



Commonwealth Japan Fund

Commentary | Performance as of March 2023

OBJECTIVE: The Fund's objective is to provide long-term appreciation and current income. The Fund invests primarily in equity securities including common stock, preferred stock and securities convertible into common stock. The Fund may hold the securities of Japanese issuers and debt securities denominated in Yen.

FOCUS: With a population of over 100 million, Japan has one of the world's largest economies. With their strong position in the world market and home to some of the most recognizable automobile and electronics manufacturers, we believe Japanese companies are positioned to benefit from growth in the Asian region. With that in mind, the Japan Fund has been investing virtually all of its assets in Japan since 1989.

FUND FACTS

Ticker	CNJFX
Inception Date	07/10/1989
Front Load %	None
Deferred Load %	None
Redemption Fee if sold within 14 days	2%
CUSIP	203042106
Minimum Initial Investment	200
Morningstar Style Box	Large Cap Blend

FUND PERFORMANCE As of 3/31/2023

	Fund	Tokyo Price Index ³
3 months	3.88	5.68
YTD	3.88	5.68
1 year	-4.40	-3.22
5 years	-2.28	1.06
10 years	2.30	5.53

Performance data represents past performance and assumes reinvestment of dividends and capital gains. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Visit commonwealthfunds.com or call us at 888.345.1898 for performance data current to the most recent month-end. Past performance does not guarantee future results. Diversification does not guarantee a profit nor guarantee against a loss.

FUNDAMENTAL RESEARCH DISCIPLINE: Robert Scharar has managed the Commonwealth Funds since its inception in 1991, and he is supported by FCA Corp's broader research team. The Fund's management studies a company's products and its market place, management, and integral finances, often requiring direct talks with the management of the company.

BOTTOM-UP STOCK SELECTION: Management seeks to invest in real companies and real products with understandable fundamental financials, and considers stocks in bonds across all sectors and market capitalizations.

LONG-TERM VIEW: The Fund seeks to build shareholder wealth by owning high quality companies over long periods of time.

MANAGEMENT EXPERIENCE: Selected investments are the result of an extensive team effort led by Robert Scharar, with over 40 years of international investment experience.

RELATIVELY SMALL NUMBER OF HOLDINGS: Within a well-constructed diversified portfolio, companies believed to be deserving of the portfolio manager's confidence are emphasized.

LOW TURNOVER: The Fund management's long-term investment commitments historically result in low turnover of the Fund's portfolio.

NO LOAD FUND & LOW INITIAL INVESTMENT MINIMUMS: The minimum initial investment is \$200 and there is no minimum for subsequent investments.

TOP SECTORS¹

Transportation	11.7
Electronics	9.4
Healthcare-Products	9.2
Retail	8.8
Insurance	7.9
Cosmetics/Personal Care	6.2
Engineering & Construction	5.8
Diversified Financial Service	4.6
Real Estate	3.7
Building Materials	3.4

PORTFOLIO STATISTICS

Net Assets	\$5.70 million
Number of Holdings	52
Portfolio Turnover	8%
Gross Expense Ratio	3.38%
Net Expense Ratio	1.75%

COUNTRY ALLOCATIONS²

Japan	97.1
United States	2.9

ASSET ALLOCATION²

Stocks	97.9
Bonds	0.0
Cash & Other	2.1

*FCA Corp has entered into a written expense limitation agreement under which it has agreed to limit the total expenses of the Japan Fund (exclusive of interest, distribution fees pursuant to Rule 12b-1 Plans, taxes, acquired fund fees and expenses, brokerage commissions, extraordinary expenses and dividend expense on short sales) to an annual rate of 1.50% of the average daily net assets of the Fund. This expense limitation agreement may be terminated by FCA Corp or the Trust at any time after February 28, 2024. FCA Corp may recoup from the Japan Fund any reduced fees and/or expenses reimbursed pursuant to this agreement if such recoupment does not cause the Japan Fund to exceed the expense limitation in place at the time the fee was reduced and/or the expenses were reimbursed and such recoupment is made within three years after the year in which FCA Corp incurred the expense.

Holdings and portfolio allocation as of report date, ¹Sector/ Industry calculated as a percentage of total equity investments; ²Top 10 Holdings and Country and Asset Allocation calculated as a percentage of total investments. ³The Tokyo Price Index is an unmanaged capitalization-weighted index of all common stocks listed on the 1st Section of the Tokyo Stock Exchange. Index returns, expressed in U.S. Dollars, assume reinvestment of dividends, and unlike Fund returns do not reflect fees or expenses. It is not possible to invest directly in these indices.

