Alger Spectra Fund

2nd Quarter 2024 As of June 30, 2024

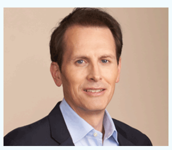
Ticker Symbols

Class A	SPECX
Class I	ASPIX
Class Y	ASPYX
Class Z	ASPZX

Investment Strategy

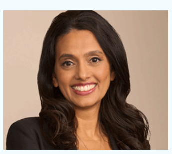
Primarily invests in growth equity securities of U.S. companies identified through our fundamental research as demonstrating promising growth potential, and engages in short selling (up to approximately 10% of the market value of the portfolio). Seeks long-term capital appreciation.

Portfolio Management



Patrick Kelly, CFA
Executive Vice President
Portfolio Manager,
Head of Alger Capital Appreciation and Spectra Strategies
27 Years Investment Experience

Dan Chung, CFA
Chief Executive Officer,
Chief Investment Officer
Portfolio Manager
30 Years Investment Experience



Dr. Ankur Crawford
Executive Vice President
Portfolio Manager
20 Years Investment Experience

Benchmark

Russell 3000 Growth

Standardized performance is available on page 3.

HIGHLIGHTS

- During the second quarter of 2024, the largest portfolio sector weightings were Information Technology and Communication Services. The largest sector overweight was Industrials and the largest sector underweight was Consumer Staples.
- The Industrials and Health Care sectors contributed to relative performance while Real Estate and Materials were among sectors that detracted from relative performance.

MARKET ENVIRONMENT

U.S. equities were positive during the second quarter of 2024, with the S&P 500 up 4.28%. The Information Technology and Communication Services sectors outperformed relative to the S&P 500 Index, while the Materials and Industrials sectors underperformed. Further, there was a notable divergence in performance during the quarter, where large cap growth stocks saw meaningful gains, whereas smaller cap and particularly value stocks lagged. A key development this quarter was the adjustment of Federal Reserve (the Fed) rate-cut expectations amidst elevated inflation readings in April and strong job growth.

In April, U.S. equity markets retreated due to revised Fed expectations, moving from anticipating three rate cuts down to just one by year's end, driven by higher-than-expected March Consumer Price Index (CPI) readings. In May, U.S. equity markets rebounded as the core Personal Consumption Expenditures (PCE) Index, the Fed's preferred inflation measure, met estimates and showed a notable slowdown in the shelter category. U.S. equity markets continued their upward trend in June, driven by growing confidence in an economic soft landing—an economic slowdown without a recession—and sustained enthusiasm for artificial intelligence (AI), boosting large cap technology stocks. Inflation pressures eased further with a weaker-than-expected May CPI report, along with the May core PCE posting its lowest annual gain since March 2021 at 2.6%, increasing the likelihood of the Fed's first rate cut as early as September 2024.

During the quarter, we continued to observe secular themes that we believe are creating attractive investment opportunities - corporations are digitizing their operations, cloud computing is growing and supporting innovation, and AI is at an inflection point, potentially enabling significant increases in productivity, in our view. In the Health Care sector, we believe that advances in surgical technologies and innovations within genomic sequencing offer compelling opportunities ahead.

PORTFOLIO UPDATE

Class A shares of the Alger Spectra Fund outperformed the Russell 3000 Growth Index during the second quarter of 2024. NVIDIA Corporation, Microsoft Corporation, and Amazon.com, Inc. were among the top contributors to performance.

- Nvidia Corporation is a leading supplier of graphics processing units (GPUs) for a variety of end markets, such as gaming, PCs, data centers, virtual reality, and high-performance computing. The company is leading in most secular growth categories in computing, and especially artificial intelligence and super-computing parallel processing techniques for solving complex computational problems. Simply put, Nvidia's computational power is a critical enabler of AI and therefore essential to AI adoption, in our view. During the quarter, the company reported better-than-expected fiscal first quarter results driven by strong demand from data centers. Additionally, management noted that large cloud service providers, contributing approximately 45% of data center sales, recognize the high return on investment offered by Nvidia's computing solutions, which are driving AI spending. The company also introduced its next-generation H200 chip, which nearly doubles the inference performance compared to the H100 chip, enhancing how trained AI models process new data. Lastly, management raised their fiscal second quarter guidance, noting that demand for their current H100 chips remains strong, and that demand for their next generation products is estimated to outstrip supply over the next year. We continue to believe the company is well positioned to potentially benefit from the growing AI data center workloads, which are driving demand for the increased interconnections and fully accelerated software stacks, thereby enabling leading application performance and fast result times.

