ACM FUNDS

ACM Dynamic Opportunity Fund

Monthly Commentary

July 2020

The month of July was another solid month for stocks, further frustrating the bears who can't reconcile the ascent of the stock market with the seemingly fragile economic reopening. Our *dynamic hedge model* is designed to capture uptrending markets by increasing long market exposure and simultaneously reducing hedges. The hedge model entered the month targeting 90% long exposure and finished the month at the 100% level. This helped the Fund carry a material net long exposure for the month and outperform all relative benchmarks.

Past performance does not guarantee future results

The month of July was more of a stock pickers month, in the sense that leading stocks in our portfolio did not come from just one group or sector. There were several individual standouts that enjoyed outsized gains. Some of course were from the tech sector, but we also had winners from gold miners, homebuilders, telehealth, online education, and healthcare. In this environment, our differentiated stock methodology does a good job producing alpha.

We would be remiss if we didn't acknowledge the pockets of excess we see in the market. "Cloud" stocks are seeing valuations the likes of which we haven't seen since the 1999-2000 tech bubble. Lack of corporate earnings are being ignored in favor of price/sales ratios, similar to the dot.com era. We have also witnessed elevated levels of speculation amongst small-lot options traders (Robinhooders?).

We are fairly confident there will be an adverse ending coming to this story at some point. But the difficulty is gauging what inning we are in of this current bull run. It is hard to determine if this juncture is akin to June 1999, where things were heating up but still had another 6-9 months before the blowoff top. Or is this more like Jan/Feb 2000, where things got so stretched that the market eventually fell on its own weight. One glaring difference is that the Fed was tightening monetary policy then, in a big way (fed funds got up to 6.5%). This time around the Fed is injecting liquidity into the system at an unprecedented pace. One might argue that makes this episode more closely resemble fall of 1998. So the usual stock market analogy game is a bit murky in today's environment.

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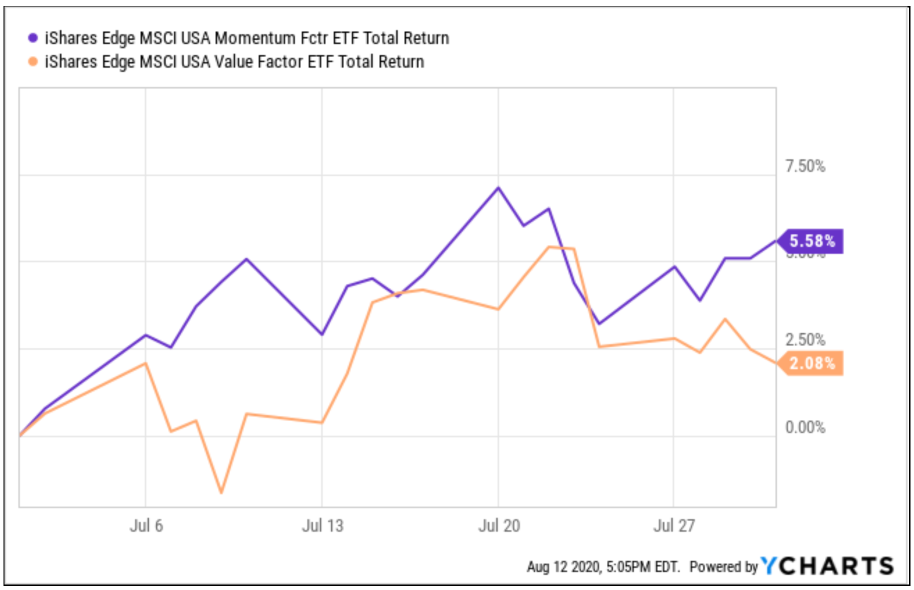
Although growth stocks edged out value stocks again last month, it wasn't a runaway victory. As of the third week of July, the two factor based ETFs were about neck-and-neck (see chart below). The portfolio remains tilted more towards the growth side of things, although we have been adding more value exposure in recent weeks to manage the risk of rotation in the market. As of now, value stocks continue to struggle to maintain strong uptrends. We think it would probably take more concrete news of a viable Covid vaccine to spark a more durable rally.



Past performance does not guarantee future results.

The **ACM Dynamic Opportunity Fund** (ADOIX) performed well in July, outperforming all of its relevant benchmarks as well as the S&P 500 Index. The Fund finished the month of July a full +1546 bps ahead of its benchmark for the year. And the performance of our peer category remains negative for the ytd period.

Thank you for your continued support. Stay safe out there.

