



December 2021 Commentary
As of 1/4/2022

The Core Alternative ETF (NYSE: CCOR) returned 5.87% (NAV) / 6.21% (Price) in December. Broad gains across sectors capped off a banner year for risk markets. While largely unchanged through the middle of the month, benchmark equity indices rallied in the back half with value stocks leading. Volatility remained subdued according to the VIX Index, yet nearly half of all December trading sessions experienced daily swings north of 1% for the S&P 500. Traditionally more defensive sectors outperformed their counterparts with Real Estate, Staples, and Utilities all climbing approximately 10% on the month. While the early part of 2021 was characterized by the outperformance of high beta securities, many still seeking profitability, this theme reversed markedly into year end. Investors are heading into 2022 attempting to digest the forthcoming end to quantitative easing, persistent virus concerns, and uncertainty about the sustainability of global growth in the absence of robust fiscal support. The rotation witnessed in December is consistent with a more cautious approach to equity markets to start 2022.

The CCOR ETF posted strong gains on the month led by equity positioning. An outsized allocation to quality, dividend paying stocks drove performance – security selection within industry was a notable contributor in addition to broad sector weightings. Value and profitability took over as momentum and high volatility factors fell out of favor. A relatively low volatility environment, amid sessions with large intraday moves in the S&P 500, allowed the fund to benefit from closely monitored and dynamically adjusted option positioning.

To view the fund's standardized returns and holdings, click here: <https://www.corealtfunds.com/fund>

Reach out to our team to find out more at sales@corealt.com

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 800-617-0004 (ETF INFO). Performance figures are net of all fund expenses.



Important Disclosures:

To determine if this Fund is an appropriate investment for you, carefully consider the Fund's investment objectives, risk factors, charges and expense before investing. This and other information can be found in the Fund's full or summary prospectus which may be obtained by calling 800-617-0004 (ETF INFO) or visiting our website at www.corealtnfunds.com. Read the prospectus carefully before investing or sending money.

Investments involve risk. Principal loss is possible. There is no guarantee that the Fund will achieve its investment goal. All risks associated with this fund should be carefully considered before any investment decisions are made. In addition to the normal risks associated with investing, the Fund also includes the following risks specific to the particular investment strategy the fund employs: Derivatives Risk, Dividend Paying Security Risk, Equity Investing Risk, ETF Risks, Hedging Risk, Large Capitalization Companies Risk, Management Risk, Market Events Risk, Models and Data Risk, Options Risk, Sector Concentration Risk. For the list of applicable risks, and their descriptions, please refer to the fund's Prospectus found at corealtnfunds.com.

Opinions expressed are subject to change at any time, are not guaranteed, and should not be considered investment advice.

The Core Alternative ETF is distributed by Quasar Distributors, LLC.

Indexes are unmanaged and one cannot invest directly in an index.

Diversification may not protect against market loss.

The S&P 500® is widely regarded as the best single gauge of large-cap U.S. equities. There is over USD 9.9 trillion indexed or benchmarked to the index, with indexed assets comprising approximately USD 3.4 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

The Bloomberg Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency).

VIX Volatility Index - The VIX Index is a calculation designed to produce a measure of constant, 30-day expected volatility of the U.S. stock market, derived from real-time, mid-quote prices of S&P 500® Index (SPXSM) call and put options. On a global basis, it is one of the most recognized measures of volatility -- widely reported by financial media and closely followed by a variety of market participants as a daily market indicator.

Alpha: Alpha is a term used in investing to describe an investment strategy's ability to beat the market, or its "edge." Alpha is thus also often referred to as "excess return" or "abnormal rate of return," which refers to the idea that markets are efficient, and so there is no way to systematically earn returns that exceed the broad market as a whole.

Beta: Beta is a measure of systemic risk of a security, with respect to the risk free rate.