

# THRIVENT SMALL CAP STOCK FUND

TSCSX | CLASS S | JUNE 30, 2017

## Fund Key Points

### Quantitative screens

There are over 2,500 small capitalization companies (less than \$4.5 billion in market cap) traded in the United States. The portfolio management team categorizes the companies into homogeneous groups, based on fundamental characteristics rather than just sectors, allowing for more meaningful comparisons. The team then filters the companies using a proprietary quantitative model appropriate for each group and each area of fundamental research.

### Fundamental research

Companies that pass the quantitative screens are judged by the portfolio managers on fundamental criteria in three broad areas: valuation, operating performance, and market sentiment. The team looks for compelling valuations, improving operations, and differing assessments between Wall Street and the portfolio management team.

### Thrivent Small Cap Stock Fund

uses a disciplined fundamental process, supported by a proprietary quantitative approach.

### Sell discipline & managing risk

In addition to the rigorous process for stock selection, the team employs an equally disciplined process for selling or reducing holdings in the portfolio. A stock may be sold when the team considers it overvalued, at the peak of its business cycle or that Wall Street is too optimistic. They manage risk by reviewing exposure to sectors and capitalization levels relative to the benchmark, and to factors that may cut across sectors.

## Qualitative Investment Approach

SEEKING TO ADD VALUE THROUGH STOCK SELECTION

### Valuation

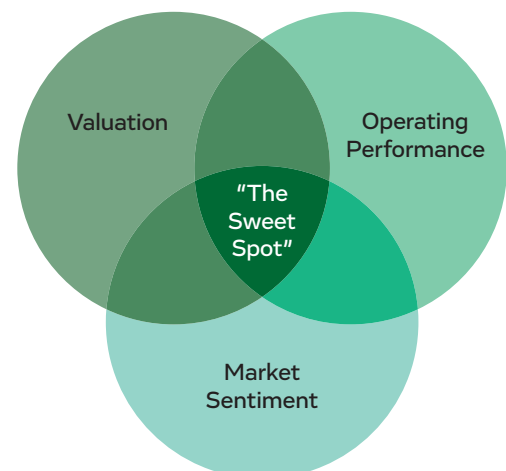
Target 30% to 50% price appreciation over 2 to 3 years

### Operating Performance

Growing revenues and expanding profit margins

### Market Sentiment

What does the team believe that Wall Street does not fully appreciate?



**Risks:** The Fund primarily invests in securities of small companies. Smaller, less seasoned companies often have greater price volatility, lower trading volume, and less liquidity than larger, more established companies. The value of the Fund is influenced by factors impacting the overall market, certain asset classes, certain investment styles, and specific issuers. The Fund may incur losses due to incorrect assessments of investments by its investment adviser.

**TICKER**  
TSCSX

**INCEPTION DATE**  
December 29, 1997

**TOTAL FUND ASSETS**  
\$550.0 million

**FUND OBJECTIVE:** Thrivent Small Cap Stock Fund seeks long-term capital growth.

## Management



**Matt Finn, CFA**  
Senior Portfolio Manager



**James Tinucci, CFA**  
Associate Portfolio Manager

## TOP 5 HOLDINGS

As of May 31, 2017

Arista Networks, Inc.	2.85%
Tupperware Brands Corporation	2.06%
AZZ, Inc.	2.05%
Kirby Corporation	1.99%
Chemed Corporation	1.81%