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- Amazon.com is a renowned online retailer and leader in cloud computing. The company's Amazon Web Services (AWS) division offers utility-scale cloud solutions that support corporate America's digital transition. During the quarter, Amazon's shares contributed to performance as the company reported strong fiscal first-quarter results, with revenues and operating income beating analyst estimates. Notably, AWS revenue growth accelerated, driven by easing cloud cost optimizations, renewed workload migrations, and an increasing contribution from AI workloads. On their earnings call, management highlighted plans to increase capital expenditures to enhance their technology infrastructure, catering to the surging demand for AI-driven computing.
- Microsoft is a beneficiary of corporate America's transformative digitization. The company operates through three segments: Productivity and Business Processes (Office, LinkedIn, and Dynamics), Intelligent Cloud (Server Products and Cloud Services, Azure, and Enterprise Services), and More Personal Computing (Windows, Devices, Gaming, and Search). During the quarter, shares contributed to performance after the company reported strong fiscal third quarter results, underscoring its leadership position in the cloud and highlighted its role as a primary facilitator and beneficiary of AI adoption. Company revenue growth, operating margin, and earnings growth surpassed consensus expectations. The utility scale Azure cloud business grew 31% in constant currency of which 7% was AI related versus 3% two quarters ago. Further, management noted most of the AI revenue continues to stem from inference rather than training indicating high quality AI applications by Microsoft's clients. Management also indicated that the significant cost-cutting programs in corporate America are done, suggesting that the cost optimization headwinds previously impacting Azure's growth are over. Separately, management provided color on their new AI-productivity tool, Copilot, noting that approximately 60% of Fortune 500 companies are already using Copilot, and that the quarter witnessed a 50% increase in Copilot assistance integration within Teams. We continue to believe that Microsoft has the potential to hold a leading position in AI, given its innovative approach and demonstrated high unit volume growth opportunity.

Our short position in a leading benefits management company specializing in fertility and family building solutions contributed to performance. The company reported fiscal first quarter revenues that fell below analyst estimates. Additionally, management expressed concerns about the uncertain macroeconomic environment, influenced by state supreme court decisions related to in vitro fertilization (IVF). These factors led to a decline in the company's share price, thereby positively impacting our short position during the quarter.

Advanced Micro Devices, Inc., DraftKings, Inc., and Martin Marietta Materials, Inc. were among the top detractors from performance.

