ACM Tactical Income Fund

Monthly Commentary

August 2022

After a six-week downtrend in bond yields that helped lift most asset classes, yields reversed again in August and marched higher. This was likely in response to the fact that although inflation did tick slightly lower on the headline CPI figure, there was no improvement in core inflation. Further, inflation remains stubbornly high on an absolute basis, and the Fed has repeatedly said that they will remain vigilant with rate hikes. Minneapolis Fed President Kashkari said that the Fed is “far, far, far away” from declaring victory on inflation.

Although the TV pundits continually like to bring up the prospect of a “Fed pivot”, it is unlikely the Fed will alter its course in the near future. The Fed has used every opportunity to explicitly inform investors of its steadfast intention to bring down inflation meaningfully, and keep it there. They have also implied that they are not about to let history repeat itself (like the 1970s) cut rates prematurely – specially to appease investors. Chairmen Powell himself said last month that “the historical record cautions strongly against prematurely loosening policy”

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

The two charts above show an interesting dichotomy when it comes to bond yields along the curve. The chart on the left is the 2-year Treasury yield, which is the one most sensitive to Fed rate hikes. As such, you can see that it moved higher in August and made a new high for the year, topping the June levels. On the right side, we see that the 10-year Treasury yield also moved higher but did not break into new high ground. It looks to be peaking below its June highs. Why is that?

The most likely explanation is that the 10-year yield is more sensitive to economic growth. And the more the Fed hikes rates, the more likely it is to achieve its desired effect of slowing demand – and hence the economy. This is why the yield curve remains deeply inverted. Its is foreshadowing a weaker economic environment in the near future, one where inflation is no longer likely to be the dominant factor. Fed Chairman Powell basically alluded to all of the above in his succinct remarks at the Jackson Hold Symposium last month. He reiterated that the Fed would continue along this path until it is confident it has achieved its goal. This means they want to see demand come down in the economy, and also see wage pressure ease, likely from a weaker employment picture.

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The **ACM Tactical Income Fund** (TINIX) came into the month with lower cash levels than previous months. That helped the Fund generate more income in August, and payout a 5.75% distribution yield. Overall, the Fund returned -1.82% in August, a smaller decline than the Barclays Agg which was down -2.83%. The Fund has returned -6.13% YTD, which remains far less than the Bloomberg AGG which is down -10.75% this year.

The Fund moved back toward a more defense posture as the risk-off environment resumed toward the back half of August. Although the Fed is intent on raising rates and slowing the economy, if the market senses that the 10-year yield has peaked, that could help more areas of fixed income put in another tradable bottom. If so, we will monitor our models for opportunities to again put cash to work.

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

Sincerely,

Jordan L. Kahn, CFA
Chief Investment Officer

Performance is historic and does not guarantee future results. Investment principal value will fluctuate with changing market conditions 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.

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

ACM Tactical Income Fund
Class I
TINIX | August 2022 Fact Sheet

Portfolio Management

Jordan L. Kahn, CFA

Chief Investment Officer

Mr. Kahn 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.

Fund Profile *As of 8/31/2022*

Inception Date	12/31/2018
Style	Tactical Income
Benchmark	Bloomberg US Aggregate

Risk Metrics *As of 8/31/22*

Beta	0.58
Standard Deviation	4.89

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 8/31/2022*

	1-mth	3-mth	YTD	1-Yr*	3-Yr*	Since Inception*
TINIX	-1.82%	-1.55%	-6.13%	-8.29%	0.65%	1.73%
Bloomberg US Agg Bond	-2.83%	-2.01%	-10.75%	-10.29%	-0.93%	0.90%
Morningstar NT Bond	-0.63%	-1.69%	-5.86%	-7.01%	0.16%	-2.69%

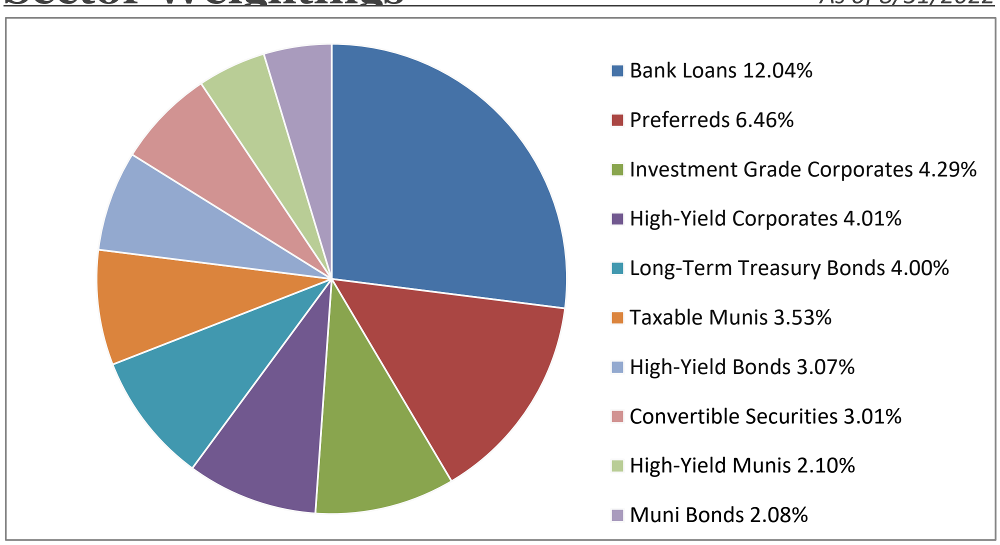
*As of 6/30/22

Investments in mutual funds involve risks. Performance is historic and does not guarantee future results. Investment principal value will fluctuate with changing market conditions 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%. Actual Total Annual Fund Operating Expenses are 3.03% for Class A and 2.78% for Class I shares. The adviser has contractually agreed to reduce its fees and reimburse expenses of the Fund, at least until April 30, 2023, to ensure that the net annual fund operating expenses will not exceed 2.25% for Class A shares and 2.00% for Class I shares, subject to possible recoupment from the Fund in future years.

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 1-844-798-3833.

Sector Weightings *As of 8/31/2022*



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

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 Tactical Income Fund is distributed by Northern Lights Distributors, LLC, member FINRA/SIPC. Northern Lights Distributors, LLC and ACM Funds, LLC are not affiliated.

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.

***Beta** is a measure of systemic risk. **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.*

*The **Bloomberg U.S. Aggregate Bond Index** is an unmanaged, fixed income, market-value-weighted index generally representative of investment grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities with maturities of at least one year. The Bloomberg U.S. Aggregate Bond Index figures do not reflect any fees, expenses, or taxes. An investor cannot invest directly in an index.*

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