## TOP 5 SECTORS

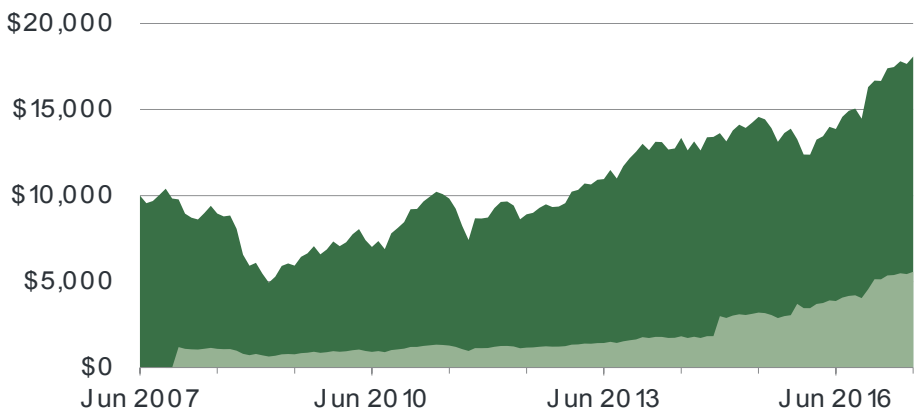
As of Jun. 30, 2017

Financials	23%
Industrials	21%
Information Technology	17.2%
Health Care	12.2%
Consumer Discretionary	7.8%

## Fund Performance (Class S)

### GROWTH OF \$10,000

Hypothetical investment | Jun. 30, 2007 – Jun. 30, 2017



■ Total market value (assumes the reinvestment of all dividends and capital gains) . . . . \$18,357  
 ■ Accumulated dividends and capital gains . . . . . \$5,654

### CALENDAR YEAR PERFORMANCE (%)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
6.11	-37.70	20.38	25.55	-5.23	9.57	36.07	4.77	-2.61	25.69

Performance of other share classes will vary from the results shown based on differences in sales charges and expenses.

## FUND STATISTICS

HOLDINGS	FUND	
Number of holdings	116	
Turnover ratio <sup>1</sup>	57%	
STD. DEVIATION RISK/VOLATILITY <sup>2</sup>	FUND	S&P 500 INDEX <sup>3</sup>
3 year	13.94	10.35
5 year	12.56	9.56
10 year	18.67	15.21
MARKET CAP	FUND	S&P 500 INDEX <sup>4</sup>
Wtd Avg Mkt Cap	\$3.6B	\$168.8B
Median Mkt Cap	\$3.5B	\$20.8B
AVG. ANNUAL RETURNS	FUND	S&P 500 INDEX <sup>5</sup>
1 year	30.39%	15.86%
5 years	15.21%	13.82%
10 years	6.10%	5.25%

### EXPENSE RATIO

Gross	0.81%	Net	0.81%
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<sup>1</sup>**Turnover Ratio:** 12-month rolling as of May 31, 2017. A measure of the Fund's trading activity, which is calculated by dividing the lesser of long-term purchases or long-term sales by average long-term market value.

<sup>2</sup>**Standard Deviation:** A statistical measure of volatility. The higher the standard deviation, the riskier an investment is considered to be.

S&P 500<sup>®</sup> is a registered trademark of Standard & Poor's<sup>®</sup> Financial Services LLC, a part of McGraw Hill Financial, Inc. and/or its affiliates. The Index is a market-cap weighted index that represents the average performance of a group of 500 large-capitalization stocks. This benchmark is intended to provide a comparison to the broad U.S. large cap stock market, and may not be representative of the Fund's investment strategies and holdings. Indexes are unmanaged and do not reflect the fees and expenses associated with active management. Investments cannot be made directly into an index. **Source:** <sup>3</sup>Morningstar, <sup>4</sup>FactSet and <sup>5</sup>Thrivent Financial.

**Performance data cited represents past performance and should not be viewed as an indication of future results. Investment return and principal value of the investment will fluctuate so that an investor's shares, when redeemed may be worth more or less than the original cost. Current performance may be lower or higher than the performance data quoted. For most recent month-end performance, visit ThriventFunds.com.**

**Investing in a mutual fund involves risks, including the possible loss of principal. The prospectus and summary prospectus contain more complete information on the investment objectives, risks, charges and expenses of the fund, and other information, which investors should read and consider carefully before investing. Prospectuses are available at ThriventFunds.com or by calling 800-847-4836.**

The principal underwriter for Thrivent Mutual Funds is Thrivent Distributors, LLC. Thrivent Distributors, LLC, is a registered broker-dealer and member of FINRA, with its principal place of business at 625 Fourth Ave. S., Minneapolis, MN 55415. Asset management services provided by Thrivent Asset Management, LLC, a wholly owned subsidiary of Thrivent Financial.