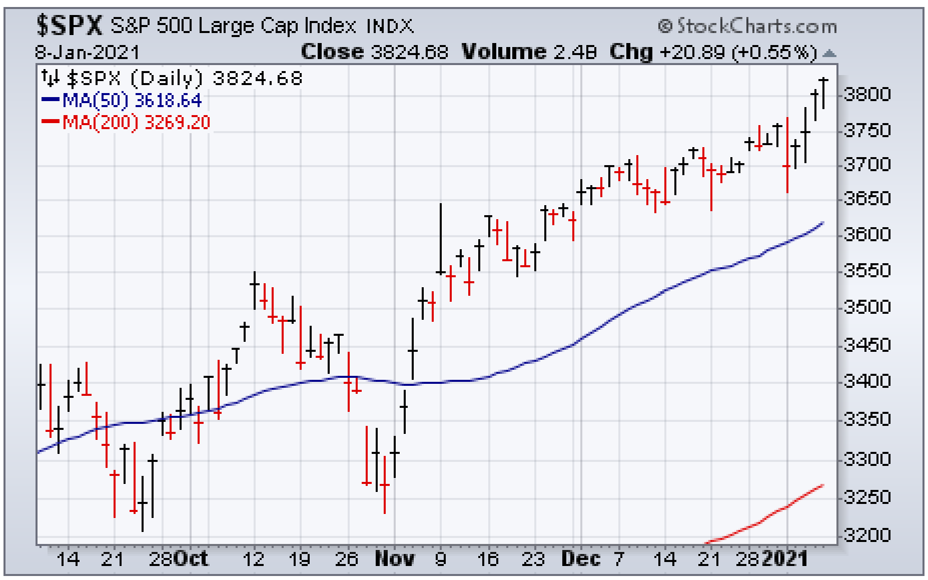
ACM Dynamic Opportunity Fund

Monthly Commentary

December 2020

To say that the stock market ended the year in 'bull market mode' would be an understatement. While the broad indexes posted solid gains, there were pockets of excess speculation in the market that performed even better. We don't cite these pockets of speculation as healthy signs for the market. Rather, history tells us that most speculative episodes end badly for those late to the party. But those early to the party definitely enjoy some fun times before the party ends and the hangover kicks in. Fortunately, our risk management policies are designed to minimize hangover effects.

The pockets of excess continued to push select 'cloud stocks' and renewable energy names higher. The poster child for an overvalued stock that is unstoppable is Tesla (TSLA). It seems no price is too high for the "Teslarians" to pay for this cult favorite. IPOs have also enjoyed the frenzy. Airbnb (ABNB) and DoorDash (DASH) both came public last month and saw first day fireworks that were reminiscent of 1999 (if you're old enough to remember).



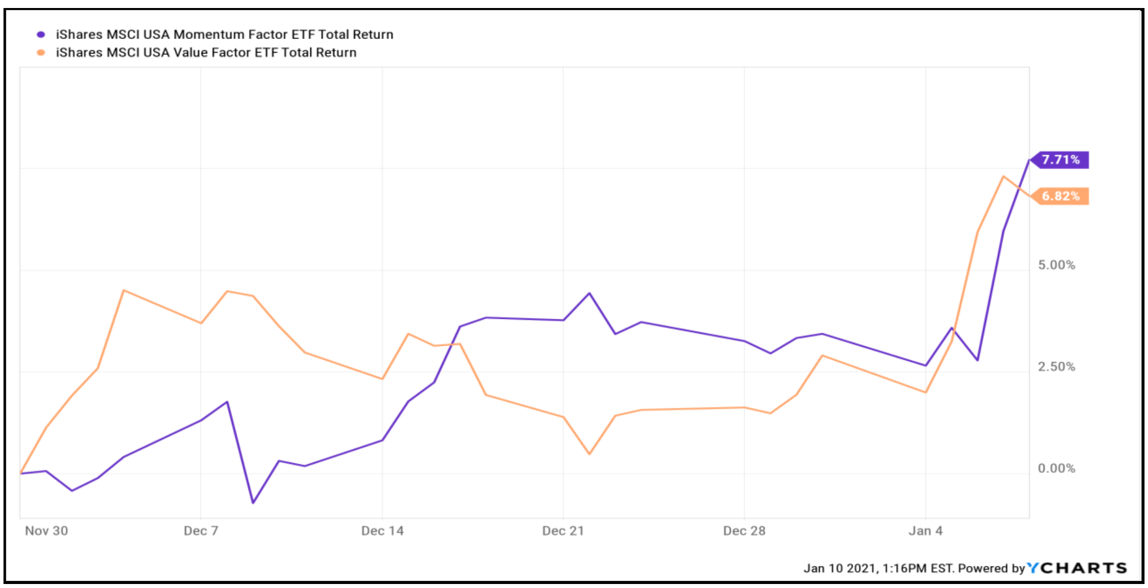
Past performance does not guarantee future results

The bull market narrative hinges on a few elements. In the short-term, its ultra-accommodative monetary policy from the Fed. Also, the hope that fiscal stimulus is coming sooner rather than later, with the two side fighting more about the size of the stimulus rather than the merits of the plan itself. Intermediate-term, it's the belief that Covid vaccines and antivirals will bend the curve of the pandemic sufficiently to ease global lockdowns and unleash a torrent of pent-up demand in the economy.

If the economic reopening scenario plays out, one can imagine droves of people clamoring to get back to any semblance of "normal" life. How many people do you think will plan some sort of vacation? How many people will be eager to go see a live concert? Or get back to attending live sporting events? The stock market is pricing in a surge of economic activity and a big boost in corporate profits along with it. And the Fed has committed to keeping interest rates at zero for the next couple years, so there isn't concern of the Fed spiking rates to slam on the brakes of the economy. Party on.

