ACM Dynamic Opportunity Fund

Monthly Commentary

September 2021

One of the things that investors realize about the markets is that they do not handle uncertainty very well. Markets can usually quantify good or bad news fairly quickly and then move on, but when uncertainty lingers it often results in heightened volatility. Such was the case in September as markets grappled with the uncertainty surrounding whether or not the debt ceiling issue in Congress would be resolved in time. Additionally, the back and forth we have seen regarding the proposed infrastructure bill yielded no further clarity as negotiations continue.

Those were two of the larger issues facing the market, but not they only ones. There were reports that China's largest property developer – Evergrande – was on the brink of defaulting. Evergrande is one of the most indebted companies in the world with $300 billion outstanding debt. So the prospect of default for such a large entity spooked investors and conjured up memories of Lehman's bankruptcy. But fears of those types of global ripple effects are likely unfounded. Even Fed Chair Powell said the problems seemed particular to China.

Past performance does not guarantee future results

The pullback in the stock market in September was a little deeper than we have seen so far this year, but not by a great amount. The S&P 500 declined about -5.3% while the Nasdaq 100 fell roughly -6.5%. But we know the indexes are often buoyed by mega cap companies. There were plenty of stocks below the surface that endured double-digit declines.

The prospect of heightened inflation also weighed on stocks. The core PCE Index – the Fed's preferred inflation gauge – rose +3.6% yr/yr in August. That was a 30-year high for that data series. And it seems the Fed's narrative for "transitory" is extending itself a bit in terms of the expected duration of how long high inflation will be with us. This has also prompted the Fed to hint that QE tapering will likely start in November with a goal of finishing by mid-2022. So that means monetary policy will become less accommodative, but we are still quite a ways away from monetary policy actually being tight (on a historical basis).

We are also seeing elevated inflation in terms of energy prices, which can weigh on consumers. Prices at the pump have been on the rise, and high natural gas prices could result in higher heating bills this winter. But overall consumers remain in very good shape. Savings rates have been at decade highs while household debt is at multi-decade lows. Since consumer spending accounts for nearly 70% of GDP growth in the US, the prospects for continued solid economic growth remain a good bet. And that should help stocks rebound into year-end.

The **ACM Dynamic Opportunity Fund** (ADOIX) returned -4.89% in September, in-line with the broader market but less than the HFRX Index (-0.51%). Leading contributors were few, but came from select internet names, auto retailers, and a few cyclical areas. Laggards were a mix of sporting goods stocks, fintech stocks, digital ad stocks. The Fund owned at least a half dozen stocks that experienced double-digit declines.

Our *dynamic hedge model* entered the month targeting 100% market exposure, but quickly declined to as low as 40% by mid-months. The model bounced a bit from there before declining again and finishing the month at just 40% net exposure.

Sincerely,

Jordan L. Kahn, CFA
Chief Investment Officer

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

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

ACM Dynamic Opportunity Fund
Class I
ADOIX | September 2021 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 9/30/2021*

Inception Date	01/20/2015
Net Assets	106.6m
Style	Hedged Equity
Benchmark	HFRX Eq. Hedge Index

Risk Metrics *As of 9/30/2021*

Beta (3-year)	0.44
R-Squared	.51
Standard Deviation	11.48
Treynor Ratio	11.70

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 9/30/2021*

	1-mth	3-mth	YTD	1 Yr*	3 Yr*	5 Yr*	Since Inception*
ADOIX	-4.89%	-4.68%	2.25%	10.20%	5.38%	7.80%	6.32%
HFRX Eq Hedged	-0.51%	1.28%	9.24%	17.74%	4.96%	4.90%	3.28%
Morningstar L/S Category	-2.99%	-1.29%	7.84%	16.26%	5.88%	6.35%	3.10%
S&P 500	-4.76%	0.23%	14.68%	28.09%	13.92%	14.72%	11.96%

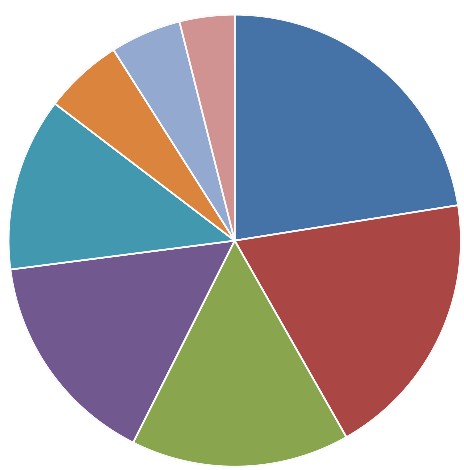
**As of 9/30/21*

Investments in mutual funds involve risks. Performance is historic and does not guarantee future results. Investment principal value will fluctuate 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.

The fund's maximum sales charges for Class "A" shares is 5.75%. Gross expense ratios are 2.07% for Class A shares and 1.82% for Class I Shares. The Adviser has contractually agreed to reduce its fees and reimburse expenses of the Fund, at least Until April 30, 2022, 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 1-8444-798-3833. Actual Total Annual Operating Expenses of 1.95% for Class A and 1.70% for Class I from the prospectus.

Sector Weightings *As of 9/30/2021*



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

Top 10 Positions	
Stock	Wtg
Amazon.com Inc.	2.78%
Alphabet Inc.	2.76%
Apple Inc.	2.66%
Snap Inc.	2.57%
Facebook Inc.	2.55%
AutoNation Inc.	2.29%
United Rentals Inc.	2.14%
CVS Health Corporation	2.07%
Broadcom Inc.	2.00%
Academy Sports & Outdoors Inc.	1.94%

Fund Characteristics	
# Holdings	45
Avg. Market Cap	$78,710m
Avg. P/E	21.6
Avg. ROE	30.7%
Gross Long Exposure	72.0%
Gross Short Exposure	-16.9%
Net Market Exposure	55.1%
Beta Adj. Exposure	77.2%

Current and future portfolio holdings are subject to risk and change.

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. R-Squared is generally interpreted as the percentage of fund or security's movements that can be explained by movements in a benchmark index. 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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