MATRIX ADVISORS VALUE FUND

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November 1, 2024

Dear Fellow Shareholder:

The Matrix Advisors Value Fund was up + 6.27% in Q3 2024 and was up +17.79% for the nine months through September 30. The Fund outperformed the Technology-heavy S&P 500® gain of +5.89% in the third quarter but trailed the Russell 1000® Value Index's return of +9.43% in the quarter. For the nine months through September 30, the Fund's +17.79% gain lagged the S&P 500® gain of +22.08% and outperformed the Russell 1000® Value Index's return of +16.68%.

In Q3 2024, Financials and Healthcare stocks added the most to the portfolio's gain. For the nine months through September 30, stocks in the Financials, Communications Services, Technology, Consumer Discretionary, and Industrials sectors were significant contributors to strong performance.

<u>Disclosure Note</u>:
For your information, for the period ended September 30, 2024, 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 +32.93%, +13.64%, +9.39% and +8.56%, respectively. For the same periods, the returns for the S&P 500® Index were +36.35%, +15.98%, +13.38% and +9.89%.

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.

**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 09/30/24 was $100.95.

Looking forward, we anticipate continued good performance from Financials that should benefit from lower interest rates, improving loan demand, and healthy capital markets. Portfolio holdings in Healthcare that has been a laggard this year should show better performance as business results remain solid and valuations are attractive. Our Technology holdings have been outstanding performers for the past two years and are expected to show good business momentum with solid if unspectacular results from their current prices.

In Q3, we added to two Healthcare positions, Medtronic (MDT) and Becton Dickinson (BDX). Both companies are very attractive in our valuation analysis. We trimmed positions in AbbVie, Goldman Sachs, and JP Morgan Chase when their positions became oversized or approached our price objectives.

We are optimistic about the portfolio's positioning and prospects for the balance of 2024 and beyond. In the Q2 2024 earnings season, the portfolio's companies posted much better results than the market, with 97% of our companies beating on earnings vs. 80% for the S&P 500®.

We believe the Fund's portfolio can continue to build on its gains, as our companies' corporate performance and positioning are favorable, yet they sell at reasonable valuations. On September 30, the average P/E multiple of the Fund's portfolio was 17.1x 2025 estimated earnings, which, in our view, is attractively discounted vs. the S&P 500's 20.9x.

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.

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.

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.

Financials a section of the economy made up of firms and institutions that provide financial services to commercial and retail customers.

Health Care all businesses involved in the provision and coordination of medical and related goods and services.

Information Technology businesses that sell goods and services in electronics, software, computers, artificial intelligence, and other industries related to information technology (IT).

Industrials Companies that manufacture machinery, handheld tools, and industrial products. This sector also includes aerospace and defense firms as well as companies engaged in transportation and logistics services.

Consumer Discretionary is an economic sector classification of non-essential consumer goods and services.

Communication Services includes companies that sell phone and internet services via traditional landline, broadband, or wireless. The communications sector also includes companies that create and produce movies, television shows, and other content.

Federal Reserve is the central banking system of the United States. It was created on December 23, 1913, with the enactment of the Federal Reserve Act, after a series of financial panics led to the desire for central control of the monetary system in order to alleviate financial crises.

Valuations are the process of determining the worth of an asset or company.

Yield Curve a curve on a graph in which the yield of fixed-interest securities is plotted against the length of time they have to run to maturity.

Mega cap is a designation for the largest companies in the investment universe as measured by market capitalization.

Artificial Intelligence the ability of a digital computer or computer-controlled robot to perform tasks commonly associated with intelligent beings.

Small-Cap public companies whose total market value, or market capitalization, is about $300 million to $2 billion.

Mid-Cap companies with a market capitalization (or value) between $2 billion and $10 billion.

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

Growth Strategy is a collection of business initiatives that seek the maximization of a company's value within a period.

Inflation a sustained increase in the general level of prices for goods and services

Sector SPDR ETFs are tradable ETFs that closely follow the performance of the benchmark S&P 500 or sectors within the index. Sector ETFs invest in the stocks and securities of a specific sector, typically identified in the fund title.

Large Cap stocks of large-cap companies are projected to grow faster than other large-cap stocks. Stocks in the top 70% of the capitalization of the U.S. equity market are defined as large cap.

The S&P 500® Equal Weight Index (EWI) is the equal-weight version of the widely used S&P 500. The index includes the same constituents as the capitalization weighted S&P 500, but each company in the S&P 500 EWI is allocated a fixed weight - or 0.2% of the index total at each quarterly rebalance.

