Market Review
The S&P 500 started the quarter at all-time highs and ended in a bear market as the COVID-19 pandemic halted economic activity across the globe. As COVID-19 continued to spread beyond China’s border to impact Italy, Spain, South Korea, and the United States, governments implemented travel restrictions, non-essential business closures, and work from home orders. The dominant market narrative shifted from short term regional slowdown to worldwide economic shutdown by quarter’s end. With negative sentiment fully entrenched, the S&P 500 returned -19.60% in the quarter as every sector in the index fell. The US government passed the bipartisan Coronavirus Aid, Relief, Economic Security (CARES) Act, a $2 trillion stimulus package which includes direct payments of up to $1,200 to individuals and emergency lending facilities for small business, corporations, and states. The Federal Reserve cut the fed funds rate twice to 0-25 bps, increased bond purchases, and formed lending facilities to maintain liquidity in the markets. The quarter witnessed the largest single week of US unemployment claims of 3.28 million, shattering the previous 1982 record of 695,000 as government mandated social distancing and stay-at-home orders negatively impacted the labor market already reeling from business closures. The energy sector declined the most in the quarter, dropping by 50% as it faced both a demand shock from travel restrictions and a supply shock from a collapse in the OPEC+ agreement between Saudi Arabia and Russia. The financials, industrials, and materials sector were the largest decliners after energy while the technology, consumer staples, and health care held up better.

Quarterly Performance
The BNY Mellon Appreciation Fund outperformed the S&P 500 index in the quarter driven by the impact of stock selection as our portfolio exhibited a defensive stance against market volatility.

Average Annual Total Returns (3/31/20)

<table>
<thead>
<tr>
<th>Share Class/Inception Date</th>
<th>3 Month</th>
<th>YTD</th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>10 Year/Since Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class I (NAV) 08/31/16</td>
<td>-16.19%</td>
<td>-16.19%</td>
<td>-0.50%</td>
<td>7.84%</td>
<td>7.22%</td>
<td>9.31%</td>
</tr>
<tr>
<td>Investor Shares (NAV) 01/18/84</td>
<td>-16.26%</td>
<td>-16.26%</td>
<td>-0.78%</td>
<td>7.57%</td>
<td>7.04%</td>
<td>9.22%</td>
</tr>
<tr>
<td>S&amp;P 500 Index</td>
<td>-19.60%</td>
<td>-19.60%</td>
<td>-6.98%</td>
<td>5.10%</td>
<td>6.73%</td>
<td>10.53%</td>
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</tbody>
</table>

The performance data quoted represents past performance, which is no guarantee of future results. Share price and investment return fluctuate, and an investor’s shares may be worth more or less than original cost upon redemption. Current performance may be lower or higher than the performance quoted. Performance for periods less than 1 year is not annualized. Go to im.bnymellon.com for the fund’s most recent month-end returns. Total Expense Ratios: Investor Shares 0.90% and Class I 0.66%. Not all classes of shares may be available to all investors or through all broker-dealer platforms. Other share classes are subject to different fees and expenses and would have achieved different returns.
Performance Summary

Favorable stock selection in the financials sector contributed positively to relative results highlighted by insurance company Progressive. Stock selection in the consumer discretionary sector added value to results for the period, with Amazon bucking the sector trend with positive returns as business closures and work from home mandates made online shopping more attractive. The dual impact of an underweight allocation and astute stock selection in the industrials sector contributed positively to results. Strategic overweighting of the technology sector contributed positively to results in the period as the sector saw a relatively smaller decline of 12% versus the index’s 20% decline. Stock selection in the health care sector contributed positively to results as Novo Nordisk announced two COVID-19 related initiatives and Roche’s oral diabetes drug propelled the companies to outperform their peers in the sector. Although energy was the worst performing sector, our holdings positively contributed to relative performance. Integrated Oils Chevron and ExxonMobil along with independent ConocoPhillips were better positioned to weather a low price environment for oil. We have avoided shale pure plays and oilfield services firms that are more exposed to the current supply and demand shocks. An overweight allocation in the consumer staples sector was offset by a negative stock selection effect that muted the sector’s contribution to results. Strategic underweighting the utilities sector hindered results for the period as the sector experienced a relatively smaller decline. Stock selection in the communication services sector contributed negatively to relative results for the quarter as entertainment company Disney faced closure of its theme parks and postponed movie releases.

Top Contributors – Q1 20
The top three contributors to relative returns include Amazon, Microsoft, and Novo Nordisk.

Top Detractors – Q1 20
The top three detractors from relative performance include JPMorgan Chase, Apple, and Facebook.

Market Outlook

Negative sentiment from the pandemic is firmly entrenched and weighing on markets as uncertainty around record unemployment, prolonged business closure, and rising infection rates dominate headlines. There will be disruptions to economic activity for the next few quarters as governments attempt to stop the spread. We can expect continued volatility as revenue and earnings are cut and industries face insolvency without government assistance. As a result of the BNY Mellon Appreciation Fund’s focus on industry-leading companies with superior financial strength and resilient cash flows, we believe our portfolio is capable of withstanding periods of market stress. While bouts of volatility can result in investors selling stocks across the board due to their liquidity needs, our high-quality companies tend to hold up better in challenging market environments. The BNY Mellon Appreciation Fund’s long-practiced investment approach focuses on these resilient companies. Our strategy targets leaders with solid balance sheets, a geographically diverse revenue stream, and strong pricing power that have the capability to consistently deliver revenue and earnings growth across business cycles. Furthermore, we invest with seasoned management teams who have strong records of returning cash to shareholders and are well-equipped to extend those records in difficult and volatile times such as theses, providing a ballast to the portfolio as market conditions change.
Investors should consider the investment objectives, risks, charges and expenses of a mutual fund carefully before investing. To obtain a prospectus, or a summary prospectus, if available, that contains this and other information about a fund, investors should contact their financial advisor or visit im.bnymellon.com. Investors should be advised to read the prospectus carefully before investing. Not all classes of shares may be available to all investors or through all broker-dealer platforms.

Past performance is no guarantee of future results.

Risks

Equities are subject to market, market sector, market liquidity, issuer, and investment style risks, to varying degrees. Investing in foreign denominated and/or domiciled securities involves special risks, including changes in currency exchange rates, political, economic, and social instability, limited company information, differing auditing and legal standards, and less market liquidity. These risks generally are greater with emerging market countries.

Recent market risks include pandemic risks related to COVID-19. The effects of COVID-19 have contributed to increased volatility in global markets and will likely affect certain countries, companies, industries and market sectors more dramatically than others. To the extent the fund may overweight its investments in certain countries, companies, industries or market sectors, such positions will increase the fund's exposure to risk of loss from adverse developments affecting those countries, companies, industries or sectors.

As of 3/31/20 the companies mentioned represented 36.20% of the fund’s portfolio in the aggregate. The holdings listed should not be considered recommendations to buy or sell a particular security. Other holdings may not have performed as well as some of those listed herein. Portfolio composition is subject to change at any time.

The Standard & Poor’s 500® Composite Stock Price Index is a widely accepted, unmanaged index of overall U.S. stock market performance. An investor cannot invest directly in any index. Views expressed are those of the author(s) and do not reflect views of other managers or the firm overall. Views are current as of the date of this publication and subject to change.

BNY Mellon Investment Adviser, Inc. serves as the fund’s investment adviser. Fayez Sarofim & Co. (Sarofim & Co.) is the fund’s sub-investment adviser. Fayez Sarofim & Co. is not affiliated with BNY Mellon.

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MARK-113469-2020-04-15