Sincerely,

Jordan L. Kahn, CFA
Chief Investment Officer

Sources: *Standard & Poor's, Stockcharts.com, Morningstar*

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Defined Terms: S&P 500 Index- The S&P 500 index is an unmanaged composite of large capitalization companies. This index is widely used by professional investors as a performance benchmark for large-cap stocks. HFRX Equity Hedge Index– tracks strategies that maintain positions both long and short in primarily equity and equity driven securities. Morningstar Long/Short Equity Category- A composite of returns produced by Morningstar which can be used to compare the returns of other mutual funds in the same category. Long– the holder of the position owns the security and will profit if the price of the security goes up. Short- Short selling is the sale of a security that is not owned by the seller, or that the seller has borrowed. Short selling is motivated by the belief that a security's price will decline, enabling it to be bought back at a lower price to make a profit. Derivative hedge – transaction that limits investment risk with the use of derivatives such as option contracts.

Investors are not able to invest directly in the indices referenced and unmanaged index returns do not reflect any fees, expenses or sales charges. For current performance information, please visit our performance page: http://acm-funds.com/dynamic-fund-performance/

There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses.

ETF's are subject to specific risks, depending on the nature of the underlying strategy of the fund. These risks could include liquidity risk, sector risk, as well as risks associated with fixed income securities, real estate investments, and commodities, to name a few. Investments in foreign securities could subject the Fund to greater risks including, currency fluctuation, economic conditions, and different governmental and accounting standards.

Investors should carefully consider the investment objectives, risks, charges and expenses of the ACM Dynamic Opportunity Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 1- 844-798-3833. The prospectus should be read carefully before investing. The ACM Dynamic Opportunity Fund is distributed by Northern Lights Distributors, LLC, member."http://www.finra.org/" FINRA. "http://www.sipc.org/" SIPC. Northern Lights Distributors, LLC and Ascendant Capital Management, LLC are not affiliated.

ACM Dynamic Opportunity Fund Class I

ADOIX | July 2020 Fact Sheet

Portfolio Management

Jordan L. Kahn, CFA

Chief Investment Officer

Mr. Kahn has 25 years of experience in the investment industry serving as a senior portfolio manager, equity research analyst, and investment consultant. Mr. Kahn received his Master's of Science in Financial Markets and Trading from the Stuart School of Business at the Illinois Institute of Technology.

Alan Savoian

Portfolio Manager

Alan has over 26 years of investment experience serving as a senior portfolio manager and equity analyst. Alan spent 18 years at William O'Neil & Co., where he successfully managed equities for the firm's proprietary portfolios.

Fund Profile *As of 7/31/2020*

Inception Date	01/20/2015
Net Assets	77.6m
Style	Hedged Equity
Benchmark	HFRX Eq. Hedge Index

Risk Metrics *As of 7/31/2020*

Beta (3-year)	0.46
R-Squared	.53
Standard Deviation	10.89
Treynor Ratio	8.72

Fund Overview

We strive to help our investors participate in the gains available from financial markets, while mitigating the downside risk

The ACM Dynamic Opportunity Fund is designed as a core investment for investors seeking long term capital appreciation with a short-term focus on capital preservation. The fund employs a dynamic strategy, which aims to actively participate during a rising market environment and mitigate downside risk when markets experience downturns.

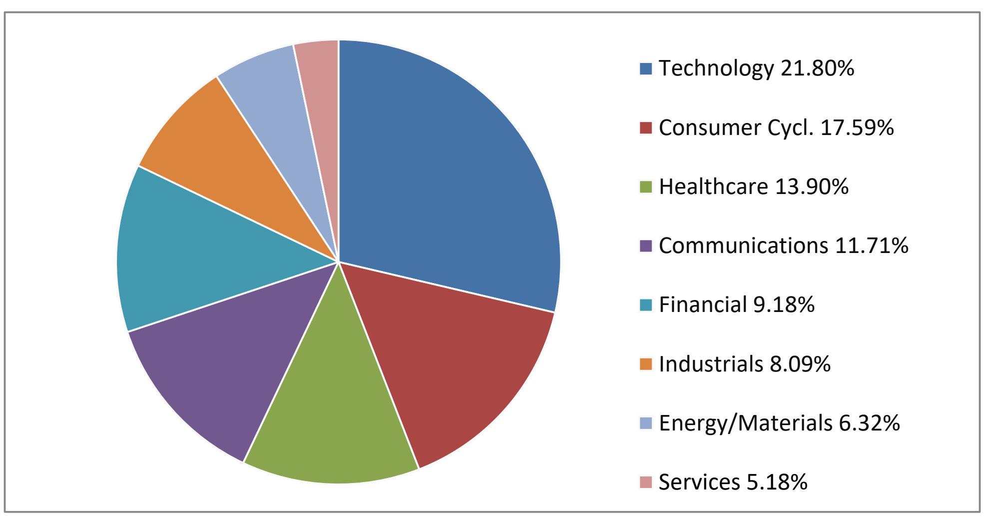
Performance *As of 7/31/2020*

	1-mth	3-mth	YTD	1 Yr*	3 Yr*	5 Yr*	Since Inception*
ADOIX	7.87%	14.43%	9.93%	0.68%	3.66%	2.67%	3.83%
HFRX Eq Hedged	0.82%	4.31%	-5.53%	-2.11%	-0.12%	-0.27%	0.33%
Morningstar L/S Category	3.00%	5.84%	-0.87%	-0.87%	2.17%	2.33%	1.59%
S&P 500	5.51%	12.32%	1.25%	5.39%	8.56%	8.49%	8.17%