Dividend Strategy investment strategy of only buying stocks that issue dividends thus creating a reoccurring income stream.

GDP (Gross domestic product) is a monetary measure of the market value of all the final goods and services produced and sold in a specific time period by countries. Due to its complex and subjective nature this measure is often revised before being considered a reliable indicator.

Unemployment Rate represents the number of unemployed people as a percentage of the labor force.

CPI The Consumer Price Index (CPI) consists of a family of indexes that measure price change experienced by urban consumers. Specifically, the CPI measures the average change in price over time of a market basket of consumer goods and services. The market basket includes everything from food items to automobiles to rent.

Core CPI is CPI but excludes food and energy prices.

Earnings Beats is a company that has released quarterly or annual earnings that surpassed the expectations of a consensus of market analysts.

Revenue Beats when a company releases its financials for each quarter, the financial media report whether revenue and EPS are above or below expectations.

PCE Index A measure of the prices that people living in the United States, or those buying on their behalf, pay for goods and services.

Balance Sheets a statement of the assets, liabilities and capital of a business or other organization at a particular point in time, detailing the balance of income and expenditure over the preceding period.

Fixed Income types of investment security that pay investors fixed interest or dividend payments until their maturity date.

Maturities are the agreed-upon dates on which the investment ends, often triggering the repayment of a loan or bond, the payment of a commodity or cash payment, or some other payment or settlement term.

10-year Treasury Yield the yield that the government pays investors that purchase the specific security.

Interest rates are the amount a lender charges a borrower and is a percentage of the principal—the amount loaned.

Mergers & Acquisitions (M&A) transactions in which the ownership of companies or their operating units — including all associated assets and liabilities — is transferred to another entity.

It is not possible to invest directly in an index. Index performance is not indicative of fund performance.

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, 2024:

Microsoft Corporation	7.6%
Alphabet Inc. Class C.	6.9%
Apple Inc.	5.5%
Meta Platforms, Inc. – Class A	5.5%
Amazon.com, Inc.	4.7%
PayPal Holdings, Inc.	4.5%
Goldman Sachs Group, Inc.	4.3%
J.P. Morgan Chase & Co.	4.3%
Bank of New York Mellon Corp.	4.2%
Morgan Stanley	4.1%

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 2024 Review

Capital Markets Highlights

Stocks and bonds [1]had solid gains in the third quarter, with the stock market[2] reaching a record high[3]. The S&P 500® rose by +5.89% in Q3 bringing its year-to-date (YTD) gain through September 30 to +22.08%. Higher stock prices were driven by strong corporate profits, improving inflation numbers, declining interest rates and the Fed pivoting toward an interest rate decrease cycle.

The rally in stocks was broad and encompassed a wide range of companies, sectors, and investment styles. Ten of eleven S&P 500® sectors had a positive return in the third quarter. A lot of the rotations and broadening of the market that we discussed last quarter started to play out. The best performing market sectors in the quarter were Utilities and Real Estate, the sectors most directly impacted by lower interest rates. The worst performing sectors were Energy and Technology. Value and Dividend stocks outperformed Growth stocks in the quarter.

It's important to note that while stocks had a strong quarter it was accompanied by greater volatility. The market had two -4 to -10% pullbacks, which were followed by equally robust bounce backs during the period.

Fixed income returns were nicely higher in the quarter, benefitting from lower inflation numbers that are approaching the Federal Reserve's 2% target[4]. The 10-year Treasury yield on September 30 was 3.78%, down from the year ago rate of 4.57% and 3.88% on December 31, 2023.

Our Thoughts Going Into Q4

We expect more economic progress in 2025 with some deceleration from last quarter's 3% GDP. While job growth is slowing, the economy has strong underpinnings with steady consumer spending, good consumer and business balance sheets, and layoffs remaining at historically low levels. The September unemployment rate of 4.1% reflects a healthy labor market. None of the cyclical economic indicators that historically have provided a good measure of the health of the economy, including residential investment, business fixed investment, light vehicle sales, and the business inventory to sales ratio, are signaling near term economic problems[5].

