October 02, 2018

Dear Friends and Investors,

The following market overview for the month of September 2018 has been produced by the Fund's Senior Portfolio Manager, Steven Goldman. We trust that you'll find it to be a worthwhile read.

In the ongoing effort to produce industry-leading investment products and thought leadership, we place great value on the feedback and suggestions of our clients. Please don't hesitate to contact us directly with any comments or questions

As always, we thank you for your continued interest in the USA Mutuals family of Funds.

Sincerely,

Michael N. Loukas
President & CEO | USA Mutuals

Broad Market Performance

For the month of September, the Navigator Fund gained 0.40%, resulting in YTD performance of 8.69% thus far. The S&P in the month gained 0.57%, bringing its YTD performance to 10.56%. The Russell 2,000, which is comprised of the smallest capitalized issues (a group which had been leading the S&P during the trade fears in the previous months), lost -2.54% as the trade war is no longer as concerning, at least in the short term.

Economic Indicators

The ISM Manufacturing Index is based on a survey of more than 300 manufacturing firms conducted by the Institute for Supply Management. The reading for August, released on the first of the month, rose to 61.3. This level is the cyclical high since the economic recovery began 112 months ago. A review of the previous 10 Business Cycles since 1950 reveals a cyclical peak in this indicator, typically surfacing years in advance of an economic downturn. Although In two Business Cycles, 1973 and 1981, early exceptions occurred after the Federal Funds Rate rose by roughly 100% in the preceding year. In November 1973, the economy entered a recession and the Federal Funds Rate monthly average stood at 10.03%, up from 5.06% the year before. In August 1981 at the onset of the recession, the Federal Funds monthly average stood at 17.82% up from 9.61% the year before. In summary, a 500- basis point to more than 900 basis point increase in the Federal Funds rate casts a giant shadow in comparison to the roughly 100 basis point rise in the Federal Funds Rate in the past year and should not be an impediment to the economy, especially with the Rate still below the Consumer Price Index.

In last month's letter we referenced an analog: "the most recent six-month period registered a buy signal based on the S&P's close August 7th at 2858.45. Since 1950 there have been 8 other similar analogs and the S&P over the next 40 days registered interim maximum gains greater than 4.5% on seven out of eight signals". Bringing this up to date, the S&P's maximum gain since the signal went into effect 37 trading days ago has advanced by roughly 2.5%. Trade concerns, as cited after mentioning the historical performance, may limit the market's gains in the short term.

As detailed in the May letter, the one-year forward PE on the S&P 500 stood at roughly 16 in April, having moved back to its 28-year average as the S&P then stood at 2881. With the end of the current quarter upon us, it's worth noting that the earnings in the third quarter of 2019 are expected at $45.4 a share according to FactSet, imputing an increase of $4.81 over the recent quarter's expected earnings of $40.61. Forward 12- month earnings are now expected at $173.88, equating to a forward one-year PE at 16.78, up from 16 at the market's trough. The S&P has risen by 13% from the closing lows in April, while the forward PE has risen by just under 5%. Although a bit too early for a high degree of confidence, earnings for the full year of 2019 are expected at $178.32 and if stock prices were to finish the quarter unchanged that would equate to a Forward PE of 16.35.

As detailed in the past six months, when one of our Economic Models is in an acceleration mode the S&P, since 1995, has historically averaged 6.00% above its nine-month moving average. In January the S&P stood roughly 10.50% above this average, in February 4.75%, then dropped to below 2% over the next two months. At month's end the S&P stood 5.50% above its 9-month moving average Vs 6.00% the previous month.

Risk Profile

A couple of investor inquires last month asked about our Treynor Ratio. The Treynor Ratio measures the internal rate of return ("IRR") minus the risk-free rate ("RF") divided by beta. Beta measures the monthly performance volatility vs the S&P's monthly volatility of returns. A ratio of 1 equals the S&P's volatility over the length of the track record.

The S&P's IRR since Feb. 2002 is 8.00% - RF of 2.15%=5.85/Beta (or 1) = a Treynor Ratio of 5.85.

The Navigator Fund's gross IRR has averaged 16.25%-RF of 2.15%=14.1%/Beta (or 0.55) = a Treynor Ratio of 25.64.

