



CORE ALTERNATIVE
C A P I T A L

June 2023 Commentary

As of 07/10/23

The Core Alternative ETF (NYSE: CCOR) returned +0.90% (NAV) / +1.18% (Market Price) in June. The equity holdings recorded strong performance on the month as market breadth has shown signs of broadening, where among the leading sectors in the S&P 500, Industrials, Materials, and Discretionary posted double digit returns. The S&P Equal Weight Index outperformed its value-weighted peer for the first time since January. While CCOR experienced losses on put premiums, equity performance more than compensated amid strength across the equity markets.

The second quarter marked the third consecutive in which multiple expansion was the core driver of returns with forward earnings estimates remaining flat to modestly higher on the year – while the average return of the top seven mega-cap tech stocks surpassed 50% in the first half of 2023. The divergence between the largest technology names and the broader market constituency is the most stretched since the dot-com era. And like many “irrational” market environments we’ve managed through before, while the dispersion may continue to grow and last longer as we move forward, eventually we would expect to see a reversion to the mean; either the broad market should begin to “catch up” to the mega caps, with non-tech sectors rallying and outperforming (as we started to see in June), or alternately we could see the mega caps “catch down”, which would of course drag the cap weighted indices lower overall, but again we would expect any movement of the breadth of the market to outperform on a relative basis, which would be a benefit to our strategy.

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.