



# Cornerstone Value Fund

2Q2022  
Domestic Equity

## WHY INVEST

- ✓ Quantitatively-driven, repeatable investment process
- ✓ Concentrated portfolio of large, widely-held stocks
- ✓ Focus on high dividend-yielding stocks, which may be undervalued

## INVESTMENT CRITERIA

The Fund utilizes a quantitative formula to identify 50 common stocks\* with the highest dividend yield that also have:

- Above-average market capitalization
- Above-average number of shares outstanding
- Trailing 12-month sales 50% greater than average
- Above-average cash flow

## PORTFOLIO MANAGEMENT



**Neil J. Hennessy**  
22 Years on Fund



**Ryan C. Kelley, CFA**  
5 Years on Fund



**L. Joshua Wein, CAIA**  
3 Years on Fund

## FUND FACTS

	Inv	Inst
Ticker	HFCVX	HICVX
CUSIP	425888203	425888401
Inception Date	11/1/96	3/3/08
Gross Expense Ratio	1.23%	0.99%
Morningstar Category	Large Value	
Total Fund Assets	\$290 Million	

## CONTACT US

### Financial Professionals

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### Shareholder Services

800.966.4354

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## OVERVIEW

Quantitatively managed, the Fund maintains a concentrated portfolio of large, high dividend-yielding companies.

## AVERAGE ANNUALIZED TOTAL RETURN (%)

	QTR	YTD	1 YR	3 YR	5 YR	10 YR	Incep. (11/1/96)
Investor Class - HFCVX	-6.36	-0.87	6.13	9.59	8.20	9.72	7.16
Institutional Class - HICVX <sup>1</sup>	-6.30	-0.71	6.43	9.84	8.43	9.95	7.30
Russell 1000 <sup>®</sup> Value Index	-12.21	-12.86	-6.82	6.87	7.17	10.50	8.31
S&P 500 <sup>®</sup> Index	-16.10	-19.96	-10.62	10.60	11.31	12.96	8.78

## CALENDAR YEAR TOTAL RETURNS (%)

■ Investor Class - HFCVX ■ Russell 1000<sup>®</sup> Value Index

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Investor Class - HFCVX	11.94	26.40	8.86	-6.37	17.25	19.16	-9.34	20.79	-6.38	29.91
Russell 1000 <sup>®</sup> Value Index	17.51	32.53	13.45	-3.83	17.34	13.66	-8.27	26.54	2.80	25.16

## RETURNS-BASED STATISTICS

HFCVX Relative to Russell 1000<sup>®</sup> Value Index

	3 YR	5 YR	10 YR
Alpha	2.88	1.24	-0.20
Beta	0.97	0.97	0.95
Upside Capture	96.86	97.36	90.43
Downside Capture	84.87	91.65	89.02

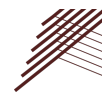
## YIELD (%)

	Inv	Inst
Distribution Rate	2.64	2.88
30-Day SEC Yield	2.70	2.97
Distribution Frequency	Annually	

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance 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 visiting [hennessyfunds.com](http://hennessyfunds.com).

<sup>1</sup> Represents the performance of the Institutional Class shares after 3/03/08 (inception of the share class) and Investor Class for periods prior to that date.

\* The Fund identifies companies from the S&P Capital IQ Database, a robust source of data on publicly traded securities.



## PORTFOLIO CHARACTERISTICS

Number of Holdings	51
Active Share vs. Russell 1000® Value Index	80%
Portfolio Turnover	37%
Median Market Cap	\$96.9 Billion
Median Price/Earnings	11.0x
Median Price/Book	2.4x

Portfolio Turnover and Price/Earnings reflect the trailing 12-month period.

## TOP TEN HOLDINGS (%)

General Mills, Inc.	2.5
Merck & Co., Inc.	2.4
IBM Corp.	2.3
Bristol-Myers Squibb Co.	2.2
Colgate-Palmolive Co.	2.2
Suncor Energy, Inc.	2.2
Philip Morris International, Inc.	2.2
TotalEnergies SE	2.2
Exxon Mobil Corp.	2.2
The Coca-Cola Company	2.2
<b>Total as % of Net Assets</b>	<b>22.5</b>

## SECTOR WEIGHTING (%)

	Fund	Index*	Diff
Consumer Staples	20.8	7.3	+13.5
Energy	19.8	7.2	+12.5
Financials	15.6	19.5	-4.0
Health Care	15.0	17.2	-2.3
Information Technology	12.4	9.0	+3.4
Communication Services	7.5	8.8	-1.3
Industrials	3.5	9.9	-6.4
Materials	1.7	4.2	-2.6
Consumer Discretionary	0.0	5.8	-5.8
Utilities	0.0	6.0	-6.0
Real Estate	0.0	5.1	-5.1
Cash & Other	3.8		

\* Russell 1000® Value Index



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Must be preceded or accompanied by a current prospectus.

**Mutual fund investing involves risk; Principal loss is possible. Medium-sized companies may have more limited liquidity and greater price volatility than larger companies. Investments in foreign securities may involve political, economic, and currency risk, greater volatility, and differences in accounting method. Funds concentrated in one or more industry sectors may be subject to a higher degree of market risk. The Fund's formula-based strategy may cause the Fund to buy or sell securities at times when it may not be advantageous.**

Each Morningstar category average represents a universe of funds with similar objectives.

The S&P 500® and Russell 1000® are unmanaged indices commonly used to measure the performance of U.S. stocks. One cannot invest directly in an index.

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**Distribution Rate** reflects the investment income per share during the last 12 months divided by the share price at the end of the period, expressed as an annual percentage rate. It is calculated by annualizing the Fund's most recent distribution. The annualized dividend yield may not reflect the actual yield an investor would receive. **30-Day SEC Yield** is a standardized yield computed by dividing the net investment income per share earned during the past 30-day period by the share price at the end of the period, expressed as an annual percentage rate. The 30-Day SEC Yield should be regarded as an estimate of the Fund's rate of recent investment income, and it may not equal the Fund's actual distribution rate. **Past yields are no guarantee of future yields.**

Fund holdings and sector weightings are subject to change and should not be considered a recommendation to buy or sell any security.

Alpha measures the fund's excess return relative to the return of the benchmark. Beta measures the volatility of the fund compared to that of the benchmark. The beta of the benchmark is 1.00. Capture ratios measure the fund's overall performance in up markets (positive return periods) and down markets (negative return periods). Price/Earnings measures a stock's price per share compared to earnings. Price/Book measures a stock's price per share to book value. Active Share is a measure of the percentage of stock holdings in a portfolio that differ from the benchmark index. Cash Flow can be used as an indication of a company's financial strength and represents earnings before depreciation, amortization, and non-cash charges. It is the net amount of cash and cash-equivalents moving into and out of business.

The Hennessy Funds are distributed by Quasar Distributors, LLC.

**NOT FDIC-INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED**

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