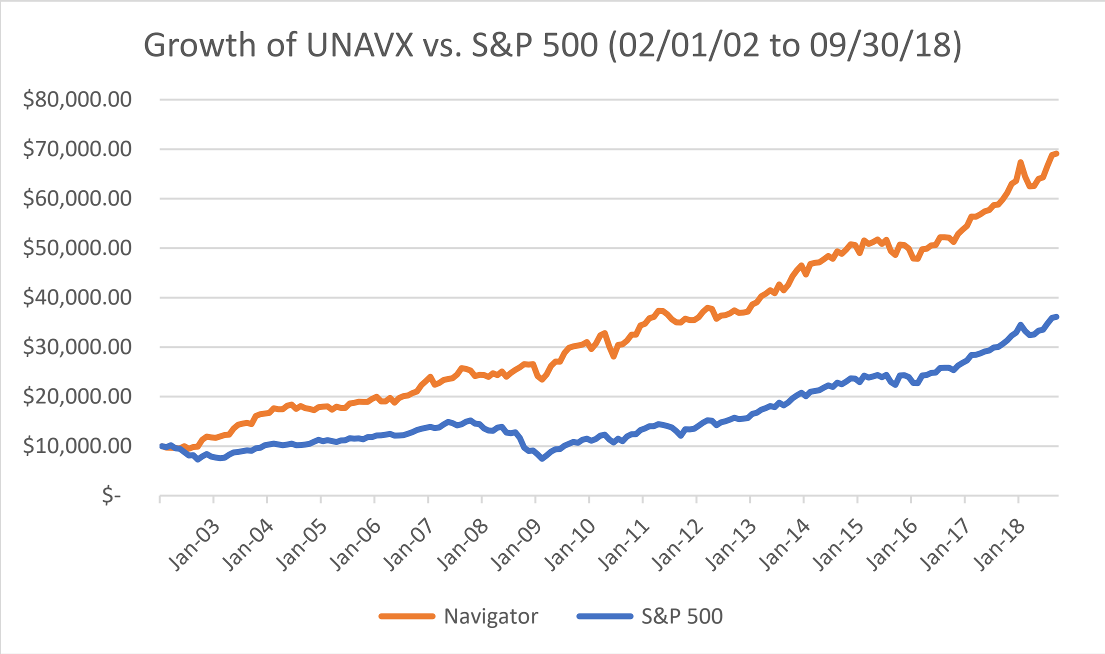
Navigator's Performance net of fees has averaged 12.2%-RF of 2.15%=10.05/Beta (or 0.48) = a Treynor Ratio of 20.94.

In sum, responding to the investor's due diligence inquiry, the Navigator Fund's Treynor Ratio is 3.57 times greater than the S&P (20.94/5.85) and 4.38 times excluding fees. Looking back, a beta substantially below the S&P at 0.48 can be partially attributed to the avoidance of the significant market declines in the S&P in the years 2002 and in 2008.

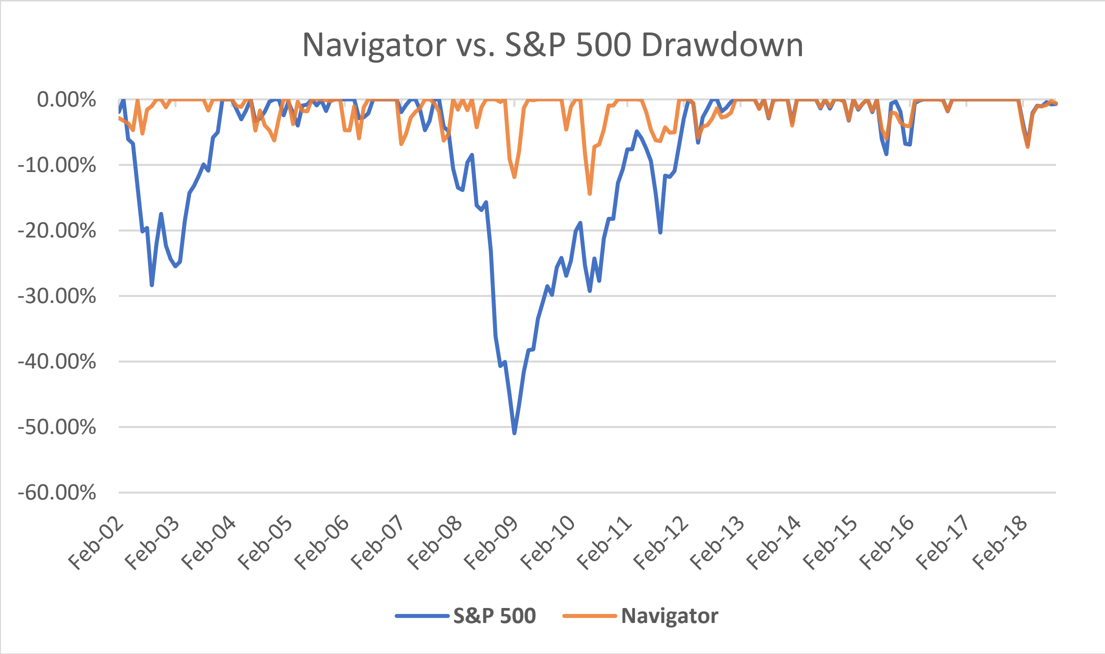
Thanks for your interest,

Steven Goldman

*This chart illustrates the performance of a hypothetical $10,000 investment made in the Fund on 02/01/2002 following its inception. Assumes reinvestment of dividends and capital gains. This chart does not imply any future performance.



