

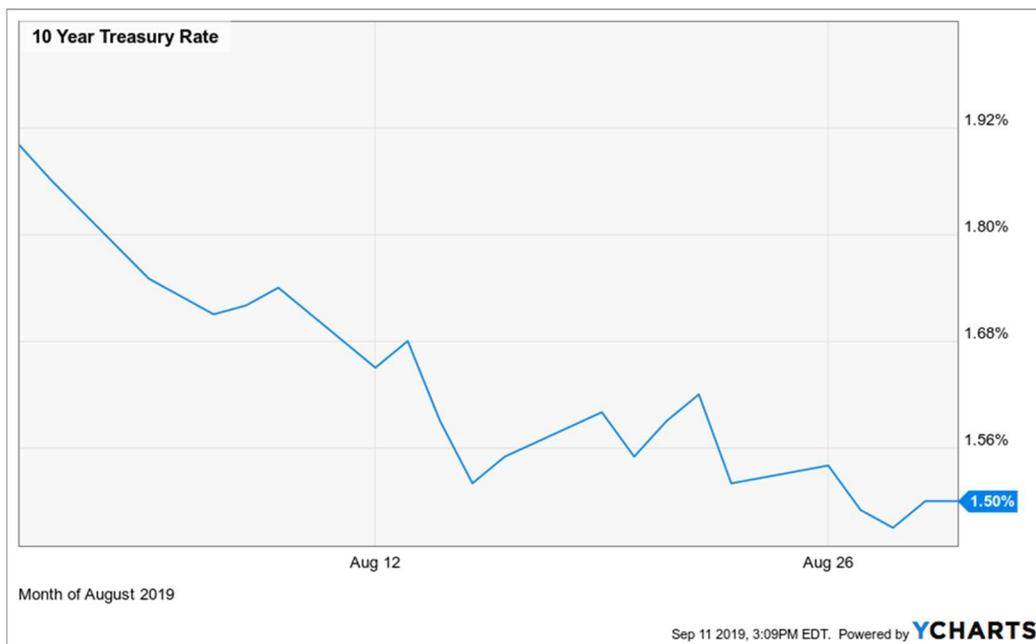


## August 2019

The ACM Tactical Income Fund (TINIX) performed well in August, outperforming the Morningstar NT Bond category by a fair amount. The Fund trailed the broad AGG index due to the sharp drop in bond yields and corresponding ramp in Treasury prices.

While the large winners in July were the “risk on” sectors of fixed income, August proved to be more favorable for the “risk off” assets (Treasuries, munis, etc). August started off as US-China trade tensions continued to grow. The People’s Bank of China set the yuan’s daily midpoint just below 7 per dollar for the first time since 2008, stoking fear among economists that a global slowdown was truly imminent. Increasing political tensions in the U.K. & E.U. only added fuel to the fire of global concerns.

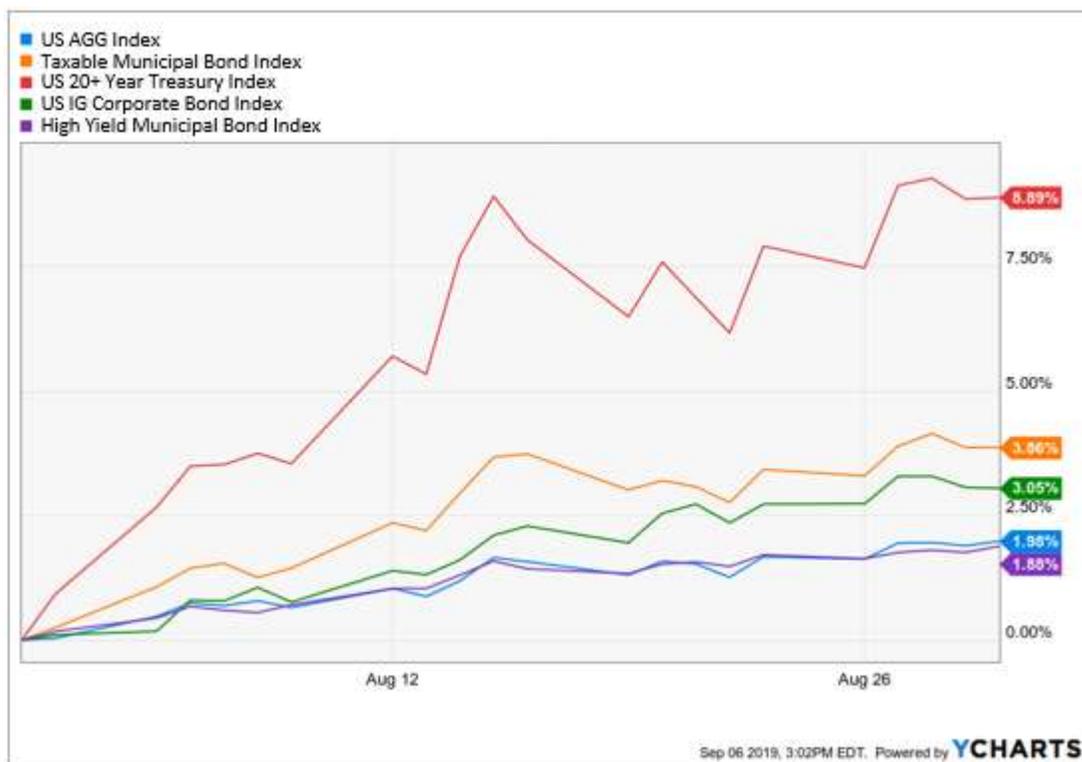
Additionally, the ECB & BoJ continued to contemplate easing monetary conditions even though key rates were already in negative territory. Furthermore, the central banks of India, New Zealand, and Thailand announced rate cuts that took markets by surprise. As August wore on, the U.S.-China trade spat endured, Hong Kong, was roiled by political unrest, Britain’s *Brexit* woes continued, and geopolitical tensions in the Strait of Hormuz remained high. The concurrence of all these concerns conspired to keep downward pressure on U.S. yields as worried investors continued to move toward safe-haven assets resulting in the precipitous decline in the U.S. 10-Year rate in August.



Past performance does not guarantee future results.

All of this global uncertainty proved favorable for US treasuries, however. Long-dated U.S. Treasuries returned nearly +8.9% in August alone. Among our other benchmark-beating positions were taxable

munis and investment grade corporate bonds which both outperformed the AGG, as well as high yield munis which were virtually inline.



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Until the U.S.-China trade situation is settled, or at least until more clarity is provided, it remains to be seen whether the trade feud is a catalyst for a continued slowdown in global growth or merely a symptom. That being said, choppy markets are likely in the near term as the story continues to unfold.

Sincerely,

*The Management Team at ACM Funds*

Sources: Standard & Poor's, Stockcharts.com, Morningstar, FRED, YCharts

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 Tactical Income 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.**