



CORE ALTERNATIVE
C A P I T A L

December 2023 Commentary

As of 01/10/24

The Core Alternative ETF (NYSE: CCOR) returned 0.08% (NAV) / 0.04% (Market Price) in December. Similar to November, the losses on option premiums were offset by strong returns in the long stock portfolio. The recent rally has broadened on the back of sustained lower Treasury rates with all industry sectors in the S&P 500 Index posting gains on the month. Notably, defensive sectors such as healthcare and staples rallied in the last week of the year. In a sign of stabilization, the Real Estate sector was the top performer after falling more than 34% since its recent peak in late 2021. CCOR recently added exposure to the sector on the view that certain retail focused companies were unfairly punished in the broader sector downdraft. Security selection was again a strong contributor to total returns with significant outperformance of financial and industrial stocks in the fund.

The final quarter of 2023 was characterized by outperformance in higher beta stocks and mega cap technology amid growing calls for rate cuts by the Fed. The past year witnessed 72% of the constituents underperform the S&P 500 Index, while the equal weighted index posted its worst year relative to the value weight since 1999. Current valuations, positioning among investment managers, and a low volatility regime leave minimal room for error entering the new year.

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.



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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.corealtfunds.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 corealtfunds.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.

Total annual fund operating expenses 1.07%.

Index and market data provided by Bloomberg, LP

Definitions:

S&P 500 Equal Weight Index: The S&P 500® Equal Weight Index (EWI) is the equal-weight version of the widely-used S&P 500. The index includes the same constituents as the capitalization weighted S&P 500, but each company in the S&P 500 EWI is allocated a fixed weight - or 0.2% of the index total at each quarterly rebalance.

S&P 500 Index: The S&P 500® is widely regarded as the best single gauge of large-cap U.S. equities and serves as the foundation for a wide range of investment products. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

Beta: The beta (β) of an investment security (i.e., a stock) is a measurement of its volatility of returns relative to the entire market. It is used as a measure of risk and is an integral part of the Capital Asset Pricing Model (CAPM). A company with a higher beta has greater risk and also greater expected returns.