolio was 15.6x and 13.9x on 2023 and 2024 estimated earnings, well under the S&P 500's 19.4x and 17.3x estimated P/Es.

We believe that the Fund's portfolio is well-positioned to navigate the current pullback and then add to its 2023 gains, as its holdings continue to perform well even as the general business and financial environment has become more uncertain. We think the portfolio's stocks trade at very attractive valuations that can expand as the market recognizes their solid performance. We look for many of the stocks that lagged in the first part of the year to emerge as the new leaders going forward.

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 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.

Price to earnings (P/E) ratio is a common tool for comparing the prices of different common stocks and is calculated by dividing the current market price of a stock by the earnings per share.

Value Strategy investment strategy that involves picking stocks that appear to be trading for less than their intrinsic or book value.

It is not possible to invest directly in an index.

Must be preceded or accompanied by a prospectus.

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 September 30, 2023:

Microsoft Corporation	7.2%
Alphabet Inc. Class C.	6.8%
Apple Inc.	5.1%
J.P. Morgan Chase & Co.	4.2%
Meta Platforms, Inc.	4.1%
Amazon.com Inc.	4.0%
Goldman Sachs Group, Inc.	3.9%
Comcast Corp. Cl A	3.8%
Cisco Systems, Inc.	3.7%
Morgan Stanley	3.7%

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:
3rd Quarter 2023

Capital Markets Highlights

The S&P 500®[1] declined by -3.27% in the third quarter. The pullback was largely a reaction to sharply higher interest rates in the quarter, with the yield on the 10-year Treasury rising by 0.73% to 4.57%, its highest level since 2007, and 30-year fixed mortgages above 7%, its highest rate since 2000[2].

Adding to investors' worries were data suggesting that the economy is slowing, ongoing labor strikes, the unknown negative impact from the resumption of student loan bills for approximately 43.5 million people in October after a 3.5-year hiatus[3], and a budget impasse that threatens to shut down government services and paychecks for millions of workers.

The S&P 500's return for the first nine months of the year was up +13.07%. After a narrow market rally in the first half of the year that was dominated by a small number of mega-cap growth stocks, returns were more balanced in the third quarter. The Growth and Value Indexes[4] had similar returns in the quarter, each down a little more than -3%. The equally weighted S&P 500 Index was down -4.90% in the quarter and up +1.69% for the year through September 30.

During the third quarter, the Federal Reserve raised interest rates by another 0.25%, increasing the Fed Funds rate at their July meeting to 5.25%-5.50%. The Fed left the Fed Funds rate unchanged at their September meeting but left open the possibility of one more interest rate hike before year-end. Their comments about keeping interest rates higher for longer rocked the bond market. Interest rates rose across the yield curve and led to a late September stock market sell-off.

Market Outlook

The U.S. economy has been surprisingly resilient in the face of higher interest rates. Businesses have adapted well to changing circumstances and corporate earnings have generally met or exceeded expectations so far in 2023[5].

Looking ahead, despite some challenging near-term economic and political headwinds, we think a tight labor market with a national unemployment rate that has been below 4% for the past 19 months[6] should provide a good cushion against the deceleration in growth we think is coming.

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[1] All references to the stock market are the S&P 500® unless otherwise noted.
[2] Source: Freddie Mac, Forbes, Curios
[3] The Motley Fool 9/26/2023
[4] Russell 1000 Growth & Value Indexes
[5] Matrix proprietary earning analysis with data from S&P 500® and Bloomberg.
[6] Bureau of Labor Statistics

On the plus side, we anticipate that earnings and dividends will be higher in 2024. Progress on inflation is likely to continue, and interest rates should stabilize soon and then begin to move lower sometime next year. In that scenario, the current attractive valuations for many high-quality companies should lead to good future returns for equities.

In our view, the greatest near-term challenge for the stock market is the rapid move higher in interest rates and the Fed's belief that "the process of getting inflation sustainably down to 2% has a long way to go[7]". The market is worried that the Fed is continuing to misread the trajectory of inflation. They were behind the curve in the early days, missing obvious signals when it was well underway in 2021, and now may be making the mistake of staying the course on higher rates for too long and doing unnecessary damage to the economy.

