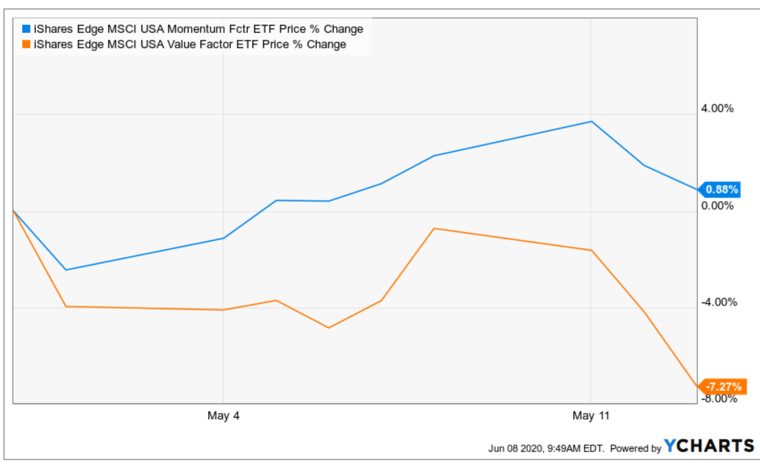
ACM Dynamic Opportunity Fund

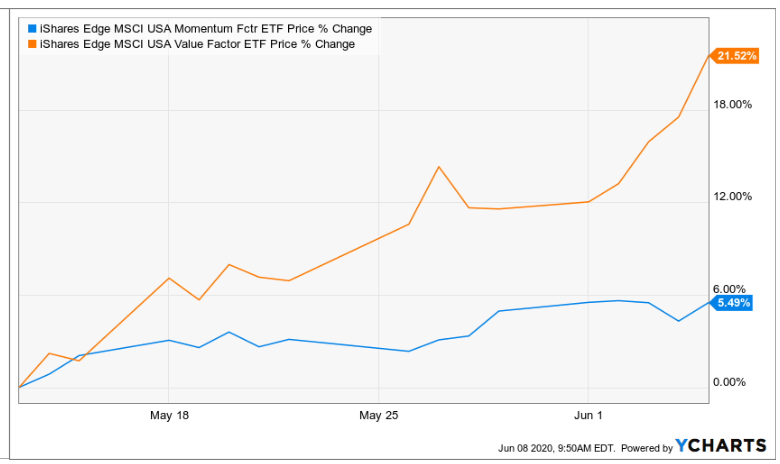
Monthly Commentary

May 2020

The month of May turned out to be a continuation of the relief rally since the March lows, but it didn't look that way around mid-month. The S&P 500 rallied in the early part of May, but after struggling near the 2900 level for a second time it gave back 100 points and looked like we might be getting a deeper correction. That's when a sharp rotation began, where buyers shifted their focus from the 'WFH' stocks to the 'economy reopening' stocks (read: cyclicals). Beaten-down cyclicals and heavily-shorted stocks staged furious rallies, while steady growth stocks that had been leaders took a back seat to the action.

Since we started this Fund in 2015, we have seen several of these sharp rotations out of growth stocks and into cyclical/value stocks. While each one of these rotations was forceful and convincing at the time, they all ended in similar fashion—value stocks lost their momentum and growth stocks resumed their leadership. We suspect the same fate will occur this time around. Even if the economy experiences a sharp rebound from extremely depressed levels, it is unlikely that we are on the precipice of a renewed and vigorous economic expansion.





Past performance does not guarantee future results.

The two charts above show the stark contrast from the first half of May to the back half of the month. The blue line shows the performance of a pure growth ETF (MTUM), and the orange line represents the performance of a pure value ETF (VLUE). As you can see, growth dramatically outperformed for the first half of the month (left chart), but the action was the polar opposite in the back half of the month (right chart).

As we have oft stated, our portfolio has been titled towards growth stocks for some time, as that is where much of the market leadership has been found. As such, our Fund was actually ahead of the broader market for the first half of the month, but gave up a chunk or relative performance in the back half as value stocks rallied but offered little benefit to our portfolio stocks.

ACM Dynamic Opportunity Fund

Monthly Commentary

May 2020

Our dynamic hedge model entered the month at 60% target market exposure, and finished near 85%. So, while much of the technical damage from the Feb-March selloff has been resolved, there remains some longer-term moving averages that still remain as overhead resistance.

Past performance does not guarantee future results

The **ACM Dynamic Opportunity Fund** (ADOIX) posted solid gains in May, more than double its two closest benchmarks. Despite lagging in participation during the back half of May's rally, the Fund captured nearly 83% of the broad market's upside (relative to the S&P 500). The Fund also maintained a wide outperformance of both its benchmarks as well as the broader market.