You should consider the Fund's investment objectives, risks, charges and expenses carefully before investing. For a prospectus, that contains this and other information about the Fund, call 888-345-1898 or visit our website at www.commonwealthfunds.com. Please read the prospectus carefully before investing.

TOP 10 HOLDINGS²

36.6% of total net assets

Cash	United States	5.8
Asahi Intecc Co, Ltd.	Japan	5.0
Unicharm Corporation	Japan	4.3
Hoya Corp.	Japan	4.3
Terumo Corporation	Japan	3.6
Daikin Industries, Ltd.	Japan	3.1
Orix Corp.	Japan	2.7
Kajima Corp.	Japan	2.7
Dai-ichi Life Insurance	Japan	2.6
Nitori Co, Ltd.	Japan	2.5

RISK MEASURES (for trailing five years)

Alpha	-0.24	Standard Deviation	15.85
Beta	0.98	Sharpe Ratio	-0.16
R2	0.91		

ALPHA is a measure of the portfolio's risk-adjusted performance. When compared to the portfolio's beta, a positive alpha indicates better than expected performance; a negative alpha indicates a worse than expected performance.

BETA is a measure of the volatility of the portfolio relative to the overall market. A beta of under 1.00 indicates lower risk than the market; a beta greater than 1.0 indicates higher risk than the market.

R2 represents the percentage of the portfolio's movements that can be explained by the general movements of the market. Index portfolios will tend to have R2 values close to 1.00.

STANDARD DEVIATION is an indicator of the Fund's total return volatility, based on the last 60 monthly returns. The larger the standard deviation, the greater the Fund's volatility.

SHARPE RATIO uses standard deviation to measure a fund's risk-adjusted returns. The higher a fund's Sharpe Ratio, the better the fund's returns have been relative to the risk it has taken.

THE COMMONWEALTH FAMILY OF FUNDS

Commonwealth Funds offers five global and country-specific funds:

- Africa Fund
- Australia/New Zealand Fund
- Global Fund
- Japan Fund
- Real Estate Securities Fund

ROBERT SCHARAR

President of Commonwealth Funds
Head Portfolio Manager

Mr. Scharar is primarily responsible for the management of the portfolios for the Australia/New Zealand Fund, the Africa Fund, the Japan Fund, the Global Fund and the Real Estate Securities Fund. Additionally, Mr. Scharar is President and Director of FCA Corp and has primarily worked in this capacity since 1975.

Mr. Scharar received his AA degree from Polk Community College in 1968 and his BS in Accounting from the University of Florida in 1970. He received his MBA and JD from Northeastern University in 1971 and 1974, respectively. Mr. Scharar also received his LLM in Taxation from Boston University Law School in 1979. Mr. Scharar is a member of the Florida and Massachusetts Bars, and is a Certified Public Accountant.

WESLEY YUHNKE

Chief Investment Officer

Mr. Yuhnke is currently serving as the Chief Investment Officer of FCA Corp and as an Assistant Portfolio Manager for Commonwealth's Australia/New Zealand, Africa, Japan, Global and Real Estate Securities Funds. He joined FCA Corp in May 2002 and was appointed Assistant Portfolio Manager in August 2002.

Prior to joining FCA Corp, Mr. Yuhnke received his Bachelor of Business Administration in Finance from Stephen F. Austin State University. He earned his Masters of Business Administration from Texas Tech University.

International investing may involve additional risks, such as social and political instability, market illiquidity, exchange-rate fluctuations, a high level of volatility and limited regulation. Investments in emerging markets involve even greater risks. Focus on a single country involves higher risk than a more geographically diverse international fund. Exposure to companies engaged in the natural resource and commodities markets may increase volatility. Small cap stocks are more susceptible to market volatility than larger cap stocks. The size of the fund's asset base may cause higher expenses which will detract from the fund's performance.

The return of principal in a bond investment is not guaranteed. Mutual funds have the same issuer, interest rate, inflation and credit risks that are associated with underlying bonds owned by the fund. Derivatives are more volatile than other investments due to liquidity risks, default risk and imperfect correlation risks and could lose more than the principal amount invested. The Fund may invest in open-end funds, closed-end funds, and exchange-traded funds ("ETFs") which will increase funds expenses.

Portfolio holdings will change due to ongoing management of the Fund. Reference to specific securities or sectors should not be construed as recommendations by the Fund, the Advisor or the Distributor. Current and future portfolio holdings are subject to risk.

Commonwealth International Series Trust, c/o Ultimus Fund Solutions, LLC, 225 Pictoria Drive, Suite 450, Cincinnati, OH 45246. The Funds are distributed by Ultimus Fund Distributors, LLC. FCA Corp, Investment Advisor, 791 Town & Country Boulevard, Suite 250, Houston, TX 77024-3925.