

AXS ALL TERRAIN OPPORTUNITY FUND

TERIX



Quarterly Overview

GLOBAL MARKET UPDATE

The S&P 500 finished the quarter with a 15.91% increase year-to-date. Global equity markets continued to rally higher as central banks continued to support global risk assets. U.S. Consumer Price Index (CPI) gauge recently printed a 5.25% rate, which is the highest since 2008. We believe global supply chain disruptions should be eliminated over the next few quarters, and we could see a return to deflationary pressures in 2022. However, if they persist and escalate, this could lead to further pressure on prices causing some headwinds for consumers and overall risk assets in general.

PORTFOLIO PERFORMANCE

The AXS All Terrain Opportunity Fund returned -2.45% for the third quarter, underperforming the HFRX Global Hedge Fund Index. Our overall exposure to U.S. equity markets have been the biggest detractor of the fund's performance for the quarter. The fund was hit during the recent correction we experienced in September with WCMIX (WCM Focused International Growth Fund), one of largest positions suffering from the overall correction in growth stocks. Also, our positioning in QQQ and XLK, which are both growth-oriented sectors, corrected when technology stocks rolled over due to a rise in interest rates. This has been a very challenging year and as we continue to navigate the historical market conditions we are experiencing.

MODEL OUTPUT - VERT

Valuations (V) remain elevated relative to historical comparisons. Despite this, equities are still attractive relative to bonds. Valuations are high, but this may be the new normal given the distortions we are experiencing in all asset classes.

Economic Indicators (E) we are currently watching continue to surprise to the downside. Data is softening not only in the U.S. but also

in many other parts of the world. The Citigroup European Economic Surprise Index, which measures the degree to which economic data in Europe is either beating or missing expectations, has collapsed back to levels not seen since last summer, and the data has become increasingly worse over the last few months. The J.P. Morgan Global Manufacturing PMI (Purchasing Managers' Index) is at 54.1 and still showing very robust growth; we do not see any signs of a slowdown at this point. Credit impulse's overseas have contracted significantly since the last quarter, which is a cause for concern in the near-term and we will be monitoring it closely to see if this will have any lasting impacts on risk assets.

Risk Indicators (R) starting to show slight signs of stress but nothing that we think will derail the economy at this point.

Trends (T) - Overall price trends in the United States equity markets started to weaken at the end of the quarter. However, there are some negative price trends developing overseas and we are monitoring them closely. There are some severe disconnects between China and the U.S. that could lead to a significant repricing of risk assets if markets globally start to become highly correlated.

OUTLOOK

Our outlook for global equity markets remains cautiously optimistic. There are some signs of potential stress ahead depending on upcoming data releases with inflationary data continuing to surprise to the upside. Energy prices are soaring higher, and we are concerned this could lead to an energy shock if the winter months remain colder than normal, especially overseas. We are also monitoring the situation in Asia with China as tensions are growing by the day. Any military aggression by the Chinese Communist Party against Taiwan may lead to a catastrophic situation for the global economy

Past performance does not guarantee future results.



In the Morningstar macro trading category, TERIX received an overall rating of 4 stars (86 funds), 3-year rating of 4 stars (86 funds), and 5-year rating of 4 stars (86 funds), based on risk-adjusted returns as of 9/30/2021.

Fund Performance as of 9/30/2021

(%)	ANNUALIZED RETURNS					
	Q3 2021	YTD	1 YEAR	3 YEAR	5 YEAR	SINCE INCEPTION
TERIX	-2.45	0.83	3.68	3.46	4.67	3.56
HFRX Global Hedge Fund Index	-0.14	3.58	8.87	4.31	3.75	2.29

Fund inception date is 11/3/2014. Total annual operating expenses are 2.57% and net expenses are 1.93%. The Fund's investment advisor has contractually agreed to reduce its fees and/or absorb expenses of the Fund to ensure that the Fund's total annual operating expenses on an annual basis do not exceed 1.60% of the Fund's average daily net assets, effective until February 28, 2022.

The performance data quoted represents past performance and is no guarantee of future results. 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 may be lower or higher than the performance data quoted. For the most recent month-end performance, please call 833.AXS.ALTS or visit the Fund's website at www.axsinvestments.com.

DEFINITIONS OF TERMS

Consumer Price Index (CPI) is one of the most frequently used statistics for identifying periods of inflation or deflation. It measures the weighted average of prices of a basket of consumer goods and services to assess price changes associated with the cost of living.

HFRX Global Hedge Fund Index: An index designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies: including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event-driven, macro, merger arbitrage, and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry.

Purchasing Managers' Index (PMI): an indicator of the economic health of the manufacturing sector.

Indices are unmanaged and not available for direct investment.

The Morningstar Rating™ for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five- and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Morningstar Rating is for the I share classes; other classes may have different performance characteristics.

Morningstar Risk is an assessment of the variations in a fund's monthly returns in comparison to similar funds. The greater the variation, the larger the risk score. Morningstar Return is an assessment of the fund's excess return over a risk-free rate (the return of the 90-day Treasury bill) in comparison to similar funds. Morningstar Quartile Rankings are based on Morningstar Percentile Ranking in Morningstar Category, where 1% - 25% = first quartile (1); 26% - 50% = second quartile (2); 51% - 75% = third quartile (3); and 76% - 100% = fourth quartile (4). The Morningstar Percentile Ranking compares a Fund's Morningstar risk and return scores with all the Funds in the same Category, where 1% = Best and 100% = Worst.

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IMPORTANT RISK DISCLOSURE

Mutual funds involve risk including possible loss of principal. There is no assurance that the Fund will achieve its investment objective.

The investment objective is to seek capital appreciation with positive returns in all market conditions. There can be no assurance that the Fund will achieve its objective or that any strategy (risk management or otherwise) will be successful. Stock and bond values fluctuate in price so the value of your investment can go down depending on market conditions. International investing involves special risks including, but not limited to political risks, currency fluctuations, illiquidity and volatility. These risks may be heightened for investments in emerging markets. Derivatives entail risks relating to liquidity, leverage and credit that may reduce returns and increase volatility.

The value of your investment depends on the fund advisor's judgment about the quality, relative yield, value or market trends affecting a particular security, industry, sector or region, which may prove to be incorrect. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks. The Fund's use of futures contracts (and related options) expose the Fund to leverage and tracking risks because a small investment in futures contracts may produce large losses and futures contracts may not be perfect substitutes for securities.

Mortgage-backed securities represent interests in "pools" of mortgages. Mortgage-backed securities are subject to "prepayment risk" (the risk that borrowers will repay a loan more quickly in periods of falling interest rates) and "extension risk" (the risk that borrowers will repay a loan more slowly in periods of rising interest rates). High yield bonds are debt securities rated below-investment-grade (often called "junk bonds"). Junk bonds are speculative, involve greater risks of default, downgrade or price declines and are more volatile and tend to be less liquid than investment-grade securities.

Market Turbulence Resulting from COVID-19. The outbreak of COVID-19 has negatively affected the worldwide economy, individual countries, individual companies and the market in general. The future impact of COVID-19 is currently unknown, and it may exacerbate other risks that apply to the Fund.

Investors should carefully consider the investment objectives, risks, charges and expenses of AXS All Terrain Opportunity Fund. This and other important information about the Fund is contained in the Prospectus, which can be obtained by calling 833.AXS.ALTS (833.297.2587). The Prospectus should be read carefully before investing.

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