

AXS TACTICAL INCOME FUND

Institutional: TINIX A Share: TINAX

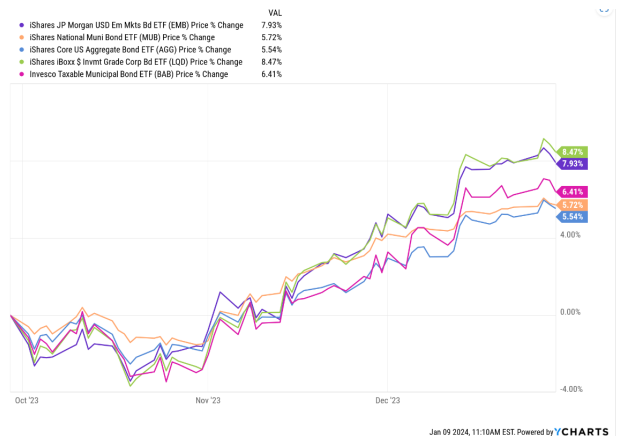


Quarterly Overview

Heading into the fourth quarter, expectations weighed heavily on the Bloomberg U.S. Aggregate Index, signaling a possible third consecutive year of negative returns. However, a notable turnaround unfolded, triggered by the unexpected market shift driven by investor expectations of a continued aggressive stance from the Federal Reserve. The prevailing anticipation of a hawkish Fed stance was reversed, leading to a substantial market rally across all asset classes. This rally effectively ended the "higher for longer" narrative that was on everyone's list throughout 2023.

As a result of this turnaround, the Bloomberg U.S. Aggregate Index closed the fourth quarter with a remarkable positive return, significantly altering the year's trajectory, culminating in an overall 5.5% gain. During this period, TINIX returned 2.98%, given a much lower duration than the AGG. Income generated was also solid with an impressive 11% distribution yield for December, 5% distribution yield for November, and 3.5% distribution yield for October.

Several sectors notably contributed to this positive trend in the quarter, including emerging market bonds, municipal bonds, and corporate bonds which helped with not only our performance but our distribution yields as well.



Past performance is not a guarantee of future results

Currently, the market anticipates a possibility of six potential rate cuts in 2024, signaling an expected decline in the Fed's target rate from 5.5% to 4.0%. The prevailing sentiment suggests that a dovish shift by the Fed would serve as a catalyst for the bond market to continue its rally in the forthcoming quarters. The US10Y peaked at 5% in late October and ended the year below 3.9% mainly to do with what we discussed above.



Source: Stockcharts.com, 12/29/2023

This market shift in the fourth quarter stemmed from the conclusion of Federal Reserve rate hikes and growing probabilities of future rate cuts. A notable decline in the Consumer Price Index (CPI) inflation from its peak at 9.1% in 2022 to 3.1% by November 2023 also contributed to the evolving market landscape.

Our rules-based models remain agile and reactive to market changes. When we saw that yields plummeted in late October, we quickly shifted from defensive to a more offensive stance in the portfolio to capture some of the upside performance. If current forecasts for rate cuts in 2024 prove accurate, there should be ample opportunities in the fixed income landscape.

Commentary provided by AXS Investments. Past performance does not guarantee future results

Fund Performance as of 12/31/2023

ANNUALIZED RATES OF RETURN						
(%)	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	SINCE INCEPTION
Class I	2.98	2.62	2.62	-1.90	1.30	1.30
Class A	2.83	2.17	2.17	-2.20	1.03	1.03
Class A (with 5.75% max. sales charge)	-3.07	-3.74	-3.74	-4.10	-0.16	-0.16
Bloomberg US Aggregate Bond Index*	6.82	5.53	5.53	-3.31	1.10	1.10

Fund inception date is 12/31/2018. The Gross Expense Ratio/Net Expense Ratios for the Institutional Class are 2.70%/1.68% and for the A Share Class are 2.95%/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 do not exceed on an annual basis 2.00% for Class I and 2.25% for Class A of the Fund's average daily net assets through at least 4/30/2025.

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.ALT.S.

* Bloomberg U.S. Aggregate Bond Index is an unmanaged, fixed income, market value weighted index generally representative of investment grade fixed rate debt issues, including government, corporate, asset-backed and mortgage-backed securities with maturities of at least one year. One cannot invest in an index.

IMPORTANT RISK DISCLOSURE

You could lose money by investing in the Fund. There can be no assurance that the Fund's investment objectives will be achieved. Below are some of the risks associated with investing in the Fund. See the prospectus for more.

ETF Risk: Investing in an ETF will provide the Fund with exposure to the securities comprising the index on which the ETF is based and will expose the Fund to risks similar to those of investing directly in those securities. Shares of ETFs typically trade on securities exchanges and may at times trade at a premium or discount to their net asset values. **Fixed Income Securities Risk:** The prices of fixed income securities respond to economic developments, particularly interest rate changes, as well as to changes in an issuer's credit rating or market perceptions about the creditworthiness of an issuer. Generally fixed income securities decrease in value if interest rates rise and increase in value if interest rates fall, and longer-term and lower rated securities are more volatile than shorter-term and higher rated securities. **Credit Risk:** If an issuer or guarantor of a debt security held by the Fund defaults or is perceived to be less creditworthy, or if the value of the assets underlying a security declines, the value of the Fund's portfolio will typically decline. **Market Risk:** The market price of a security or instrument may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic or political conditions throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally.

Investors should carefully consider the investment objectives, risks, charges and expenses of AXS Tactical Income Fund. This and other important information about the Fund is contained in the Prospectus, which can be obtained by visiting www.axsinvestments.com. The Prospectus should be read carefully before investing.

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