

# Thrivent Large Cap Growth Fund

## Q2 2021 Commentary

THLCX (Class S) • June 30, 2021

### Management



**Lauri Brunner**  
Senior Portfolio Manager  
Industry since: 1993  
Thrivent since: 2007  
Fund since: 2018

### Key Personnel



**Jaimin Soni, CFA**  
Senior Portfolio Manager  
Industry since: 2008  
Thrivent since: 2019  
Fund since: 2019

### Executive summary

- Thrivent Large Cap Growth fund recorded strong performance in the second quarter of 2021 beating its benchmark, the Russell 1000® Growth Index.
- Performance was led by Technology sector holdings while the Industrial sector was the laggard for the quarter.
- Nvidia, a semiconductor name, was the Fund's top performer, while Uber was the poorest performer.

### Performance factors

Thrivent Large Cap Growth Fund recorded strong performance in Q2 2021. The Fund returned 12.54% vs. a 11.93% return for the Russell 1000® Growth Index. Performance was led by Nvidia, which the Fund has owned since April 2019. The stock enjoyed strong gains in the quarter as the company's Target Addressable Market (TAM) has expanded to include platform software in addition to its semiconductor and hardware offerings. PayPal was also a strong performer in the quarter. There also, the market opportunity beyond ecommerce payments, toward broader financial services is expanding.

In the past several months we exited our positions in two high quality consumer discretionary names in favor of a smaller, rapid revenue growth company that has higher long-term growth potential and operates online in a very large marketplace.

Thrivent Large Cap Growth Fund recorded solid results for the trailing 12-month period. The Fund returned 42.12% during the period which compared to 42.50% for the Russell 1000® Growth Index. At the security level, fintech company Square was the best gainer and digital advertising/news media

company Twitter, coincidentally managed by the same CEO, was the Fund's second largest gainer. Both companies represent large holdings in the Fund and their business models are at the intersection of consumer and technology. Laggards were Tesla, which continues to roll off from a strong calendar 2020 stock performance, as fundamentals continue to improve. In a positive development, our process governing stock selection in biotech investing has changed. Vertex was the last name the Fund owned prior to making the shift to this new biotech investment framework. Vertex has subsequently been sold.

### Portfolio outlook

We remain on offense. We want to invest in companies that will lead us into the next decade of revenue growth. We are reviewing more companies than we were one year ago which aids our overall selection process. Our largest over-weights are in companies at the intersection of consumer and technology. We continue to believe investors will favor large-cap growth companies with strong organic growth opportunities, expanding TAMs, and operating initiatives that reflect data-driven insights to serve their end markets.

# Thrivent Large Cap Growth Fund performance

Class S shares | For the period ending June 30, 2021

Average annualized returns (%) Periods less than one year are not annualized.	3 months	YTD	1 year	3 years	5 years	10 years
<b>Thrivent Large Cap Growth Fund</b> Class S share; Expense ratio: 0.77%	12.54	13.96	42.12	25.17	24.29	17.22
<b>Russell 1000® Growth Index<sup>1</sup></b>	11.93	12.99	42.50	25.14	23.66	17.87
<b>S&amp;P 500® Growth Index<sup>2</sup></b>	11.93	14.31	41.36	23.08	21.83	17.29
<b>Lipper Large-Cap Growth Median</b>	11.36	12.74	39.88	23.36	22.51	16.40
<b>Lipper rank %</b>	21 (136 of 659)	27 (173 of 659)	32 (206 of 643)	23 (132 of 594)	20 (107 of 545)	31 (131 of 430)

**Financial professionals:** Contact us at [sales@thriventfunds.com](mailto:sales@thriventfunds.com) or call 800-521-5308

Any indexes shown are unmanaged and do not reflect the typical costs of investing. Investors cannot invest directly in an index.

<sup>1</sup>Russell 1000® Growth Index measures the performance of U.S. large capitalization growth-oriented equities.

<sup>2</sup>S&P 500® Growth Index measures the performance of the growth stocks in the S&P 500 Index.

**Risks:** Large companies may be unable to respond quickly to new competitive challenges and may not be able to attain a high growth rate. The Fund's value is influenced by a number of factors, including the performance of the broader market, and risks specific to the Fund's asset classes, investment styles, and issuers. Common stocks of companies that rely extensively on technology, science or communications in their product development or operations may be more volatile than the overall stock market and may or may not move in tandem with the overall stock market. Markets may also be impacted by domestic or global events, including public health threats, terrorism, natural disasters or similar events. The Adviser's assessment of investments may prove incorrect, resulting in losses or poor performance. Foreign investments involve additional risks, such as currency fluctuations and political, economic and market instability, which may be magnified for investments in emerging markets. These and other risks are described in the prospectus.

This commentary may refer to specific securities which the Fund(s) may own. This information should not be considered investment advice or a recommendation of any particular security, strategy or product. A complete listing of the holdings for each of the Thrivent Mutual Funds is available on [thriventfunds.com](http://thriventfunds.com).

The Lipper median represents the median annualized total return for all reported funds in the classification. Lipper medians do not include sales charges/fees. If included, returns would have been lower. All rankings are based on total return and do not reflect sales charges. The lower the Lipper percentile ranking, the better the fund performed against its peers. Source for ranking is Lipper, Inc., a Thomson Reuters company. Lipper assigns each fund to a category after scrutinizing its portfolio and assessing the fund manager's flexibility and aggressiveness. Once return figures have been determined, Lipper ranks the relative performance of all funds in a particular category against their respective peer group.

**All data represents past performance. Past performance does not guarantee future results. The 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. Call 800-847-4836 or visit [thriventfunds.com](http://thriventfunds.com) for performance results current to the most recent month-end.**

**Investing 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 and summary prospectuses are available at [thriventfunds.com](http://thriventfunds.com) or by calling 800-847-4836.**

The distributor for Thrivent Mutual Funds is Thrivent Distributors, LLC, a registered broker/dealer and member FINRA/SIPC. Thrivent Asset Management, LLC, an SEC-registered investment adviser, serves as the investment adviser for the Thrivent Mutual Funds. Both entities are subsidiaries of Thrivent, the marketing name for Thrivent Financial for Lutherans.

©2021 Thrivent



[thriventfunds.com](http://thriventfunds.com) • 800-847-4836