The September 0.5% point cut in the Fed Fund's rate is very positive for the economy and increases our confidence in our capital market's outlook for the next 12 months. In last quarter's letter we wrote that one of the

1 This and future references to Sector specific returns are from J.P. Guide to Markets® 3Q/2024 as of September 30, 2024
2 All references to the stock market are the S&P 500® unless otherwise noted.
3 Record closing high for the S&P 500® on September 30, 2024 – Per CNBC
4 Prices as measured by the Fed's preferred inflation gauge were up 2.2% in August from a year earlier. NYTimes September 30, 2024.
5 Economic and Market Update as of September 30, David Kelly, J.P. Morgan Asset Management.

higher risks to the economy and stock market was the Fed waiting too long to cut interest rates. With the larger than expected cut in September and the concurrent survey from the Fed projecting a series of future interest rate cuts, the odds of a recession in the near term are significantly lower than before the rate cut. In a speech on September 30, Federal Reserve Chair Jerome Powell said officials would continue to reduce interest rates from a two-decade high to maintain solid economic growth.

Looking ahead, after a strong nine months, we would not be surprised if returns for both stocks and bonds are more modest for the balance of 2024. On the stock side, valuations are at the high end of historical levels, and elevated levels of Domestic and International uncertainty, including repercussions from the recent election, may result in above average stock market volatility over the next few months. However, historically, generally the state of the economy and the interest rate environment have a much great impact on returns than which party controls the presidency or congress[6].

Looking further out to 2025, we remain cautiously optimistic about the outlook for equities. Lower interest rates should spur more economic growth, particularly in interest sensitive areas like housing which positively ripples through the overall economy. We also expect a pick-up in mergers and acquisitions in 2025 highlighting undervalued areas of the stock market. Though overall market valuations are at the upper end of their range, we continue to find opportunities to invest in high-quality companies that have fallen out of favor due to changes in market psychology or short-term business issues. We have been selectively taking profits when stocks reach our targets and will be patient, redeploying the cash, confident that opportunities will arise. Overall, we expect good earnings and dividend growth from well-run companies in 2025 and look for stock gains in line with long term averages.

We believe that the Fund is well-positioned to navigate the current economic environment and provide favorable returns going forward. The Fund’s investments have solid financial positions, stable and growing businesses, and strong management teams.

Third Quarter and YTD Review and Outlook

The Matrix Advisors Value Fund was up + 6.27% in Q3 2024 and was up +17.79% for the nine months through September 30. The Fund outperformed the Technology-heavy S&P 500® gain of +5.89% in the third quarter but trailed the Russell 1000® Value Index’s return of +9.43% in the quarter. For the nine months through September 30, the Fund’s +17.79% gain lagged the S&P 500® gain of +22.08% and outperformed the Russell 1000® Value Index’s return of +16.68%.

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[6] Historical data shows markets have tended to rise in Presidential election years, with the S&P 500® recording positive returns in 20 of the 24 election years since 1928, or 83.3% of the time. According to figures from First Trust, the average return for those election years was 11.58%. That's well above the S&P 500® average return of 9.81% for all years since 1928. Source: Investopedia December 31, 2023. Economic and inflation trends have demonstrated a stronger relationship with market returns than election results.

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Looking forward, we anticipate continued good performance from Financials that should benefit from lower interest rates, improving loan demand, and healthy capital markets. The Fund's portfolio holdings in Healthcare that has been a laggard this year should show better performance as business results remain solid and valuations are attractive. Our Technology holdings have been outstanding performers for the past two years and are expected to show good business momentum with solid if unspectacular results from their current prices. Within Technology and Communications Services, we expect to see a continuation of improving performance from some of our recent laggards like Cisco, Comcast, and PayPal Holdings.

In Q3, we added to two Healthcare positions, Medtronic (MDT) and Becton Dickinson (BDX). Both companies are very attractive in our valuation analysis. We started the LCV position in MDT in the second quarter and added to it as more cash became available. The company's business results have improved this year as the number of medical procedures normalized from their decline during the pandemic. BDX is a very well-run company that has not participated in the market's rally this year. The company's most recent quarterly results were ahead of expectations and during the quarter they announced an acquisition in critical care that they expect to be immediately accretive to earnings.

We trimmed positions in AbbVie, Goldman Sachs, and JP Morgan Chase when their positions became oversized or approached our price objectives.

We are optimistic about the Fund's positioning and prospects for the balance of 2024 and beyond. In the Q2 2024 earnings season, the portfolio's companies posted much better results than the market, with 97% of our companies beating on earnings vs. 80% for the S&P 500®.

We believe the Fund's portfolio can continue to build on its gains, as the Fund companies' corporate performance and positioning are favorable, yet they sell at reasonable valuations. On September 30, the average P/E multiple of the Fund's portfolio was 17.1x 2025 estimated earnings, which we feel is attractively discounted vs. the S&P 500's 20.9x.

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We thank you for your trust in us. Please contact us with us with any questions about the Fund or this commentary.