

# COUNTERPOINT

# TACTICAL INCOME FUND

Class I Shares  
CPITX  
Class A Shares  
CPATX  
Class C Shares  
CPCTX

## OVERALL MORNINGSTAR RATING



Overall rating out of 281 Non-traditional Bond funds based on total return for the three year period as of September 30th, 2018.

## FUND STRATEGY

The Counterpoint Tactical Income Fund aims to provide absolute returns in a stable or recovering market environment and seeks to preserve investment capital in times of economic uncertainty. The Fund uses algorithmic trend-following decision tools to determine when to buy and sell mutual funds and ETFs of high yielding bonds, low duration treasuries, and cash equivalents.

## PORTFOLIO MANAGERS

Michael Krause, CFA  
Joseph Engelberg, Ph.D

## FUND STATISTICS

Inception Date: **December 4, 2014**

**CUSIPS**  
66538G 742 (A)  
66538G 734 (C)  
66538G 759 (I)

Assets under management (AUM): **\$404.5 million**

SEC 30 Day Yield (CPITX): **3.41%**

Monthly standard deviation: **1.0%**

Sharpe Ratio: **1.4**

Correlation:  
Barclays Aggregate **0.35** / High Yield Index **0.69**

Beta:  
Barclays Aggregate **0.44** / High Yield Index **0.46**

Best Month: **2.94%** / Worst Month: **-1.45%**

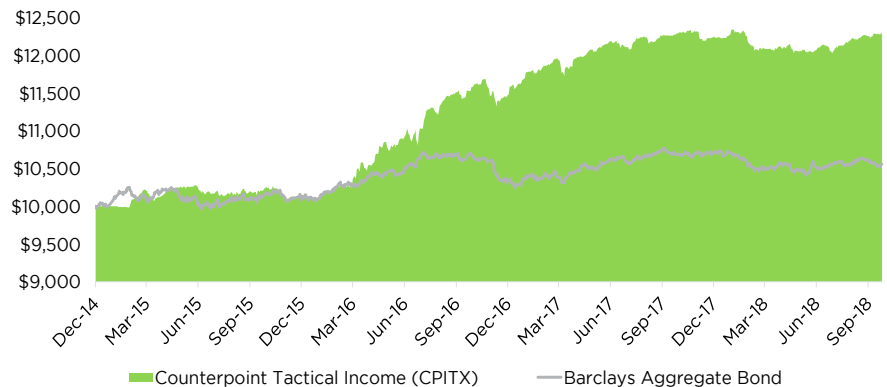
## TOP 5 HOLDINGS

MainStay MacKay HY Corp Bond Fund	<b>22.6%</b>
Goldman Sachs HY Floating Rate Fund	<b>15.0%</b>
TIAA-CREF High Yield Fund	<b>12.4%</b>
Transamerica High Yield Bond	<b>10.1%</b>
Eaton Vance Income Fund of Boston	<b>9.8%</b>

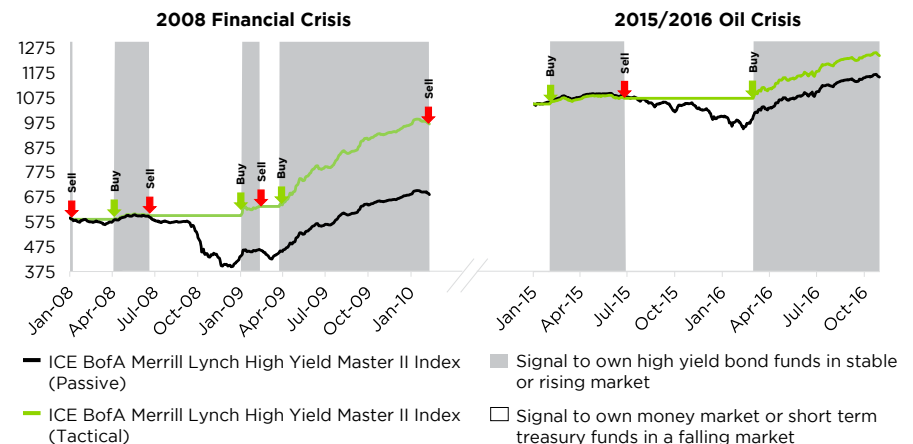
*Holdings are subject to change and should not be considered investment advice*