We continue to believe that the market has gotten ahead of itself in terms of pricing in a vigorous economic rebound, and assuming that the Fed liquidity programs can more than offset the natural forces of economic gravity. If the down cycle were to be over already, it would be the quickest recession in history. But if you look at GDP growth on a yr/yr basis (instead of qtr/qtr), we still think this recover has a long road ahead. That said, we need to reiterate to investors that we will not let our opinions of the market outweigh the signals of our models. We will continue to endeavor to participate in the rally as long as it lasts, and reinstate our hedges should the market rollover.

Thank you for your continued support.

Sincerely,

Jordan L. Kahn, CFA
Chief Investment Officer

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

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 | May 20 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 5/31/2020*

Inception Date	01/20/2015
Net Assets	71.1m
Style	Hedged Equity
Benchmark	HFRX Eq. Hedge Index

Risk Metrics *As of 5/31/2020*

Beta (3-year)	0.43
R-Squared	.53
Standard Deviation	10.07
Treynor Ratio	4.71

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.

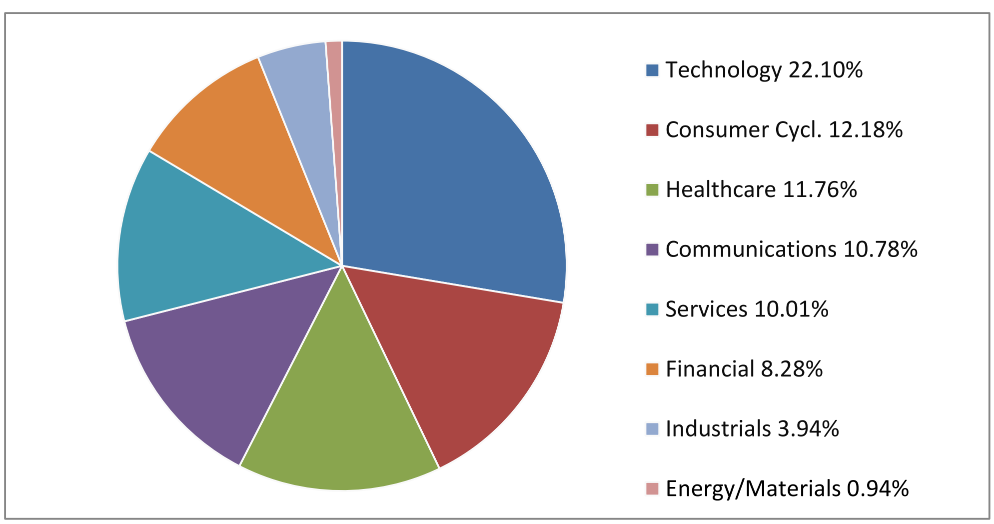
Performance *As of 5/31/2020*

	1-mth	3-mth	YTD	1 Yr*	3 Yr*	Since Inception*
ADOIX	3.74%	-1.33%	-0.34%	-8.50%	1.68%	2.29%
HFRX Eq Hedged	1.22%	-4.36%	-8.33%	-9.41%	-2.36%	-1.15%
Morningstar L/S Category	1.76%	-1.02%	-6.39%	-7.56%	-0.50%	0.17%
S&P 500	4.53%	3.05%	-5.77%	-8.81%	3.04%	4.84%

**As of 3/31/20*

The performance data quoted here represents past performance. Current performance may be lower or higher than the performance data quoted above. Past performance is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that investor's shares, when redeemed, may be worth more or less than their original cost. Actual Total Annual Fund Operating Expenses of 2.04% for Class A and 1.79% for Class I from the prospectus. The Fund's investment adviser has contractually agreed to reduce its fees and/or absorb expenses of the Fund, at least until April 30, 2020, 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, subject to possible recoupment from the Fund in future years. 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. For performance information current to the most recent month-end, please call toll-free 844-798-3833

Sector Weightings *As of 5/31/2020*



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

Top 10 Positions	
Stock	Wtg
Alphabet Inc	4.05%
Amazon.com Inc	3.79%
Apple Inc	2.92%
PayPal Holdings Inc	2.84%
Visa Inc	2.62%
O'Reilly Automotive Inc	2.59%
Microsoft Corp	2.46%
Facebook Inc	2.38%
Thermo Fisher Scientific Inc	2.32%
Slack Technologies Inc	2.20%

Fund Characteristics	
# Holdings	50
Avg. Market Cap	76,964m
Avg. P/E	43.9
Avg. ROE	26.7%
Gross Long Exposure	81.5%
Gross Short Exposure	-1.2%
Net Market Exposure	80.3%
Beta Adj. Exposure	80.5%

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

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 FINRA/SIPC. Northern Lights Distributors, LLC and Ascendant Capital Management, LLC are not affiliated.

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.

Telephone: (310) 696-2888 • Fax: (310) 388-0383 • 10866 Wilshire Blvd., Ste. 1600, Los Angeles, CA 90024