



CORE ALTERNATIVE

C A P I T A L

February 2023 Commentary

As of 03/08/23

The Core Alternative ETF (NYSE: CCOR) returned -2.86% (NAV) / -2.40% (Market Price) in February. The fund's equity holdings outperformed broader markets as all S&P 500 sectors with the exception of Technology were lower on the month. The positioning in put options was a modest detractor as implied volatility *fell* as equity markets shifted lower in the final week of the month. An increasingly large disconnect has formed between the market expectations for tightening monetary policy and the performance of growth equity securities.

Returns year-to-date can be characterized entirely by expanding price-to-earnings multiples as 12-month corporate earnings expectations have turned negative on the year. The driving factors in equity markets in January continued through February albeit with moderation. The Nasdaq 100 Index materially outperformed (YTD returns: Nasdaq 100 +10.26%; S&P 500 Index +3.68%; Dow Jones -1.13%) and market volatility remained subdued in the face of Treasury rates moving higher. The 2-year yield adjusted approximately 0.60% higher as the economy is proving more resilient than expectations and inflation data remained elevated.

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.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.

Total annual fund operating expenses 1.07%.

Index and market data provided by Bloomberg, LP

Definitions

Price-to-earnings multiple: Is the ratio of a company's market capitalization to annual earnings. The measure is often used to determine relative stock valuations.

Nasdaq 100 Index: The NASDAQ-100 Index is a modified capitalization-weighted index of the 100 largest and most active non-financial domestic and international issues listed on the NASDAQ. No security can have more than a 24% weighting. The index was developed with a base value of 125 as of February 1, 1985. Prior to December 21, 1998 the Nasdaq 100 was a cap-weighted index.

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.

Dow Jones Industrial Average: The Dow Jones Industrial Average is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry. It has been a widely followed indicator of the stock market since October 1, 1928.