*As of 6/30/20

You should be aware that the Fund's past performance (before and after taxes) may not be an indication of how the Fund will perform in the future. Although Class A shares would have similar annual returns to Class I shares because the classes are invested in the same portfolio of securities, the returns for Class A shares are different from Class I shares because Class A shares have different expenses than Class I shares. Updated performance information is available at no cost by visiting www.ACM-Funds.com or by calling 1-844-798-3833. Actual Total Annual Fund Operating Expenses of 1.95% for Class A and 1.70% for Class I from the prospectus. The Adviser has contractually agreed to reduce its fees and reimburse expenses of the Fund, at least until April 30, 2021, to ensure that the net annual fund operating expenses will not exceed 2.40% for Class A shares and 2.15% for Class I shares. These fee waivers and expense reimbursements are subject to possible recoupment from each Fund within three years after the fees have been waived or reimbursed. Maximum sales charge for Class A shares is 5.75%. Please review the fund's prospectus for more information regarding the fund's fees and expenses.

Sector Weightings *As of 7/31/2020*



There is no assurance that the Fund will achieve its investment objectives.

Top 10 Positions	
Stock	Wtg
Alphabet Inc	3.52%
Visa Inc	3.00%
Amazon.com Inc	2.91%
Zoetis Inc	2.63%
Thor Industries Inc	2.55%
O'Reilly Automotive Inc	2.51%
Charter Communications Inc	2.48%
Facebook Inc	2.33%
LGI Homes Inc	2.25%
Apple Inc	2.23%

Fund Characteristics	
# Holdings	52
Avg. Market Cap	$49,603m
Avg. P/E	36.0
Avg. ROE	32.4%
Gross Long Exposure	93.8%
Gross Short Exposure	-2.4%
Net Market Exposure	91.4%
Beta Adj. Exposure	97.0%

Yearly Returns	2015*	2016	2017	2018	2019
ADOIX	5.73%	-4.67%	17.86%	-0.97%	2.36%
HFRX Eq Hedged	-1.61%	0.10%	9.98%	-9.42%	10.71%
Morningstar L/S Category	-2.20%	2.34%	11.18%	-6.73%	11.90%
S&P 500	1.06%	9.54%	19.42%	-6.24%	28.88%

*Inception Date 1/20/2015

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Mutual Funds involve risk including possible loss of principal. Adverse changes in currency exchange rates may erode or reverse any potential gains from the Fund's investments. ETF's are subject to specific risks, depending on the nature of the underlying strategy of the fund. These risks could include liquidity risk, sector risk, as well as risks associated with fixed income securities, real estate investments, and commodities, to name a few. Investments in underlying funds that own small and mid-capitalization companies may be more vulnerable than larger, more established organizations. Derivative instruments involve risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Investments in foreign securities could subject the Fund to greater risks including currency fluctuation, economic conditions, and different governmental and accounting standards. In addition to the risks generally associated with investing in securities of foreign companies, countries with emerging markets also may have relatively unstable governments, social and legal systems that do not protect shareholders, economies based on only a few industries, and securities markets that trade a small number of issues.

Investors bear the risk that the Fund may not be able to implement its investment strategies or attract sufficient assets. Purchased put options may decline in value or expire worthless and may have imperfect correlation to the value of the Fund's portfolio securities. Written call and put options may limit the Fund's participation in equity market gains and may amplify losses in market declines. The Fund's losses are potentially large in a written put or call transaction. If unhedged, written calls expose the Fund to potentially unlimited losses. The Fund will incur a loss as a result of a short position if the price of the short position instrument increases in value between the date of the short position sale and the date on which an offsetting position is purchased. Short positions may be considered speculative transactions and involve special risks, including greater reliance on the ability to accurately anticipate the future value of a security or instrument. The Fund's losses are potentially large in a short position transaction.

Price to Earnings (P/E) is a valuation ratio of a company's current share price compared to its per share earnings. Gross Long and Short Exposure is the percentage in securities that are expected to rise and decline, respectively. Beta is a measure of systemic risk. Standard Deviation is a statistical measurement. It sheds light on the historical volatility of that investment. The greater the standard deviation of a security, the greater the variance between each price and the mean, indicating a larger price range. Treynor ratio – A performance metric for determining how much excess return was generated for each unit of risk taken on by a portfolio. HFRX Equity Hedge Index – tracks strategies that maintain positions both long and short in primarily equity and equity driven securities. S&P 500 Index – tracks 500 individual stocks chosen for market size, liquidity and industry grouping, among other factors.

Investors are not able to invest directly in the indices referenced in this illustration and unmanaged index returns do not reflect any fees, expenses or sales charges.

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