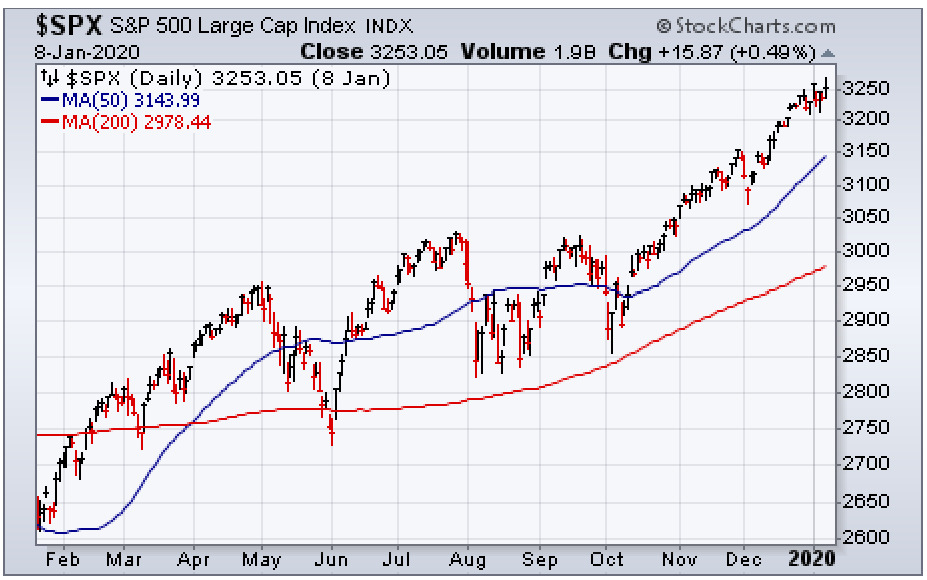
ACM Dynamic Opportunity Fund

Monthly Commentary

December 2019

Stocks finished the year on a strong note in December, continuing the steady uptrend that has been in place since October when the Fed restarted its asset purchases. The market started to pullback during the first few days of the month, but then quickly regained its footing and spurted higher into year-end.

Equities had several trends in their favor towards year-end, the first being the normal seasonality that often sees strong stock performance late in the year with the 'Santa Claus rally'. The second was improving investor sentiment, which was not too stretched coming into the month, but reached extreme bullish levels by the end of the year. The third was optimism about the signing of the Phase One trade deal with China. And lastly, this was all occurring amidst an improving fundamental backdrop with respect to the global economy. Throw in the added liquidity from the Fed's QE and you've got quite the equity cocktail for the holidays.



Past performance does not guarantee future results.
The blue line above represents the 50-day moving average of the S&P 500 Index.
The red line above represents the 200-day moving average of the S&P 500 Index.

Although there was notable consternation for most of last year among the investor class – due to myriad worries about the trade war, falling bond yields, slowing global growth, etc. – stocks actually enjoyed an incredibly strong year. The rally in Q4 last year was particularly notable, and likely aided by underinvested portfolio managers who began to experience performance anxiety and the pressure to participate in some of the gains before the year came to a close.

As we enter 2020, we still see a backdrop that is supportive for equities. Fed-induced liquidity has dampened volatility and emboldened investors to pay up for stocks in this environment (read: multiple expansion). We also see a strengthening economy – both domestic and abroad – but one that is not leading to higher rates as inflation remains well anchored. Asian markets are also strengthening as China provides multiple stimulus programs, which also serves to bolster sentiment in the entire region.

The **ACM Dynamic Opportunity Fund** (ADOIX) performed well again in December, outperforming its two closest benchmarks. Since bottoming in September, the Fund has performed consistently well, as evidenced by the outperformance for Q4. While the year as a whole was challenging, we feel the changes that have been implemented should prevent a recurrence of the periods of underperformance we endured.

Thank you for your continued support.

Sincerely,

Jordan L. Kahn, CFA
Chief Investment Officer

Sources: *Standard & Poor's, Stockcharts.com, Bespoke Investment Group*

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.