

The bounce from the lows that began in late June picked up steam in July as pronounced short-covering poured fuel on the fire and led to a surprisingly strong rally. We say “surprisingly” because the economic backdrop continued to deteriorate, in addition to some negative warnings from a bevy of CEOs linked to major retailers (such as Walmart, Best Buy, Stanley Black & Decker, etc). If one looks at a list of the most heavily shorted stocks in the market, they rose far more than most groups of high quality or blue-chip stocks.



Past performance does not guarantee future results
 The blue line above represents the 50-day moving average
 The red line above represents the 200-day moving average

So, the rally was led more by traders who were short the market, as well as portfolio managers that had too little exposure and needed to add to stocks. This is different than at other junctures in past bear markets where it looked like there was a turn in the fundamentals that should give legs to a new rally attempt. In this case, the bad news continues to outweigh any positive datapoints by a wide margin. Some examples of the continued negative datapoints from July include:

1. *The yield curve became the most inverted since 2000 (a good forward indicator of recession)*
2. *The ISM report showed inventories hit their highest levels in 38 years*
3. *Large retailers warned that profits would suffer as inventories rose and markdowns are coming*
4. *The NY Fed said credit card debt rose 13%; the most in 20 years*
5. *Consumer confidence fell for the 3rd straight month*
6. *Fed governors continued to call for more rate hikes (despite signs of slowing economic growth)*

Despite the continued deterioration in the economy and the consumer, the financial media only focuses on the price action and has already declared that the bear market is over. They say this despite the fact that in 2001, 2002, and 2008 the market experience tradeable rallies larger than the one we are seeing today, only to rollover eventually and go back to new lows. We are not saying that must happen again, but if we had to weigh the evidence based on recent datapoints, we think there is certainly merit to the argument that the market is not out of the woods yet.



ACM Dynamic Opportunity Fund

Monthly Commentary

July 2022

The *dynamic hedge model* entered the month of July targeting 0% market exposure, and stayed that way until the mid-part of the month when it began to move higher. As such, we reduced hedges on our index ETF positions. We were concerned about 2Q earnings reports, and the negative reactions stocks might have to companies that missed expectations or guided down future profits. So, we maintained individual hedges on a number of our stock positions that were reporting earnings. Many of these stocks wound up rallying when the earnings reports were 'less bad' than feared, but our hedging activity limited our participation in the rallies.

The **ACM Dynamic Opportunity Fund** (ADOIX) returned was flat in the month of July, versus the benchmark HFRX Hedged Equity Index which gained 1.20%. For the YTD, ADOIX has returned -7.66% which is still down just over half the broad S&P 500 Index at -13.34% ytd.

Thank you for your continued support.

Sincerely,

Jordan L. Kahn, CFA
Chief Investment Officer

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



ACM Dynamic Opportunity Fund

Monthly Commentary

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.

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.

Portfolio Management



Jordan L. Kahn, CFA
Chief Investment Officer
Mr. Kahn has nearly 30 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.



Alan Savoian
Portfolio Manager
Alan has over 26 years of investment experience serving as a senior portfolio manager and equity analyst. Alan spent 18 years at William O'Neil & Co., where he successfully managed equities for the firm's proprietary portfolios.

Fund Profile As of 7/31/2022

Inception Date	01/20/2015
Net Assets	83.1m
Style	Hedged Equity
Benchmark	HFRX Eq. Hedge Index

Risk Metrics As of 7/31/2022

Beta (3-year)	0.40
R-Squared	.46
Standard Deviation	11.14
Treynor Ratio	9.24

Fund Overview

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

The ACM Dynamic Opportunity Fund is designed as a core investment for investors seeking long term capital appreciation with a short-term focus on capital preservation. The fund employs a dynamic strategy, which aims to actively participate during a rising market environment and mitigate downside risk when markets experience downturns.

Performance

As of 7/31/2022

	1-mth	3-mth	YTD	1 Yr*	3 Yr*	5 Yr*	Since Inception*
ADOIX	0.00%	-1.14%	-7.66%	-13.11%	4.09%	4.52%	4.36%
HFRX Eq Hedged	1.20%	-1.57%	-3.57%	-0.93%	5.30%	3.51%	2.64%
Morningstar L/S Category	2.91%	-1.25%	-7.03%	-5.85%	4.58%	4.45%	-6.93%
S&P 500	9.11%	-0.04%	-13.34%	-11.92%	8.76%	9.32%	8.78%