- Advanced Micro Devices (AMD) is a major global supplier of PC microprocessors and graphics processors to computing original equipment manufacturers (OEMs). The company's product range spans desktops, notebooks, servers, graphics, and embedded/semi-custom chips. AMD operates in a large addressable market, covering areas such as PCs, servers, high-end gaming, and deep learning. Additionally, AMD has introduced competitive AI technologies, including powerful accelerators poised to capture a share in a market worth several hundred billion dollars. During the quarter, the company reported fiscal first-quarter operating results that met analyst estimates, with strengths in data center GPUs and server CPUs offsetting weaknesses in their gaming and embedded businesses. Moreover, management raised their fiscal second-quarter revenue guidance, albeit slightly below consensus estimates, where they expected double digit growth in data center revenues, while projecting a decline in their gaming segment, driven by weaknesses in both desktop GPUs and Semi-Custom Systems-on-a-Chip (SoC). While weaker-than-expected near-term results weighed on shares during the quarter, we believe the company is positioning itself to potentially benefit from long-term growth in AI infrastructure spending. Specifically, the company continues to gain server CPU market share, which could potentially accelerate as traditional compute deployments begin to recover.
- DraftKings is a digital sports entertainment and gaming firm designed to ignite the passion of sports enthusiasts through a diverse offering that spans daily fantasy, regulated gaming, and digital media. We believe the company's expertise in product development and customer acquisition, which established it as the market leader in daily fantasy sports (DFS), positions DraftKings to be a key driver in advancing the U.S. sports betting market's growth. The company reported strong fiscal first quarter results, with revenues beating analyst estimates due to broad-based momentum in customer engagement and acquisition. However, on May 28th, the Illinois Senate passed a new state budget that includes a tiered progressive tax on sportsbook operators, effective July 1, 2024. This new tax ranges from 20% to 40% on gross revenues, a significant increase from the current 15% tax rate. Despite management's belief that it can mitigate the tax impact by reducing promotions in Illinois, this development negatively affected the company's share price.
- Martin Marietta, a leading supplier of building materials such as aggregates, cement, ready-mixed concrete, and asphalt, serves the construction and infrastructure industries across the U.S., Canada, and the Bahamas. During the quarter, the company reported mixed fiscal first quarter operating results, where revenues came in slightly below analyst estimates. While the company noted that lower-than-expected shipments in aggregates was due largely to weather, a 13% increase in aggregate pricing starting in January 2024 helped offset this weakness. Moreover, management provided lower than expected 2024 aggregates volume guidance as they shift their focus on higher priced projects. Given the disappointment in projected aggregate volumes, shares detracted from performance during the quarter.

Our short exposure to a broadband communications services company detracted from performance. We established our short position as the industry has been experiencing increased competition, partly from fiber and fixed wireless providers lowering their prices as a cheaper internet option. Additionally, the company projected a temporary decline in internet customer growth and average revenue per user (ARPU) for the second and third quarters of 2024. This anticipated decline is linked to the phasing out of the Affordable Connectivity Program (ACP), which had provided subsidies to lower-income households for internet services. Management noted that the disruption began when subsidies were reduced from $30 per month to $15 on May 1st, and then eliminated entirely on June 1st. This reduction is expected to increase customer churn and delinquencies in the latter half of 2024. Despite these factors, our short position negatively impacted performance as the company's stock price rose after the company announced plans to increase broadband pricing to offset the ARPU pressures.

ALGER

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Average Annual Total Returns (%) (as of 6/30/24)

	QTR	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Class A (Incepted 7/28/69)							
Without Sales Charge	9.73	28.32	40.09	4.09	13.84	13.14	15.60
With Sales Charge	3.96	21.61	32.73	2.24	12.62	12.53	15.48
Russell 3000 Growth Index	7.80	19.90	32.22	10.33	18.55	15.75	(Since 12/29/10) 15.75

Total Annual Operating Expenses by Class	Without Waiver: A: 1.50%
(Prospectus Dated 3/1/24, unless otherwise amended)	With Waiver: —

Performance shown is net of fees and expenses.
Only periods greater than 12 months are annualized.
The first full calendar year that Fred Alger Management, LLC was the Fund's investment manager was 1975; therefore, since inception performance is reflected as of this date. The Fund operated as a closed end fund from August 23, 1978 to February 12, 1996. The calculation of total return during that time assumes dividends were reinvested at market value. Had dividends not been reinvested, performance would have been lower. On September 24, 2008, the Fund's name was changed from Spectra Fund to Alger Spectra Fund, and the Fund's Class N shares were redesignated as Class A shares. Performance from February 13, 1996 through September 23, 2008 is that of the Fund's Class N Shares, adjusted to reflect applicable sales charges and operating expenses.
The performance data quoted represents past performance, which is not an indication or a guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. Performance figures assume all distributions are reinvested. Returns with sales charges reflect a maximum front-end sales charge on Class A Shares of 5.25%. Class A shares may be subject to a maximum deferred sales charge of 1.00%. For performance current to the most recent month end, visit www.alger.com or call 800.992.3863.