Past performance does not guarantee future results



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Performance Table

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Returns	WDD*
2002	n/a	-2.84	-0.44	-0.40	-1.10	4.76	-5.06	3.85	0.58	13.97	5.72	-1.21	17.83%	-5.23%
2003	-0.84	2.41	2.39	0.51	10.04	5.69	1.50	1.11	-1.70	11.38	2.32	0.70	40.72%	-1.70%
2004	0.75	5.67	-1.03	-0.12	4.06	1.39	-4.75	3.21	-2.32	-0.79	-1.61	3.57	7.79%	-6.26%
2005	0.61	0.39	-3.77	3.54	-1.40	-0.07	5.03	0.72	1.30	-0.15	-0.14	3.29	9.44%	-3.77%
2006	2.13	-4.71	-0.03	3.88	-4.96	5.00	2.03	0.60	2.34	1.55	6.20	3.68	18.39%	-5.95%
2007	3.81	-6.82	1.68	2.60	0.91	0.60	3.22	5.25	-0.58	-1.31	-4.49	1.02	5.36%	-6.82%
2008	-0.07	-1.58	3.13	-1.66	3.16	-4.27	3.18	2.43	2.05	2.58	-0.42	0.41	8.97%	-4.27%
2009	-9.13	-2.99	4.42	7.21	3.33	-0.14	6.59	3.55	0.97	0.54	0.62	1.69	16.74%	-11.84%
2010	-4.60	3.61	5.57	1.39	-8.25	-6.72	8.41	0.37	2.44	3.82	0.00	5.82	10.88%	-14.42%
2011	0.86	3.28	0.71	3.46	-0.10	-1.84	-2.73	-1.71	-0.14	2.25	-0.83	0.05	3.09%	-6.38%
2012	1.59	3.11	2.14	-0.56	-5.33	1.79	0.25	1.03	1.64	-1.43	0.18	0.56	4.80%	-5.07%
2013	3.93	1.10	3.15	1.22	1.75	-1.49	4.35	-2.77	2.67	4.08	2.77	2.12	25.12%	-2.71%
2014	-3.99	4.79	0.50	0.19	1.34	1.41	-1.22	3.21	-1.10	1.81	2.14	-0.33	8.80%	-3.95%
2015	-3.15	5.18	-1.40	0.78	1.01	-1.76	1.68	-4.44	-1.56	4.29	-0.15	-1.43	-1.38%	-5.89%
2016	-4.02	-0.10	4.05	0.14	1.41	0.09	3.12	0.01	-0.14	-1.69	3.12	1.65	7.62%	-3.89%
2017	1.49	3.39	-0.03	0.85	1.09	0.46	1.71	0.19	1.76	2.18	3.03	0.95	18.36%	-0.10%
2018	5.95	-4.35	-3.06	0 .10	2.34	0.48	3.65	3.25	.40					
Avg.													12.66%	-5.52%

*WDD - Worst cumulative monthly drawdown

Standardized Performance (As of 09/30/2018)

	1 Year	5 Year	10 Year	Since Inception*
UNAVX	15.51%	10.17%	10.31%	12.30%
S&P 500 Index	17.91%	13.95%	11.97%	8.01%

Standardized Performance (As of 09/30/2018)

	1 Year	5 Year	10 Year	Since Inception*
UNAVX	15.51%	10.17%	10.31%	12.30%
S&P 500 Index	17.91%	13.95%	11.97%	8.01%

*Inception: 02/01/2002

Net Expense: 1.99%, Gross Expense: 3.17% The advisor has contractually agreed to limit expenses through 7/31/19.

Performance data quoted represents past performance; past performance 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 1-866-264-8783.

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NAVIGATOR FUND

DEFINITIONS

Forward PE – Measure of a company's P/E ratio using its expected earnings.
Basis Point - one hundredth of one percent, used chiefly in expressing differences of interest rates.
S&P 500 - American stock market index based on the market capitalizations.
Drawdown - Usually quoted as the percentage between the peak and the subsequent trough.
NASDAQ-100 is a stock market index made up of 107 equity securities issued by 100 of the largest non-financial companies listed on the NASDAQ.
S&P 600 Small-Cap Index - Index of small-cap stocks managed by Standard and Poor's.
Russell 2000 - Index is a small-cap stock market index of the bottom 2,000 stocks in the Russell 3000 Index.
Econometric Model – Identifies the statistical relationship that is believed to hold between the varied economic quantities concerning a particular economic phenomenon under study.
Spread – The difference between two prices or interest rates.
Index of Leading Economic Indicators (LEI) - The composite economic indexes are the key elements in an analytic system designed to signal peaks and troughs in the business cycle. The leading, coincident, and lagging economic indexes are essentially composite averages of several individual leading, coincident, or lagging indicators. They are constructed to summarize and reveal common turning point patterns in economic data in a clearer and more convincing manner than any individual component – primarily because they smooth out some of the volatility of individual components.

