



**March 2017**

The **ACM Dynamic Opportunity Fund (ADOIX)** showed solid performance in March, outperforming all relevant benchmark indices. The Fund returned +1.01% in March vs. +0.66% for the HFRX Equity Hedge Index and +0.04% for the Morningstar Long/Short Equity category. Long positions added +1.14% in performance, while short positions returned +1.62%. Derivate hedge positions accounted for the difference.

Year-to-date the Fund has returned +6.17%, outperforming its benchmark HFRX Equity Hedge Index (+2.70%) by 347 basis points, and outperforming the Morningstar Long/Short category (+2.86%) by 331 basis points.

While the broader stock market stalled in March after making new highs on the first of the month, many of our stocks were able to continue their recent ascents, with a handful up double-digits just in the last month. Leaders in the portfolio came mostly from the technology sector, while laggards were largely from the energy/materials/industrials complex.

There has been a decline in enthusiasm for stocks associated with the “Trump trade”, as oil prices have eased, iron prices have plummeted, and inflation and Gross Domestic Product forecasts have softened. Our stock selection process is meant to focus on market leading stocks and be agnostic as to the sector from which they hail. Recently we have seen more growth stocks coming through our screens, which have bolstered performance ytd.

Our **dynamic hedge model** continued to target materially net long market exposure, despite a myriad of calls from various market strategists that the market is overdue for a correction. The hedge model entered March with a 95% net long reading, and averaged 86% target net long exposure for the month.

Thank you for your continued support.

Sincerely,

Jordan L. Kahn, CFA  
Chief Investment Officer

Defined Terms: 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 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. Alpha– Excess returns of a fund relative to the return of a benchmark index.

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.**