## PERFORMANCE SINCE INCEPTION

As of September 30th, 2018

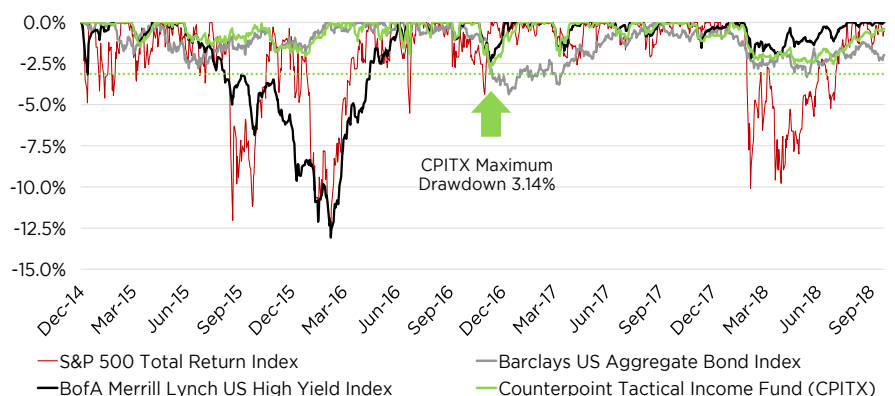


## TACTICAL VERSUS PASSIVE



The above example depicts a potential difference between tactical and "buy and hold" passive investment approaches. The Tactical result is not actual historic realized performance of the Tactical Income Fund's algorithm. It is an example of the hypothetical result from alternating in a binary manner between holding cash or being invested in funds that track the ICE BofA Merrill Lynch High Yield Master II, a non-tradeable index that reflects the total return of the broad market for high yield bonds. Investors cannot directly invest in an index; unmanaged index returns do not reflect any fees, expenses or sales charges.

## DRAWDOWNS SINCE INCEPTION



## FUND PERFORMANCE

	Total Annualized Return Since Inception	Year to Date	1 Year	3 Year (Annualized)	Standard Deviation (Annualized)	Correlation to Barclays US Aggregate Bond Index
CPITX	5.54%	0.33%	0.01%	6.28%	2.87%	0.35
CPATX - Without Sales Load	5.31%	0.14%	-0.27%	6.04%	2.87%	
CPATX - With Sales Load (4.5%)	4.05%	-4.36%	-4.75%	4.41%	2.87%	
CPCTX	4.58%	-0.45%	-1.03%	5.27%	2.87%	
Barclays US Aggregate Bond Index	1.42%	-1.60%	-1.22%	1.31%	3.18%	

## CPITX QUARTERLY PERFORMANCE

	Q1	Q2	Q3	Q4	Annual	Barclays Aggregate Bond
2015	1.38%	0.29%	0.70%	-1.58%	0.76%	0.55%
2016	4.63%	4.36%	5.19%	0.88%	15.88%	2.65%
2017	2.33%	1.33%	1.51%	-0.31%	4.93%	3.54%
2018	-1.11%	-0.46%	1.92%		0.33%	-1.60%
	<b>Annualized Return</b>				<b>5.65%*</b>	<b>1.35%</b>

\* The full quarter annualized return does not include the monthly return from December 2014 (fund inception). As of September 30th, 2018

The performance data displayed here represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. The investment return and principal value of an investment will fluctuate so that investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please review the fund's prospectus for more information regarding the fund's fees and expenses. A shares (CPATX) have a Front-End Sales Charge (commission or "load") of 4.50%, with lower rates for accounts over \$25,000, and 12b-1 distribution fee of 0.25% per year. The total annual fund operating expense ratio, gross of any fee waivers or expense reimbursements, is 1.99%, 2.24%, and 2.99%, for Class I, Class A, and Class C shares respectively. 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 844-273-8637.

### Definitions

*Standard deviation* is a measure of dispersion of returns from its mean return. Higher deviation represents higher volatility. *Sharpe Ratio* is a risk-adjusted measure of a fund's performance that indicates a fund's return per unit of risk, defining risk as volatility (standard deviation). *Correlation* is a statistical measure of how two securities move in relation to each other. Beta is a measure of the fund's sensitivity to market movements. *Beta* greater than 1 is more volatile than the market; beta lower than 1 is less volatile than the market.

### Important Risk Information

The Barclays US Aggregate Bond Index is made up of the Barclays US Government/Corporate Bond Index, Mortgage-Backed Securities Index, and Asset-Backed Securities Index, including securities that are of investment grade quality or better, have at least one year to maturity, and have an outstanding par value of at least \$100 million. As it is not possible to invest in the index the data shown does not reflect or compare features of an actual investment, such as its objectives, costs and expenses, liquidity, safety, guarantees or insurance, fluctuation of principal or return, or tax features.

Mutual Funds involve risk including the possible loss of principal. The use of leverage by the Fund or an Underlying Fund, such as borrowing money to purchase securities or the use of derivatives, will indirectly cause the Fund to incur additional expenses and magnify the Fund's gains or losses. Derivative instruments involve risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. There is a risk that issuers and counterparties will not make payments on securities and other investments held by the Fund, resulting in losses to the Fund. The Fund may invest in high yield securities, also known as "junk bonds." High yield securities provide greater income and opportunity for gain, but entail greater risk of loss of principal. Past performance is no guarantee of future results. There is no assurance the Funds will meet their stated objectives.

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The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The Morningstar Rating is for the Institutional, A-share, and C-share class.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Counterpoint Tactical Income Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained at [counterpointmutualfunds.com](http://counterpointmutualfunds.com) or by calling 844-273-8637. The prospectus should be read carefully before investing. The Counterpoint Tactical Income Fund is distributed by Northern Lights Distributors, LLC member FINRA/SIPC.

## CONTACT INFO

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