Risk Disclosures: Investing in the stock market involves risks, including the potential loss of principal. Growth stocks may be more volatile than other stocks as their prices tend to be higher in relation to their companies' earnings and may be more sensitive to market, political, and economic developments. Local, regional or global events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases and similar public health threats, recessions, or other events could have a significant impact on investments. A significant portion of assets may be invested in securities of companies in related sectors, and may be similarly affected by economic, political, or market events and conditions and may be more vulnerable to unfavorable sector developments. Foreign securities involve special risks including currency fluctuations, inefficient trading, political and economic instability, and increased volatility. Short sales could increase market exposure, magnifying losses and increasing volatility. Leverage increases volatility in both up and down markets and its costs may exceed the returns of borrowed securities. Active trading may increase transaction costs, brokerage commissions, and taxes, which can lower the return on investment. At times, cash may be a larger position in the portfolio and may underperform relative to equity securities. **Investing in innovation is not without risk and there is no guarantee that investments in research and development will result in a company gaining market share or achieving enhanced revenue.** Also, developing technologies to displace older technologies or create new markets may not in fact do so, and there may be sector specific risks as well. As is the case with any industry, there will be winners and losers that emerge and investors therefore need to conduct a significant amount of due diligence on individual companies to assess these risks and opportunities. **Companies involved in, or exposed to, AI-related businesses may have limited product lines, markets, financial resources, or personnel as they face intense competition and potentially rapid product obsolescence.** These companies may be substantially exposed to the market and business risks of other industries or sectors and may be adversely affected by negative developments impacting those companies, industries, or sectors, as well as by loss or impairment of intellectual property rights or misappropriation of their technology. Companies that utilize AI could face reputational harm, competitive harm, and legal liability, and/or an adverse effect on business operations as content, analyses, or recommendations that AI applications produce may be deficient, inaccurate, biased, misleading or incomplete, may lead to errors, and may be used in negligent or criminal ways. Companies exploring new technologies may face regulatory, political or legal challenges that may adversely impact their competitive positioning and financial prospects. The views expressed are the views of Fred Alger Management, LLC ("FAM") and its affiliates as of March 2024. These views are subject to change at any time and may not represent the views of all portfolio management teams. These views should not be interpreted as a guarantee of the future performance of the markets, any security or any funds managed by FAM. 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The personal consumption expenditures index (PCE) is a measure of the prices that people living in the United States, or those buying on their behalf, pay for goods and services, constructed by the Bureau of Economic Analysis. The PCE price index is known for capturing inflation (or deflation) across a wide range of consumer expenses and reflecting changes in consumer behavior. The S&P 500 Index is an index of large company stocks considered to be representative of the U.S. stock market. The Russell 3000® Growth Index combines the large-cap Russell 1000® Growth, the small-cap Russell 2000® Growth and the Russell Microcap® Growth Index. It includes companies that are considered more growth oriented relative to the overall market as defined by Russell's leading style methodology. The Russell 3000 Growth Index is constructed to provide a comprehensive, unbiased, and stable barometer of the growth opportunities within the broad market. The Russell 3000® Growth Index performance does not reflect deductions for fees or expenses. The indices presented are provided for illustrative purposes, reflect the reinvestment of dividends and do not assess fees and expenses that would have the effect of reducing returns. Investors cannot invest directly in any index. The index performance does not represent the returns of any portfolio advised by Fred Alger Management, LLC and actual client results might differ materially than the indices shown. **Note that past performance is no guarantee of future results.** Frank Russell Company ("Russell") is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company. 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The following positions represented the stated percentages of portfolio assets as of June 30, 2024: NVIDIA Corporation, 13.61%; Microsoft Corporation, 14.64%; Amazon.com, Inc., 8.42%; Advanced Micro Devices, Inc., 0.96%; DraftKings, Inc. Class A, 0.8%; Martin Marietta Materials, Inc., 0.97%;

Before investing, carefully consider the Fund's investment objective, risks, charges, and expenses. For a prospectus and a summary prospectus containing this and other information about the Fund, call (800) 992-3863, visit www.alger.com, or consult your financial advisor. Read it carefully before investing. Distributor: Fred Alger & Company, LLC. NOT FDIC INSURED. NOT BANK GUARANTEED. MAY LOSE VALUE.