



US Government Securities Fund

Investor Class Shares

Ticker: CAUSX

This annual shareholder report contains important information about the US Government Securities Fund for the period September 1, 2023 to August 31, 2024. You can find additional information about the Fund at <https://sheltonfunds.com/forms-literature/>. You can also request this information by calling (800) 955-9988 or by sending an e-mail to info@sheltoncap.com.

What were the Fund costs for the last year?

(based on a hypothetical \$10,000 investment)

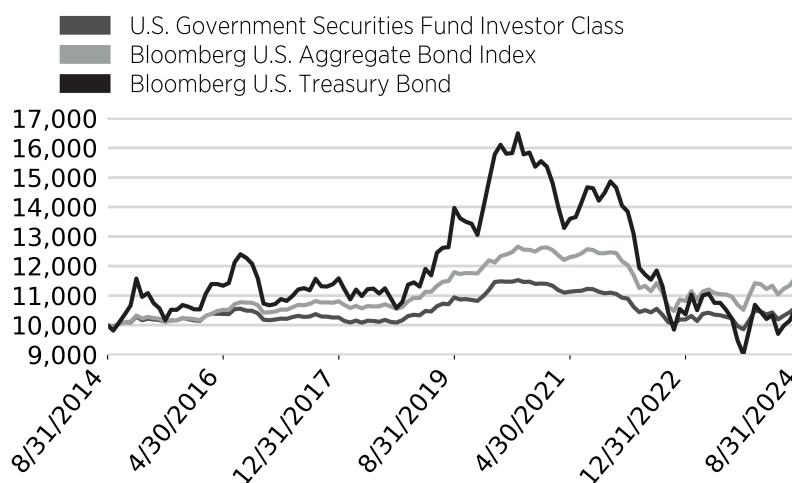
Fund Name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
US Government Securities Fund Investor Class	\$39	0.76%

What affected the Fund's performance this period?

- It was a volatile year for US Treasury yields based on changing market sentiments predicting the future inflation rate, the speed and timing of the Federal Reserve FOMC cutting Federal Funds rates, and whether or not the economy would fall into recession or sustain positive growth.
- The first two month of the fiscal year, rates continued a trend toward higher rates, with the 10 year bond starting the year at 4.11% and reaching the year's high of 4.99% in mid-October. November and December saw a strong rally with the 10 year bond falling to 3.80% in the last week of December. January to April yields once again moved higher, hitting 4.71% in the last week of May. May through August saw yields trend lower, going as low as 3.79% on August 2 and ending the fiscal year at 3.90%
- Anticipating falling interest rates, the fund started the year with slightly longer duration than the Bloomberg US Treasury Index, 6.08 vs 5.95, and moved relatively longer throughout the year to end at 7.23 vs 5.97 for the Index.
- The fund was positioned as a 'barbell', with more exposure to the long and short end of the curve which provided a higher current yield than the Index and duration exposure for price appreciation if yields dropped.
- Though the entire yield curve did drop, the belly of the curve at 5 and 7 years dropped significantly more, 55 and 41 basis points respectively versus 12 and 2 basis points respectively on the 20 and 30 year bonds.
- Though the shorter dated bond valuations aren't as sensitive to interest rate moves as longer dated bonds, the much larger move in the belly of the curve where the fund was underweight led to underperformance of the fund vs the Index.

Cumulative Performance

(based on a hypothetical \$10,000 investment)



Annual Performance

	1 year	5 years	10 years
U.S. Government Securities Fund Investor Class	4.89%	-0.39%	0.70%
Bloomberg U.S. Aggregate Bond Index	7.30%	-0.04%	1.64%
Bloomberg U.S. Treasury Bond	6.02%	-0.61%	1.17%

The Fund's past performance is not a good predictor of the Fund's future performance. The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemption of Fund shares.

Key Fund Statistics

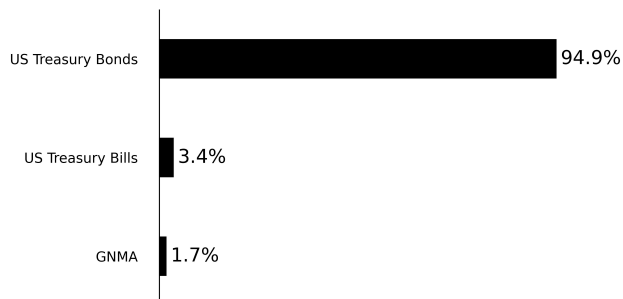
(as of August 31, 2024)

Net Assets	\$14,641,487
Total Number of Portfolio Holdings	20
Total Advisory Fees Paid	\$16,220
Portfolio Turnover Rate	21%

What did the Fund invest in?

(% of Total Investments as of August 31, 2024)

Sector Breakdown



Top Ten Holdings

Percentage of Total Investments

United States Treasury Note/Bond, 02/15/2025	12.8%
United States Treasury Note/Bond, 03/31/2025	12.6%
United States Treasury Note/Bond, 11/15/2041	9.9%
United States Treasury Note/Bond, 08/15/2044	9.2%
United States Treasury Note/Bond, 05/15/2025	8.0%
United States Treasury Note/Bond, 11/15/2052	6.6%
United States Treasury Note/Bond, 05/15/2041	6.2%
United States Treasury Note/Bond, 03/31/2027	5.7%
United States Treasury Note/Bond, 02/15/2026	5.6%
United States Treasury Note/Bond, 04/30/2026	5.3%

For additional information about the Fund, including its prospectus, financial information, holdings, and proxy information, visit <https://sheltonfunds.com/forms-literature/>.