



March 2022 Commentary
As of 4/5/2022

The Core Alternative ETF (NYSE: CCOR) returned -0.96% (NAV) / -1.55% (Price) in March. The final month of the quarter was defined by a deepening selloff across the fixed income landscape and dramatic swings in equity markets. The front end of the Treasury yield curve moved ~100 basis points higher to levels last seen in early 2019, as the Fed lifted off the zero lower bound. Despite a rising cost of capital, the S&P 500 rallied nearly 9% from the time the FOMC began its March meeting into the end of the month (3/15-3/31). The precedent for a rally of this magnitude, in the given time period, numbers approximately a dozen instances since the turn of the century. The underlying dynamics of the rally are notable. Typically, in late-stage economic cycles, low beta, high liquidity stocks tend to outperform. Aside from energy, benefitting from geopolitical risks, utilities and real estate were the top performing sectors. Low volatility factor returns led the broad market rally while high beta, small cap factors lagged. Meanwhile the post-pandemic leaders in the Nasdaq 100 posted strong gains, yet the index bounced off 100- and 200-day moving averages at the end of the month. These characteristics echo the themes of December 2021 and lend additional caution to the investment outlook.

The CCOR ETF was lower on the month as stock performance muted losses from option positioning. Large cap holdings in the energy, materials, staples, and healthcare sectors led to strong returns from the portfolio's equity holdings. A rapid decline in volatility amid the equity rally created a challenging environment for buying protection. With a total return between bond and stock indices, the strategy of the CCOR ETF maintained a lower volatility profile during a month driven by outsized movements across markets and substantial headline risks. The fund continues to take profits on gains from commodity-related holdings and reallocate based on a view of slowing economic growth ahead.

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.

Total annual fund operating expenses 1.07%.

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 Nasdaq-100® is one of the world's preeminent large-cap growth indexes. It includes 100 of the largest domestic and international non-financial companies listed on the Nasdaq Stock Market based on market capitalization.

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.

The key rate is the specific interest rate that determines bank lending rates and the cost of credit for borrowers. The two key interest rates in the U.S. are the discount rate and the federal funds rate. These are rates that are set, either directly or indirectly, by the Federal Reserve, in order to influence lending and the supply of money and credit in the economy.

One basis point is equal to 0.01%; eg 100 basis points is equal to 1.00%

Index and market data provided by Bloomberg, LP