ACM Tactical Income Fund

Monthly Commentary

June 2020

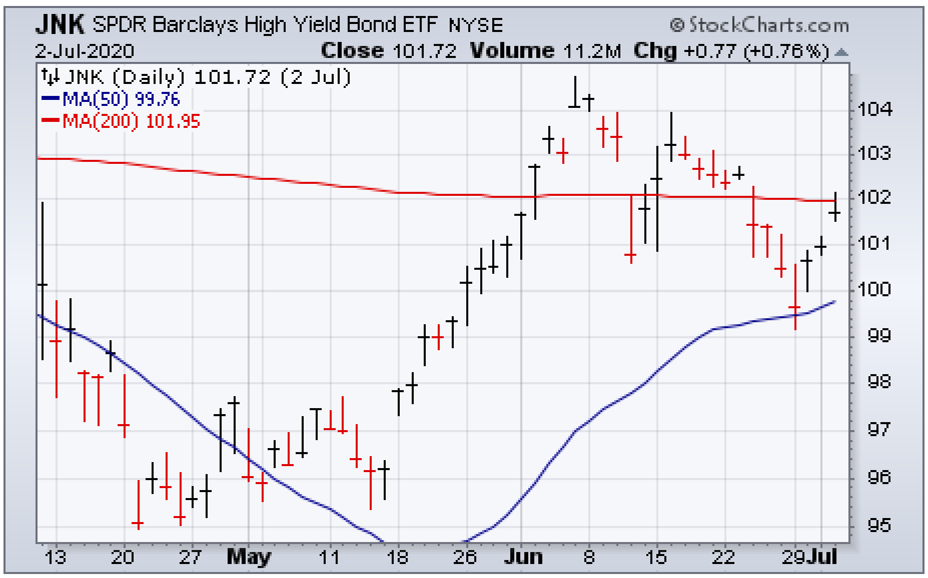
June was another positive month for most fixed income markets, though not as strong as May. The enthusiasm for risk assets lost a bit of momentum in June, as did the sharp rise in Treasury yields that was seen early in the month. In early June, the ECB announced it would increase its Pandemic Emergency Purchase Program (PEPP) by EUR 600 billion (to EUR1.35 billion). It also said it would continue with asset purchases until the coronavirus crisis phase is over. Additionally, Germany approved its own stimulus package worth EUR130 billion – which is rare for Germany.

All of this stimulus talk stoked bond yields in Europe, and also in the U.S. In the chart below you can see the sharp spike in the 10-year Treasury yield in early June—albeit short lived. Although at the time it appeared as if bond yields might test levels seen back in March (around 1.18%), the yield spike quickly flamed out and bond yields fell back in their multi-month trading range. Some of the reasons for this might have included: 1) Fed comments that its preferred inflation gauge (PCE Price Index) is likely to run below its target of 2.0% through 2022; 2) the Fed funds rate is expected to be held at the zero bound through 2022 also; 3) the Fed is brushing up on "yield curve control" policies, which if adopted could result in effective bond yield caps.

Past performance does not guarantee future results.
The blue line above represents the 50-day moving average.

The fact that bond yields have moved very little over the last few months speaks volumes about the bond market's view of the economic recovery versus that of the stock market. The stock market has been rallying back towards its previous highs on hopes of a "V-shaped" recovery for the economy. The bond market is not signaling anything like that, and actually shows little enthusiasm for the prospects of a strong recovery. This can also be seen in the shape of the yield curve, or the 10-yr minus 2-yr spread. The yield curve is barely 50 bps steep, which is far less than prior to previous economic rebounds, at which times the yield curve is often 100-200 bps steep (the difference between long- and short-dated yields).

By contrast, high-yield bonds posted slightly negative returns last month. They started the month off strong, as the stock market made new recovery highs. But as the stock market peaked and lost some steam, so too did high yield bonds. The chart below shows the high yield ETF (JNK) peaking in early June, and then pulling back all the way down to test its 50-day moving average by the end of the month. It has since bounced back a little to the underside of its overhead 200-day moving average.



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The **ACM Tactical Income Fund** (TINIX) performed well in June, gaining roughly 1.3% which about doubled the return in AGG. Top performers in the Fund included taxable and high yield munis, and emerging market bonds. Bottom performers were bank loans, high yield corps, and preferreds. On a YTD basis, the Fund is up 1.80%, which is a full +404 basis points better than the Morningstar category (non-traditional bond), which is -2.24% so far this year.

We want to thank all of you for your continued support.

Sincerely,

Jordan L. Kahn, CFA
Chief Investment Officer

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

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/tactical-income-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 Tactical Income 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.

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.

Fund Profile *As of 6/30/2020*

Inception Date	12/31/2018
Style	Tactical Income
Benchmark	Barclay's US Aggregate

Fund Overview

The ACM Tactical Income Fund is designed as a core investment for investors seeking income generation, while also focusing on capital preservation. The fund employs a tactical strategy which aims to capture attractive income opportunities and mitigate downside risk when markets experience downturns.

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

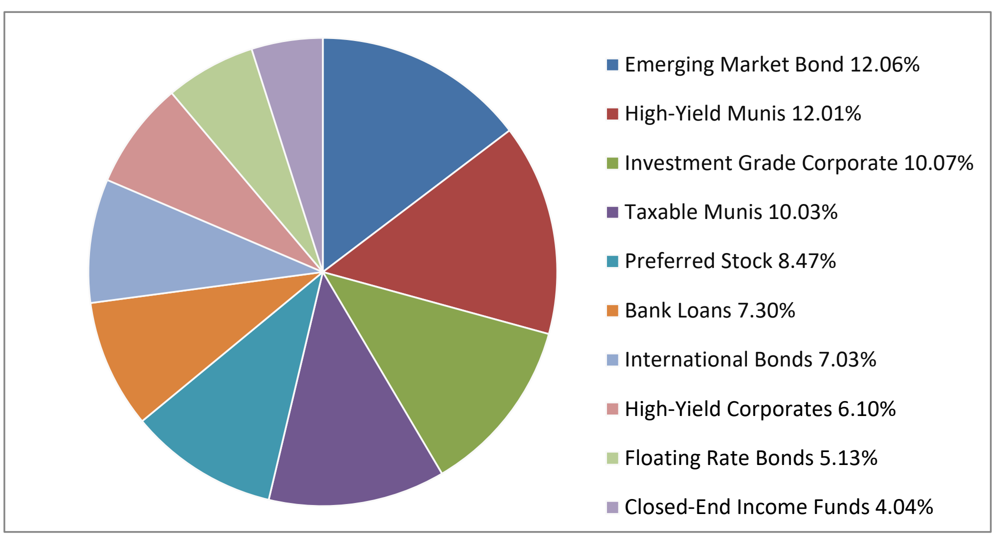
Performance *As of 6/30/2020*

	1-mth	3-mth	YTD	1-Yr*	Since Inception*
TINIX	1.29%	4.18%	1.80%	3.00%	4.78%
Barclays US Agg Bond	0.63%	2.90%	6.14%	8.74%	10.04%
Morningstar NT Bond	1.41%	5.86%	-2.24%	-0.25%	2.65%

**As of 6/30/20*

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 2.25% for Class A and 2.00% 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, 2021, to ensure that the net annual fund operating expenses will not exceed 2.13% for Class A shares and 1.88% 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 6/30/2020*



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

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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 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 investments strategies or attract sufficient assets. Purchased put options may decline in value or expire worthless and may have imperfect correlati0on 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 de 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 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 purchase. 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 of instrument. The Fund's losses are potentially large in a short position transaction.

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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