



November 2017

The **ACM Dynamic Opportunity Fund (ADOIX)** returned +0.63% versus +0.87% for the HFRX Equity Hedge Index, and +1.68% for the Morningstar Long/Short Equity category. The Fund outperformed its respective benchmarks for the first three weeks of the month, but lagged in the final week of the month as the “Trump trade” stocks surged on optimism over the pending tax reform bill.

Year-to-date the Fund has returned +16.75%, handily outperforming its benchmark HFRX Equity Hedge Index (+8.86% ytd) by 789 basis points, and outperforming the Morningstar Long/Short category (+9.77% ytd) by 698 basis points.

Our **dynamic hedge model** entered the month of November targeting 100% net exposure to the market. Despite a brief, one-day dip to the 75% exposure range, the average exposure for the month remained in the 96% range. We continue to monitor the hedge model in terms of how we manage overall risk, but have yet to receive the signals that it is time to get more defensive.

Leading stocks came from a mix of sectors, including tech, financials, and some from the service sector. Laggards came mostly from Chinese ADRs (American Depository Receipts), as well as a few earnings-related misses.

The most notable aspect in November was the stark difference between the first three weeks of the month, and the final week of post-Thanksgiving trading. After the holiday, investors seemed fixated on the potential tax reform bill, and the “Trump trade” that occurred around the same time last year was back in action. Leading growth stocks were shunned while funds were diverted to previously lagging areas like steel, materials, industrials and homebuilders. Time will tell if this trade has legs, or if it will run its course in similar fashion to last November and December.

Thank you for your continued support.

Sincerely,

*Jordan L. Kahn, CFA
Chief Investment Officer*

Sources: Standard & Poor's, Morningstar, HFR

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. Morning Star Long/Short Equity Category- A composite of

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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 the 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/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.