



THERE IS LUCK.

AND THERE IS SCIENCE.

Investing is a science.

It requires a plan and

discipline to follow the plan.

Anything short thereof is blind exploration.

Spring - 2023 — “A Pause to Refresh”

Dear Valued Clients and Friends,

MARKET PERSPECTIVE: In the first quarter of 2023 the stock market managed to carve out decent to excellent gains depending on which index you look at, despite the nonstop barrage of negative news. This news included the Federal Reserve's overzealous battle against inflation jeopardizing the health of the US economy and a slowdown in revenue and earnings per share growth at America's corporations. Just when we thought things couldn't get worse, we had a financial crisis at several prominent US banks causing a number of them to go under. While the Fed would have you believe that it was created by mismanagement at these banks, I believe it had more to do with the unprecedented rise in the federal funds rate over a short period of time causing the damage. In addition, the battle in the Ukraine appears to have no end in sight and the heightened tension in the relations between China and Taiwan are also troublesome. The stock market's resilient action in the face of this news leads us to believe that the market has already priced in the worst-case scenario and is looking forward to better days ahead. Having said that, the weight of technical analysis is not conclusive enough to suggest we should be fully invested at this time. We will continue to take advantage of setbacks in the market to add to our market exposure.

Performance in the 1st Quarter of 2023 was much improved led by the strength of the of the large cap NASDAQ stocks posting a whopping gain of 16.77%, the S & P 500 plus 7.05%, the Morningstar Small Cap growth index up 8.16% and lastly the Rocket Small Cap composite up 2.11%. This underperformance is mainly a function of the exceeding large cash position we carried in the period. That is a tradeoff I will willingly take with the great uncertainty we experienced in Q-1.

TECHNICAL PERSPECTIVE: After my weekly chart analysis the majority of individual chart patterns are either consolidating recent gains or are in different stages of the base building process. This explains the lack of direction in the market over the last several weeks. The indexes are experiencing this consolidation just below the highs established in early February on most indexes and the ideal conclusion would be a high-volume breakout above these levels after ten weeks. On the flip side, should they break key support on the indices the trend would turn down. At this point both the NASDAQ Composite and the S&P 500 are still comfortably above the 50 and 200-day moving averages. The longer this remains the case, the greater the likelihood of an upside resolution. Another factor which would improve the picture would be if the advance decline on the NASDAQ composite would turn up. Sentiment readings are very mixed as bears continue to outnumber bulls with unusually high numbers of investors who are neutral. While the weight of technical evidence continues to favor a bullish outcome, we will be very judicious in putting more assets to work.

SECTOR COMMENT: As in our Winter Newsletter, we continue to like the Technology Hardware sector (Telecom-Cable/Satellite Equipment Group and the Elec-Semiconductor Fabless and Elec- Equipment segments) although they have been roughed up recently. Computer Technology Software continues to improve led by the strength in Computer Software-Education, Enterprise, and Database. The Oil & Gas Exploration category is currently consolidating after significant gains which is be expected. The Healthcare industry has also improved led by the increased strength in the BioMed-Biotech sector and the Medical Systems and Supplies groups.

Continued On Back

COMPANY HIGHLIGHT: Array Technologies (ARRY \$20.45) is a leading American company and global provider of utility-scale solar tracker technology. Engineered to withstand the harshest conditions on the planet, Array's high-quality solar trackers and sophisticated software maximize energy production, accelerating the adoption of sustainable energy. ARRY is also in a strong group, features very robust revenue and earnings per share growth and has a decent chart.



In closing, while the 1st quarter of 2023 was a dramatic improvement to the prior year, there may be more time needed to repair the damage done in 2022 than we would prefer. The longer we stay in this basing pattern increases the likelihood that the next major move in the stock market will be higher. In addition, we strongly believe that our pragmatic, disciplined approach to investing in the stock market utilizing both technical and fundamental analysis will enable us to be properly positioned to take full advantage of the next bull market and there will be one. As always, your consideration of Rocket Capital Management is greatly appreciated.

Sincerely,

A blue ink signature of J.D. Hurd, written in a cursive style.

J.D. Hurd
President / Senior Portfolio Manager

A blue ink signature of Ben J. Scheibe, written in a cursive style.

Ben J. Scheibe
Sr. Vice President

A blue ink signature of Jim Nelson, written in a cursive style.

Jim Nelson
Research Analyst / Operations

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The performance shown represents only the results of Rocket Capital's model portfolios for the relevant time period and do not represent the results of actual trading of investor assets. Model portfolio performance is the result of the application of Rocket Capital's proprietary investment process. Model performance has inherent limitations. The results are theoretical and do not reflect any investor's actual experience with owning, trading or managing an actual investment account. Thus, the performance shown does not reflect the impact that material economic and market factors had or might have had on decision making if actual investor money had been managed.

Model portfolio performance is shown net of the model advisory fee of 1.5% the highest fee charged by Rocket Capital and sample trading costs based on our Custodian TdAmeritrade's trading costs. Performance does not reflect the deduction of other fees or expenses, including but not limited to brokerage fees, custodial fees and fees and expenses charged by mutual funds and other investment companies. Performance results shown include the reinvestment of dividends and interest on cash balances where applicable. The data used to calculate the model performance was obtained from sources deemed reliable and then organized and presented by Rocket Capital.

The performance calculations have not been audited by any third party. Actual performance of client portfolios may differ materially due to the timing related to additional client deposits or withdrawals and the actual deployment and investment of a client portfolio, [optional -the reinvestment of dividends], the length of time various positions are held, the client's objectives and restrictions, and fees and expenses incurred by any specific individual portfolio.

Benchmarks: Rocket Capital performance results shown are compared to the performance of the Morningstar Small-Cap Growth Index. The index results do not reflect fees and expenses and you typically cannot invest in an index.

Return Comparison: The Morningstar Small-Cap Growth Index was chosen for comparison as it is generally well recognized as an indicator or representation of the small-cap stock market in general and includes a cross section of equity holdings.