Of course, in reality things never go as smooth for the market as the bullish thesis would have you believe. There are corrections along the way that give one pause, and make folks question the bullish narrative. That's just the way the market works. So with bullish sentiment running high, valuations stretched, and a shaky news backdrop, we would not be surprised to see some sharp pullbacks in the market in the near future.

The **ACM Dynamic Opportunity Fund** (ADOIX) returned +4.32% in December, outperforming its closest benchmark (HFRX) which returned +3.60%. The Morningstar Long/Short category returned +3.16% in December. For the full year of 2020, the Fund outpaced all of its relative benchmarks by a wide margin. To wit, ADOIX was up +22.47% in 2020, which was *+1787 bps more* than the HFRX (+4.60%) and +1458 bps more than the Morningstar category (+7.89%) over the same period. Although not an apples-to-apples comparison, the Fund also outperformed the broad S&P 500 Index (+16.26%) by a full +621 bps last year.



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We enter 2021 with a bullish tilt in the portfolio, but stand ready to implement hedges when our *dynamic hedge model* indicates to do so. We also continue to run our daily scans looking for emerging market leadership.

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*

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 | December 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 12/31/2020*

Inception Date	01/20/2015
Net Assets	86.2m
Style	Hedged Equity
Benchmark	HFRX Eq. Hedge Index

Risk Metrics *As of 12/31/2020*

Beta (3-year)	0.46
R-Squared	.56
Standard Deviation	11.43
Treynor Ratio	14.63

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.

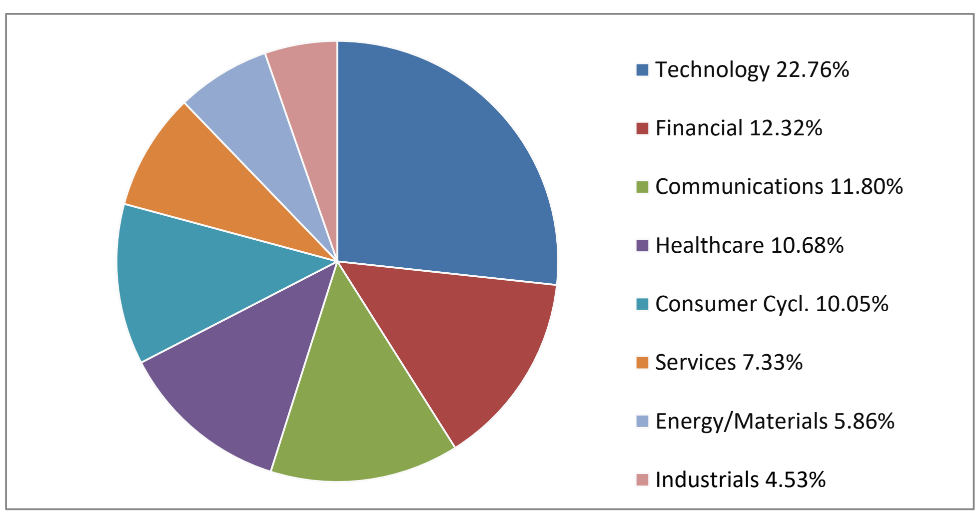
Performance *As of 12/31/2020*

	1-mth	3-mth	YTD	1 Yr*	3 Yr*	5 Yr*	Since Inception*
ADOIX	4.32%	7.77%	22.47%	22.47%	7.46%	6.87%	6.75%
HFRX Eq Hedged	3.60%	7.77%	4.60%	4.60%	1.60%	2.92%	2.17%
Morningstar L/S Category	3.16%	7.83%	7.89%	7.89%	4.00%	5.07%	3.37%
S&P 500	3.71%	11.69%	16.26%	16.26%	12.00%	12.94%	10.97%

*As of 12/31/20

The fund's maximum sales charges for Class "A" shares is 5.75%. Investments in mutual funds involve risks. Performance is historic and does not guarantee future results. Investment principal value will fluctuate with changing market conditions so that when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month end performance information or the Fund's prospectus please call the Fund at 1-844-798-3833. You can also obtain a prospectus at www.ACM-funds.com. Gross expense ratios are 1.95% for Class A shares and 1.70% for Class I shares. 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. 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 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 Operating Expenses of 1.95% for Class A and 1.70% for Class I from the prospectus.

Sector Weightings *As of 12/31/2020*



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

Top 10 Positions	
Stock	Wtg
Apple Inc.	3.07%
Alphabet Inc.	3.04%
PayPal Holdings Inc.	2.71%
Amazon.com Inc.	2.64%
Visa Inc.	2.53%
Rocket Companies Inc.	2.38%
ServiceNow Inc.	2.23%
Lululemon Athletica Inc.	2.21%
Facebook Inc.	2.21%
AutoNation Inc.	2.10%

Fund Characteristics	
# Holdings	55
Avg. Market Cap	$55,384m
Avg. P/E	34.2
Avg. ROE	10.6%
Gross Long Exposure	85.3%
Gross Short Exposure	-3.0%
Net Market Exposure	82.3%
Beta Adj. Exposure	98.1%

Yearly Returns	2015*	2016	2017	2018	2019	2020
ADOIX	5.73%	-4.67%	17.86%	-0.97%	2.36%	22.47%
HFRX Eq Hedged	-1.61%	0.10%	9.98%	-9.42%	10.71%	4.60%
Morningstar L/S Category	-2.20%	2.34%	11.18%	-6.73%	11.90%	7.89%
S&P 500	1.06%	9.54%	19.42%	-6.24%	28.88%	16.26%

*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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