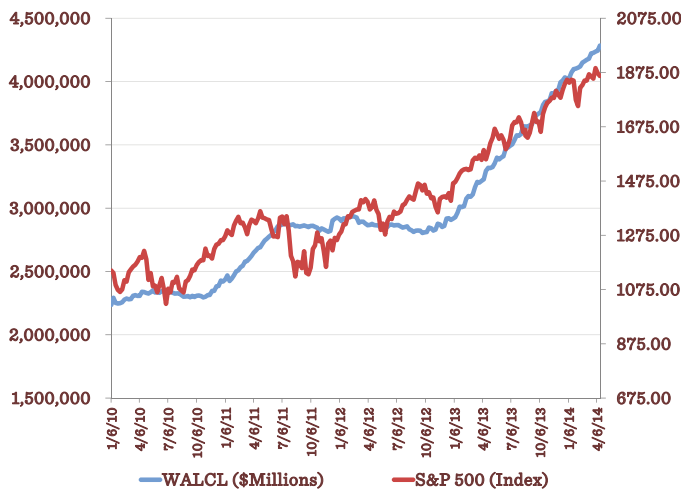


The Importance of Fundamental Analysis

You know you want to participate in the equity market, but how?

A growing number of investors recognize that it may be time to increase their allocation to equity. What may be less clear is determining how to go about positioning assets in the equity market.

Consider this: for several years, the Federal Reserve has been providing liquidity to the U.S. economy – liquidity that, to some degree, has contributed to the performance of the equity market. If boats rose on the Fed's tide of liquidity, what happens when that tide recedes?



Federal Reserve Banks Total Assets, Eliminations from Consolidation (WALCL) on the left axis, and S&P 500 Index value on the right axis. Source: Board of Governors of the Federal Reserve System and Yahoo Finance

Fundamental analysis matters.

Broad-based passive equity investments, such as equity index funds, may have performed well in a period when most publically traded corporations were benefiting from Fed-supplied liquidity, but without that support, equity investing may need to become more selective, based on sound fundamental investment research.

In selecting investments for Aquila Three Peaks Opportunity Growth Fund, we begin with the universe of companies we know best – those we follow in managing

Aquila Three Peaks High Income Fund. We look for issuers of high-yield corporate debt, in industries with relatively consistent revenue generation (i.e. non-cyclical industries), that have demonstrated the ability to grow even in a low-growth economy, that are generating free cash flow, and that are improving the corporate balance sheet by paying down debt. We implement this strategy through a fundamental, bottom-up analysis of each company in which we invest.

We believe that when companies like these are able to improve the corporate balance sheet, there can be an impact to the performance of their equity. Even in a relatively low-growth economic environment, which we saw in 2013 and continue to see in 2014, we believe that the types of companies we search for – those in non-cyclical industries that are paying down debt and improving the corporate balance sheet – can continue to grow and deliver value to shareholders.

Fundamental analysis and selectivity may become essential components of an equity investment strategy in a low-growth economic environment that is less influenced by Fed-supplied liquidity.

Looking for an equity strategy?

Once you take a close look at **Aquila Three Peaks Opportunity Growth Fund**, you may find that it is just what you were looking for.

Before investing in the Fund, carefully read about and consider the investment objectives, risks, charges, expenses, and other information found in the Fund prospectus. The prospectus is available from your financial advisor, and when you call 800-437-1020 or visit www.aquilafunds.com.

Investment Considerations: Mutual fund investing involves risk; loss of principal is possible. An investment involves certain risks including market risk, financial risk, interest rate risk, credit risk, and risks associated with investments in highly-leveraged companies, lower-quality debt securities, foreign markets and foreign currencies, and potential loss of value.