

AXS TACTICAL INCOME FUND

Institutional: TINIX A Share: TINAX



Quarterly Overview

In Q1 2024, TINIX returned 1.86% while the Bloomberg US AGG declined -0.78% and the Morningstar Nontraditional Bond benchmark returned 1.62%. In addition to the outperformance, TINIX averaged a 5.9% distribution yield for the quarter. We were able to outperform the benchmarks due to our rotation into strength early in the quarter.

The Federal Reserve's monetary policy expectations played a significant role in the overall market dynamics. Several sectors notably contributed to this positive trend in the quarter, including emerging market bonds, corporates, Master Limited Partnerships (MLPs), Business Development Companies (BDC), Closed End Funds (CEF), and Preferred Securities. We were able to rotate capital into the outperforming sectors while the broader fixed income market came under pressure due to a persistent move higher in interest rates.

Currently, the market anticipates a possibility of three potential rate cuts in 2024, lower than the previous six to seven hikes expected from the previous quarter. 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 started the quarter at around 3.86% and ended the quarter at around 4.20%. The creep up in rates was mainly due to lowered expectations of how many rate cuts the market will be expecting for the rest of 2024.

Our rules-based models remain agile and reactive to market changes. We saw that the US10Y found a local bottom at the end of 2023 and came up slightly ending Q1 at around 4.20%. While the US10 yield did creep up, we do not see this bump up as a signal for concern yet. We think if the next move by the Federal Reserve is a cut versus a hike, there should be ample opportunities in the fixed income landscape. We will continue to monitor our signals and adjust as the market changes.



Past performance is not a guarantee of future results

Source: Stockcharts.com, 3/28/2024

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

Fund Performance as of 3/31/2024

			ANNUALIZED RATES OF RETURN			
(%)	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	SINCE INCEPTION
Class I	1.86	1.86	4.19	-1.36	1.34	1.60
Class A	1.80	1.80	3.86	-1.66	1.06	1.32
Class A (with 5.75% max. sales charge)	-4.06	-4.06	-2.10	-3.59	-0.13	0.18
Bloomberg US Aggregate Bond Index	-0.78	-0.78	1.70	-2.46	0.36	0.90

Fund inception date is 12/31/2018. Total annual fund operating expenses for the Institutional Class is 2.02% and for the A Share Class is 2.27%. 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 (excluding any taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses (as determined in accordance with SEC Form N-1A), expenses incurred in connection with any merger or reorganization and extraordinary expenses such as litigation expenses) do not exceed 2.00% for Class I and 2.25% for Class A of the Fund's average daily net assets through at least 4/28/2025.

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.ALTS.

* 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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