*As of 6/30/22

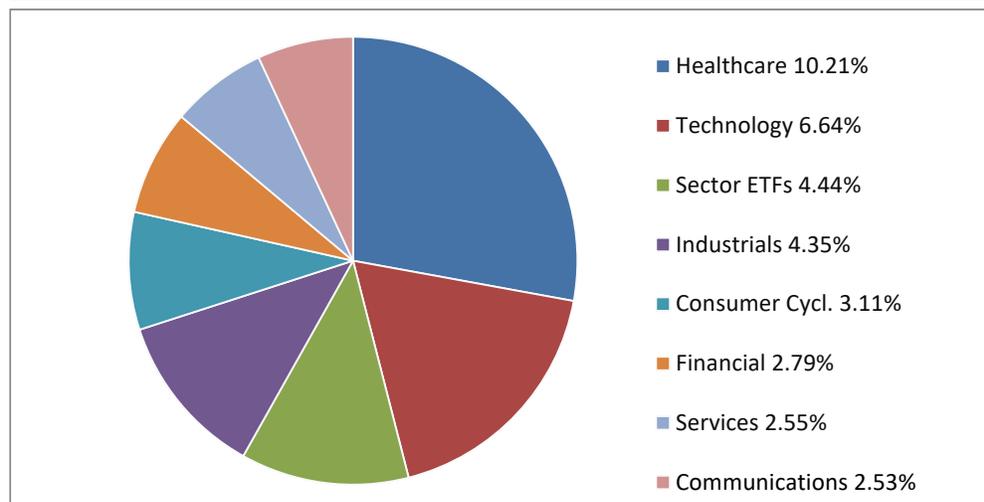
Investments in mutual funds involve risks. Performance is historic and does not guarantee future results. Investment principal value will fluctuate so that when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month end performance information or the Fund's prospectus please call the Fund at 1-844-798-3833. You can also obtain a prospectus at www.ACM-funds.com.

The fund's maximum sales charges for Class "A" shares is 5.75%. Gross expense ratios are 2.07% for Class A shares and 1.82% for Class I Shares. The Adviser has contractually agreed to reduce its fees and reimburse expenses of the Fund, at least until April 30, 2022, to ensure that the net annual fund operating expenses will not exceed 2.40% for Class A shares and 2.15% for Class I shares.

These fee waivers and expense reimbursements are subject to possible recoupment from each Fund within three years after the fees have been waived or reimbursed. You should be aware that the Fund's past performance (before and after taxes) may not be an indication of how the Fund will perform in the future. Although Class A Shares would have similar returns to Class I shares because the classes are invested in the same portfolio of securities, the returns for Class A shares are different from Class I shares because Class A shares have different expenses than Class I shares. Updated performance information is available at no cost by visiting www.ACM-funds.com or by calling 1-844-798-3833. Actual Total Annual Operating Expenses of 1.95% for Class A and 1.70% for Class I from the prospectus.

Sector Weightings

As of 7/31/2022



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

Top 10 Positions	
Stock	Wtg
Alphabet, Inc.	2.53%
Amazon.com, Inc.	2.20%
UnitedHealth Group, Inc.	1.96%
Visa, Inc.	1.79%
Quanta Services, Inc.	1.68%
Eli Lilly and Company	1.67%
Apple, Inc.	1.57%
McKesson Corporation	1.57%
Advanced Micro Devices, Inc.	1.54%
Vertex Pharmaceuticals, Inc.	1.46%

Fund Characteristics	
# Holdings	28
Avg. Market Cap	\$107,755m
Avg. P/E	22.1
Avg. ROE	28.9%
Gross Long Exposure	37.2%
Gross Short Exposure	-5.2%
Net Market Exposure	32.0%
Beta Adj. Exposure	30.1%

Current and future portfolio holdings are subject to risk and change.

Yearly Returns	2015*	2016	2017	2018	2019	2020	2021
ADOIX	5.73%	-4.67%	17.86%	-0.97%	2.36%	22.47%	0.93%
HFRX Eq Hedged	-1.61%	0.10%	9.98%	-9.42%	10.71%	4.60%	12.14%
Morningstar L/S Category	-2.20%	2.34%	11.18%	-6.73%	11.90%	7.89%	18.05%
S&P 500	1.06%	9.54%	19.42%	-6.24%	28.88%	16.26%	26.89%

*Inception Date 1/20/2015

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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 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 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 investment strategies or attract sufficient assets. Purchased put options may decline in value or expire worthless and may have imperfect correlation 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 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 the 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 purchased. 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 or instrument. The Fund's losses are potentially large in a short position transaction.

Price to Earnings (P/E) is a valuation ratio of a company's current share price compared to its per share earnings. Gross Long and Short Exposure is the percentage in securities that are expected to rise and decline, respectively. Beta is a measure of systemic risk. R-Squared is generally interpreted as the percentage of fund or security's movements that can be explained by movements in a benchmark index. Standard Deviation is a statistical measurement. It sheds light on the historical volatility of that investment. The greater the standard deviation of a security, the greater the variance between each price and the mean, indicating a larger price range. Treynor ratio – A performance metric for determining how much excess return was generated for each unit of risk taken on by a portfolio. HFRX Equity Hedge Index – tracks strategies that maintain positions both long and short in primarily equity and equity driven securities. S&P 500 Index – tracks 500 individual stocks chosen for market size, liquidity and industry grouping, among other factors.

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.