



MUTUAL FUNDS

# USAA GROWTH AND TAX STRATEGY FUND

FUND: USBLX A: UGTAX C: UGTCX INSTITUTIONAL: UGTIX

Q2 // JUNE 30, 2020

## FUND FACTS

Class	Inception Date	Ticker	Expense Ratio: Gross	Expense Ratio: Net
A	06/29/20	UGTAX	0.99%	0.86%
C	06/29/20	UGTCX	1.71%	1.61%
Fund	01/11/89	USBLX	0.61%	0.61%
Inst	06/29/20	UGTIX	0.61%	0.57%

Net expense ratio reflects fee waivers, reimbursements or recoupment, as applicable, contractually agreed to through June 30, 2021.

### Investment Style

Allocation--30% to 50% Equity

### Investment Objective and Strategy

The Fund seeks a conservative balance between income, the majority of which is exempt from federal income tax, and the potential for long-term growth of capital. Using preset target ranges, the Fund invests a majority of its assets in tax-exempt bonds and money market instruments (50% - 70%) and the remainder in blue chip stocks (30% - 50%). The Fund is managed with the goal of minimizing the impact of federal income tax to shareholders.

### About the Fund

- Growth potential from blue chip stocks.
- Income that is exempt from federal taxes.
- Little to no exposure to the alternative minimum tax.

### Portfolio Managers

John Bonnell, CFA. Since 2010.  
Regina Conklin, CFA, CPA. Since 2019.  
Andy Hattman, CFA, CAIA. Since 2019.  
Mannik Dhillon, CFA, CAIA. Since 2019.  
Wasif Latif. Since 2019.  
Jacob Weaver, CFA. Since 2012.  
Mary Lukic. Since 2019.

## PERFORMANCE

### Average Annual Total Returns (%)

As of June 30, 2020	Q2 2020	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
A Shares, without sales charge	-	-	-	-	-	-	0.76
A Shares, with sales charge (max. 2.25%)	-	-	-	-	-	-	-1.49
Fund Shares	9.77	-1.74	4.46	6.83	6.87	8.64	6.80
Institutional Shares	-	-	-	-	-	-	0.76
S&P 500® Index	20.54	-3.08	7.51	10.73	10.73	13.99	-
50% S&P 500 Index; 50% Bloomberg Barclays Municipal Bond	11.53	-0.07	6.51	7.81	7.58	9.27	-

### Calendar Year Performance (%)

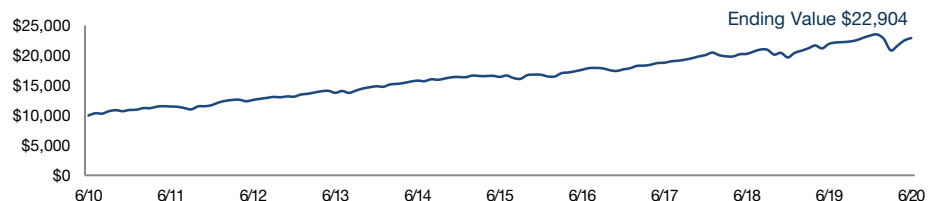
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
A Shares, without sales charge	-	-	-	-	-	-	-	-	-	-
A Shares, with sales charge (max. 2.25%)	-	-	-	-	-	-	-	-	-	-
Fund Shares	7.13	7.38	12.03	13.16	10.48	2.20	5.36	13.47	-1.95	18.46
Institutional Shares	-	-	-	-	-	-	-	-	-	-
S&P 500® Index	15.06	2.11	16.00	32.39	13.69	1.38	11.96	21.83	-4.38	31.49
50% S&P 500 Index; 50% Bloomberg Barclays Municipal Bond	9.10	6.68	11.47	13.76	11.44	2.59	6.14	13.40	-1.29	19.23

Returns include reinvestment of dividends and capital gains. Performance for periods greater than one year are annualized.

**Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month-end, visit [www.usaa.com](http://www.usaa.com).**

Fee waivers and/or expense reimbursements were in place for some or all periods shown, without which, fund performance would have been lower.

### Growth of a Hypothetical \$10,000 Investment Fund Shares (6/30/2010–6/30/2020)



## MORNINGSTAR RATINGS AND RANKINGS

	Overall	3 Year	5 Year	10 Year
Morningstar Rating	★★★★★	★★★★★	★★★★★	★★★★★
Morningstar Ranking (%)	—	4	2	4
# of Funds	511	511	427	277

Morningstar Category: Allocation--30% to 50% Equity

Morningstar ratings and rankings are based on the Fund share class.

The Morningstar Rating™ for funds, or “star rating,” is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed- end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable)

Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. The Morningstar percentile ranking is based on a fund's average annual total return (excluding sales charges) relative to all funds in the same category. The highest (most favorable) percentile rank is 1%, and the lowest (least favorable) percentile rank is 100%. Fund performance used for the rankings reflects certain fee waivers, without which, Morningstar rankings would have been lower and Morningstar ratings may have been lower.

Not FDIC Insured • May Lose Value • No Bank Guarantee

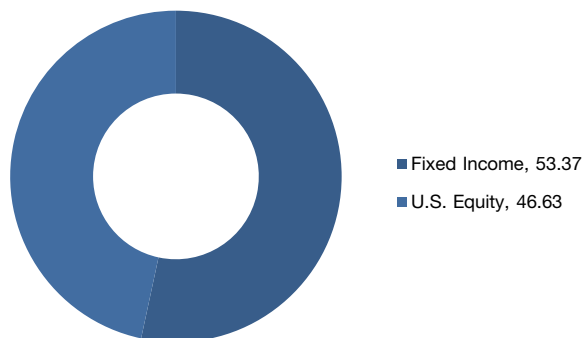
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## PORTFOLIO INFORMATION As of June 30, 2020

Top Ten Holdings	% Fund
Microsoft Corporation	2.81
Apple Inc.	2.78
Amazon.com, Inc.	2.08
Port Port Arthur Tex Nav Dist Environmental Facsrev Var 01-apr-2040	1.55
Facebook, Inc. Class A	0.97
Port Port Arthur Tex Nav Dist Environmental Facsrev Var 01-nov-2040	0.77
Alphabet Inc. Class C	0.77
Alphabet Inc. Class A	0.75
Lewisville Tex Combination Contract Rev 5.8% 01-sep-2025	0.68
Johnson & Johnson	0.67
<b>Total</b>	<b>13.83</b>

Holdings are subject to change.

### Asset Allocation %



**Consider the investment objectives, risks, charges and expenses of the USAA Mutual Funds carefully before investing. To obtain a prospectus or summary prospectus containing this and other information visit [www.usaa.com/prospectus](http://www.usaa.com/prospectus). Read it carefully before investing.**

Not all share classes are available to all investors.

**All investing involves risk, including potential loss of principal.** Asset allocation funds may change portfolio holding allocations on a frequent basis, resulting in high portfolio turnover and more brokerage commissions from an increased amount of the purchasing and selling of securities. The Fund may have a higher proportion of capital gains and a potentially lower return than a fund that does not have a reallocation policy.

**The S&P 500® Index** is a market capitalization-weighted index that measures the performance of the common stocks of 500 leading U.S. companies. **The Bloomberg Barclays Municipal Bond Index** is considered to be generally representative of investment-grade municipal issues having remaining maturities greater than 1 year and a national scope.

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As of July 1, 2019, Victory Capital Management Inc. is the investment adviser for USAA Mutual Funds.

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