Consumer price index (CPI) - It measures changes in the price level of market basket of consumer goods and services purchased by households. The CPI is a statistical estimate constructed using the prices of a sample of representative items whose prices are collected periodically. Sub-indices and sub-sub-indices are computed for different categories and sub-categories of goods and services, being combined to produce the overall index with weights reflecting their shares in the total of the consumer expenditures covered by the index. It is one of several price indices calculated by most national statistical agencies. The annual percentage change in a CPI is used as a measure of inflation. A CPI can be used to index (i.e. adjust for the effect of inflation) the real value of wages, salaries, pensions, for regulating prices and for deflating monetary magnitudes to show changes in real values. In most countries, the CPI, along with the population census, is one of the most closely watched national economic statistics.
Quantitative easing (QU) - Refers to steps that the U.S. Federal Reserve takes in attempting to boost the country's lagging economy.

It is not possible to invest directly in an index.

Fund holdings and/or sector allocations are subject to change at any time and are not recommendations to buy or sell any security.

The USA Mutuals Funds are distributed by Compass Distributors, LLC.

Simultaneous with the commencement of the Fund's investment operations on October 13, 2017, the Goldman Navigator Fund, L.P., a limited partnership managed by Mr. Steven Goldman, the Fund's portfolio manager (the "Predecessor Partnership"), converted into the Institutional Class shares of the Fund by contributing all its assets to the Fund in exchange for Institutional Class shares of the Fund.

Performance data quoted prior to October 13, 2017, represents the past performance of the Goldman Navigator Fund, L.P., a limited partnership managed by Mr. Steven Goldman, the Fund's portfolio manager (the "Predecessor Partnership"). From its inception in 2002 through 2012, the Predecessor Partnership was managed as a proprietary account of the portfolio manager and was converted to a limited partnership in 2012. From its inception on February 1, 2002, through October 13, 2017, the Predecessor Partnership maintained investment policies, objectives, guidelines, and restrictions that were, in all material respects, equivalent to those of the Fund, and at the time of the conversion, the Predecessor Partnership was managed by the same portfolio manager as the Fund. Such portfolio manager managed the Predecessor Partnership since its inception in a manner that, in all material respects, complied with the investment guidelines and restrictions of the Fund. The Fund's performance for periods before October 13, 2017, is that of the Predecessor Partnership and includes the expenses of the Predecessor Partnership. The performance includes gains or losses plus income and the reinvestment of all dividends and interest. All returns reflect the deduction of all actual fees and expenses, paid by the Predecessor Partnership, without provision for state or local taxes. If the Predecessor Partnership's performance was adjusted to reflect the projected first-year expenses of the Fund, the performance for all periods would have been lower than that stated. The Predecessor Partnership was not registered under the 1940 Act and was not subject to certain investment limitations, diversification requirements, and other restrictions imposed by the 1940 Act and the Internal Revenue Code of 1986, as amended (the "Code"), which, if applicable, may have adversely affected its performance. On a going forward basis after October 13, 2017, the Fund's performance will be calculated using the standard formula set forth in rules promulgated by the SEC, which differs in certain respects from the methods used to compute total returns for the Predecessor Partnership. Please refer to the Financial Statements section of the Fund's SAI to review additional information regarding the Predecessor Partnership. *Click here for a prospectus.*

Mutual fund investing involves risk; principal loss is possible. Leveraging may exaggerate the effect on net asset value of any increase or decrease in the market value of a Fund's portfolio. Investing in derivatives may subject the Fund to losses if the derivatives do not perform as expected. Short sales involve selling a security that a Fund borrows and does not own. Short sales carry significant risk, including the risk of loss if the value of a security sold short increases prior to the scheduled delivery date since a Fund must pay more for the security than it has received from the purchaser in the short sale. Futures contracts are subject to the same risks as the underlying investments that they represent, but also may involve risks different from, and possibly greater than, the risks associated with investing directly in the underlying investments. The Funds may invest in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. This risk increases with emerging markets. Small and mid-size companies involve additional risks such as limited liquidity and greater volatility. Investments in futures may result in a substantial loss in a short period. The loss may be more than the original investment. One cannot invest directly in an index.

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus or summary prospectus with this and other information about the Fund, please call 1(800) MUTUALS or visit our website at www.usamutuals.com. Read the prospectus or summary prospectus carefully before investing.