

IN BRIEF

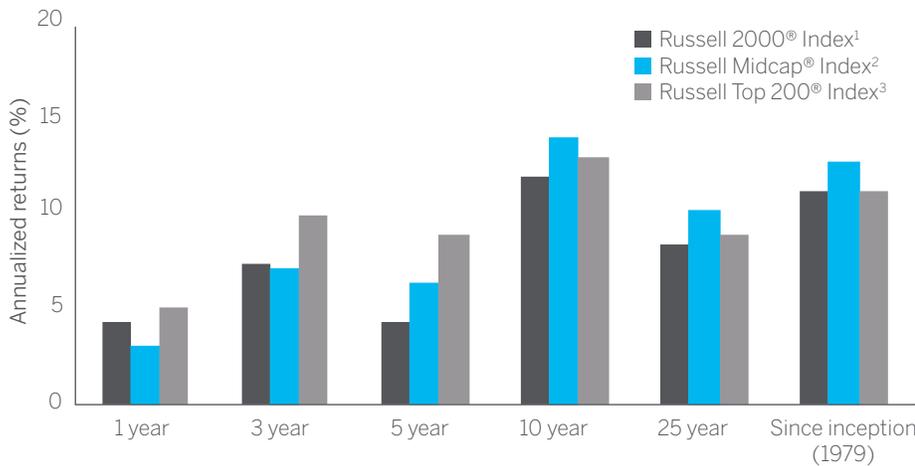
Mind the mid-cap gap

Often overlooked, mid-cap stocks can potentially power a portfolio

How can an asset class that historically has performed so well over the long term remain so far under the radar? That appears to be the case with domestic mid-cap stocks. Investors who eschew a dedicated allocation to mid caps may be overlooking a dynamic collection of companies poised for growth and, potentially, attractive returns.

MID CAPS HAVE BEEN ANYTHING BUT MIDDLING (As of February 28, 2019)

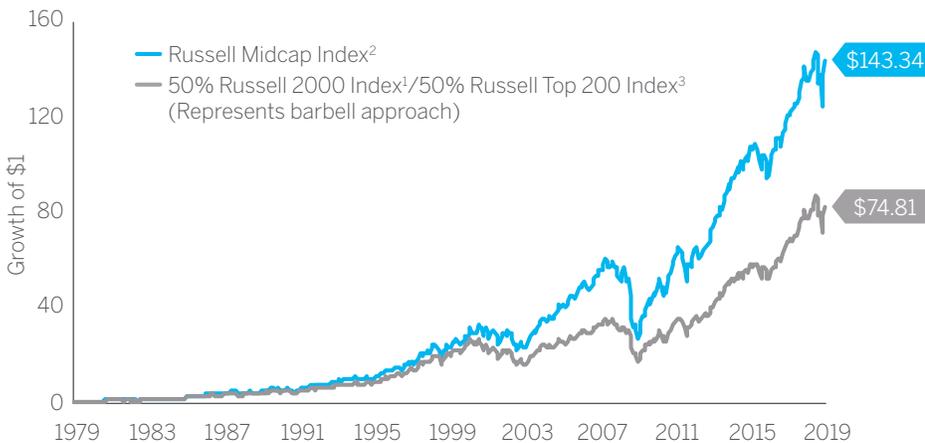
Historical annualized returns



Source: Russell Investments.

GRAB THE MIDDLE GROUND (As of February 28, 2019)

Hypothetical growth of \$1 (1979–2019)



Source: Russell Investments.

Indexes are unmanaged and not available for direct investment and do not represent the performance of a specific investment.

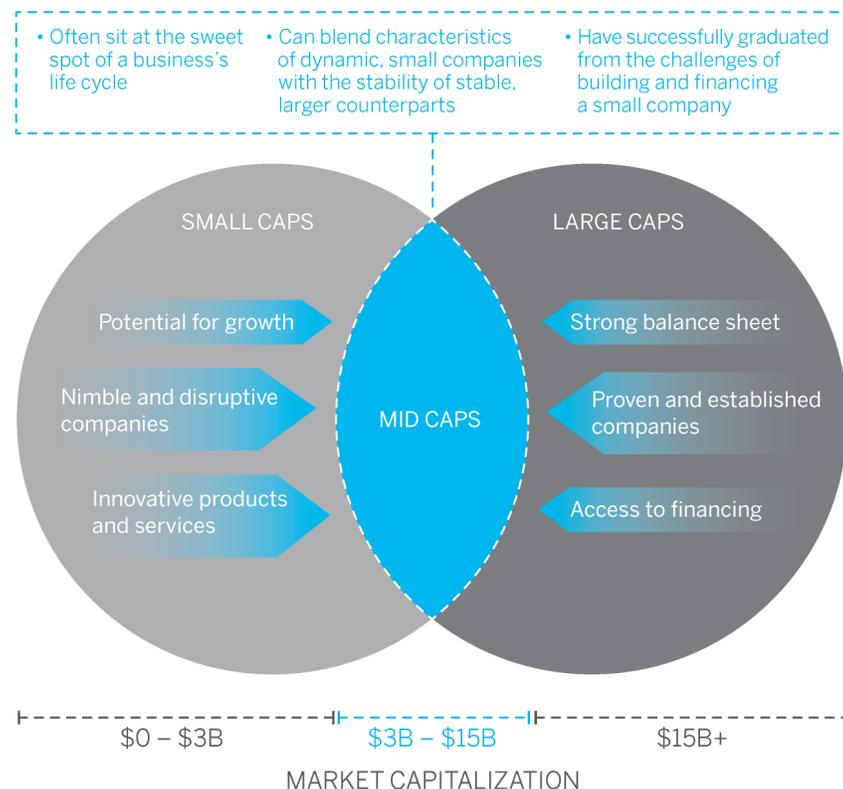
Performance quoted represents past performance and does not guarantee future results. Investing involves risk including loss of principal.

Mid-cap stocks may have underperformed large and small caps in the most recent one- and three-year period, but remember, mid caps have been the top long-term performing segment of the U.S. equity market.

History argues for a deliberate allocation to mid-cap stocks. Investors who have adopted a barbell approach for domestic equities—i.e., allocating primarily to the far ends of the capitalization spectrum—may be doing their portfolio a disservice.

THE SWEET SPOT

What's behind the performance of mid caps?



Source: RS Investments.

Mid-sized companies are typically less volatile than smaller, developmental-stage firms but still offer long-term growth potential. In general, mid caps have many characteristics that make them less economically sensitive and apt to capture more durable return streams and market share.

An investor should consider the fund's investment objectives, risks, charges and expenses carefully before investing or sending money. This and other important information about the investment company can be found in the fund's prospectus, or, if available, the summary prospectus. To obtain a copy, visit www.vcm.com.

Index results assume the reinvestment of dividends paid on the stocks constituting the index. You may not invest in the index, and, unlike the Fund, it does not incur fees and expenses.

1 The Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 3000® Index, which consists of the 3,000 largest U.S. companies based on total market capitalization.

2 The Russell Midcap® Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell Midcap Index is a subset of the Russell 1000® Index. It includes approximately 800 of the smallest securities based on total market capitalization.

3 The Russell Top 200® Index measures the performance of the largest cap segment of the U.S. equity universe. The Russell Top 200 Index is a subset of the Russell 3000® Index. It includes approximately 200 of the largest securities based on total market capitalization.

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