Interest rates are now at the highest levels since 2008 and they are starting to bite. Recent economic data clearly show how higher rates are slowing economic growth. Corporations are closely watching expenses and slowing hiring. If the Fed keeps rates high for too long, consumers will be forced to cut back on their spending and the economy will inevitably slow, in our opinion.

Many households and businesses have fixed loan rates from a few years ago that are much lower than current rates. Until now, many have been unaffected by the jump in interest rates over the past 18 months. But higher rates are impacting new purchase activity by consumers and investment spending by businesses.

We believe that the Fed will soon see enough evidence of an economic slowdown caused by higher rates that they will end their interest rate increases by the end of this year and reluctantly move to lower them sometime next year. Their forecast in September implies one more rate hike this year and then two rate cuts next year.

The Fed's forecast looking one year out has been notoriously inaccurate[8]. While the market has reacted very negatively to the higher for longer comments and the forecast for very modest rate cuts in the upcoming year, we think that the Fed could lower rates more aggressively if inflation progress continues and the current economic headwinds slow the economy more than currently anticipated. It is currently in the Fed's interests to sound as hawkish as possible in their commitment to fight inflation until they pivot and move toward a more dovish policy.

We think that good corporate profitability, improving inflation and a reaccelerating economy in 2024 should drive the next market rally after the recent pullback. An encouraging sign for equities is that M&A activity and new IPOs have had a resurgence recently. This is frequently an indicator that business owners and managers are more confident in their own businesses and the business environment overall.

The near-term wild cards are the length of labor strikes and a possible government shutdown, but both will eventually be resolved, and the risk of regional escalation of the war in Israel.

3rd Quarter Review

After a strong start to the year, the Matrix Advisors Value Fund was down modestly in the third quarter of 2023, declining less than the pullbacks in the S&P 500 and the Russell 1000® Value Indexes. For the first nine months of the year, the Fund' portfolio is up +10.95%, trailing the technology-heavy market cap weighted S&P 500's

[7] Transcript of Chair Powell's Press Conference September 20, 2023
[8] CNBC September 20, 2023, *Trader Talk: Take the Fed forecast with a grain of salt. It has a terrible track record.*

gain of +13.07% but nicely ahead of the equally weighted S&P 500's +1.78% gain [9], and the Russell 1000 Value Index's return of +1.77%.

The Fund's portfolio continues to be led by many of last year's weakest stocks and sectors, although more stocks and sectors have contributed to the portfolio's performance since the beginning of June as the market rally broadened.

In addition to last year's fallen angels in Technology (Apple, Amazon, Google, Meta, Microsoft), stocks in a variety of other sectors and industries contributed to the portfolio's results: Booking Holdings in Consumer Discretionary, Comcast in Communication Services, JPMorgan in Financials, FedEx in Industrials and Fiserv in Tech/Financials.

Looking forward, we expect 2023 leadership areas like Consumer Discretionary, Technology, and Communications Services to move higher but at a slower pace, and laggards like Financials and Health Care to drive the portfolio higher.

In Q3, we started a new position in RTX Corp., formerly Raytheon Technologies, an aerospace and defense company that provides advanced systems and services for commercial, military and government customers worldwide. The company was formed in 2020 through the combination of Raytheon Company and the United Technologies Corporation aerospace businesses. We had previously owned United Technologies and were impressed with their CEO, Greg Hayes, now the CEO of RTX. The opportunity to purchase RTX came after the company disclosed a problem with an engine component that will result in a significant charge to inspect and replace. This is a fixable issue requiring time and money, but we believe the price decline provided a good opportunity to start a position in this highly profitable, well-managed company.

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If you have any questions about any parts of this commentary, please do not hesitate to call. Thank you for your continued confidence in the Matrix team.

Best regards.

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[9] S&P 500 Equal Weighted Index (SPW) return YTD return through 09.30.23.