



March 11th, 2019

Dear Friends and Investors,

The following market overview for the month of February 2019 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 February, UNAVX gained 2.89%, YTD 10.48%. The S&P in the month gained by 2.97%. Since the interim letter was sent out on the morning of December 26th the S&P has advanced 18.46% as of month end (2/28), which represents 44 trading days. As stated last month, the S&P had its best January since 1987, while there have been only 4 other gains greater than 7.5% in the month of January since 1950. Likewise, the S&P's gain over the first two months of the year has also occurred just four other times since 1950, and in each case stock prices were higher on an intermediate basis. (3-5 months later).

Market Commentary

As mentioned last month, "The unresolved trade issue with China made it difficult to fully embrace the bullish reading from the summation of our indicators". It should be noted that each of our four Cornerstones: 1) Monetary, 2) Valuations, 3) Market Structure and 4) Sentiment; which are the backbones of our analysis, concurrently registered favorable readings.

At the market lows of December 24th close, the S&P was on pace for a quarterly loss of -19.3%. This would have been the 6th worst quarterly decline since 1940, and the 9th worst (4 occurred during the Depression) since 1926, which was the inception of the S&P. In the last 4-days of the quarter, the market rally pared the declines to a quarterly loss of -14.0%. It should be noted, although not fully applicable, that since 1940 the 7 worst quarterly declines of -17.25% or more advanced on average by 23% (mean 28.5%) one year later. In two periods the returns were subpar. The two subpar periods were in 2002, when lofty stock market valuations and a recession saw the S&P little changed one year later, and in 1948 the S&P advanced by 6.45%, recession related. **Past Performance is Not Indicative of Future Results**

Another permutation, based on an oversold level as described above, employs a 65-day rate of change with losses greater than -19%. This would have registered a buy signal at the market lows on December 24th. There have been 8 other identical signals since 1950 and the S&P advanced one year later slightly over 20% (roughly 25% mean) and only one negative in 2001-2002 when the S&P fell nearly -17% one -year later as the lingering recession and lofty valuations measures impeded the returns.

As detailed last month "the persistent and unusual supply of news stories have triggered substantial gyrations in stock prices in the past couple of months". The Index of Economic Policy Uncertainty ("EPU") quantifies this metric. The reading at the end of December spiked to 233, which was then the highest since the Presidential election in 2016 and the 9th highest monthly reading since the inception in 1985. The observation at the end of January spiked even further to 292, which is the highest reading on record. This even surpassed the reading in October 2008 at 247 and 241 after the Lehman demise in September of that year. Overall, and as stated last month, "elevated levels in these data series have generally seen stock prices rebound on the short-term to intermediate basis (one year hence)".

The graphic below expands on the table I provided last month which depicted our worst cumulative monthly drawdowns ("CMD") followed by how many months to recover 66% and then 100% of these pullbacks UNAVX recouped over 66% of the declines (73.38%) by the second month, roughly within the historical average after a trough. UNAVX now stands 3.33% from a new monthly peak.



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20 Best and Worst Declines in the S&P Vs UNAVX

Best Months	S&P Best Gains	UNAVX Gains	Worst Months	S&PTR Worst Gains	UNAVX Declines	Ratio GMI/S&P
10/1/2011	10.93%	2.25%	10/1/2008	-16.79%	2.58%	-15.4%
4/1/2009	9.57%	7.21%	9/1/2002	-10.87%	0.58%	-5.3%
9/1/2010	8.92%	2.44%	2/1/2009	-10.65%	-2.99%	28.1%
10/1/2002	8.80%	13.97%	12/1/2018	-9.02%	-7.61%	84.4%
3/1/2009	8.76%	4.42%	9/1/2008	-8.91%	2.05%	-23.0%
10/1/2015	8.43%	4.29%	6/1/2008	-8.43%	-4.27%	50.6%
4/1/2003	8.24%	0.51%	1/1/2009	-8.43%	-9.13%	108.3%
1/2/2019	8.00%	7.38%	5/1/2010	-7.99%	-8.25%	103.2%
7/1/2009	7.56%	6.59%	7/1/2002	-7.80%	-5.06%	64.9%
7/1/2010	7.01%	8.41%	11/1/2008	-7.18%	-0.42%	5.9%
3/1/2016	6.78%	4.05%	6/1/2002	-7.12%	4.76%	-66.8%
12/1/2010	6.68%	5.82%	9/1/2011	-7.03%	-0.14%	2.0%
3/1/2010	6.03%	5.57%	10/1/2018	-6.84%	-7.02%	102.6%
11/1/2009	6.00%	0.62%	4/1/2002	-6.06%	-0.40%	6.6%
11/1/2002	5.89%	5.72%	8/1/2015	-6.03%	-4.44%	73.6%
2/1/2015	5.75%	5.18%	5/1/2012	-6.01%	-5.33%	88.7%
1/2/2018	5.72%	5.95%	1/1/2008	-6.00%	-0.07%	1.2%
10/1/2003	5.66%	11.38%	12/1/2002	-5.88%	-1.21%	20.5%
5/1/2009	5.59%	3.33%	8/1/2011	-5.43%	-1.71%	31.5%
5/1/2003	5.27%	10.04%	6/1/2010	-5.23%	-6.72%	128.6%
Avg	7.28%	5.76%		-7.89%	-2.74%	39.5%

*Investors cannot directly invest in an index and unmanaged index returns do not reflect any fees, expenses or sales charges

The table on the previous page was featured last year and has been updated and expanded to include the 20 best and worst months in the S&P. It should be noted that the five largest monthly declines in the S&P totaled a cumulative loss of -56.3%, while UNAVX during these periods lost 5.39% and it was higher in three out of five months. The average monthly decline in the S&P was -7.89% while UNAVX declined on average -2.74% or an estimated exposure ratio of 3%. $(-2.74 / 7.89 = 35\%)$. Only a few times was the net exposure ratio greater than 100% (UNAVX divided by S&P); The first was January 2009, a -9.1% decline where UNAVX gained 25.56% nine months later, and the second in May 2010, a -8.25% decline where UNAVX gained 19.00% over the following nine months. The third was June 2010, a -6.72% decline and nine months later UNAVX advanced by 28.55%. In the most recent decline in Dec 2018, a -7.61% decline, UNAVX in the following two months gained 10.27%. Conversely, reviewing the best 20 monthly gains in the S&P, the average gain is 7.28% Vs 5.69% for UNAVX or a 78% net exposure and closer to 100% when using gross exposure.

Thanks for your interest,

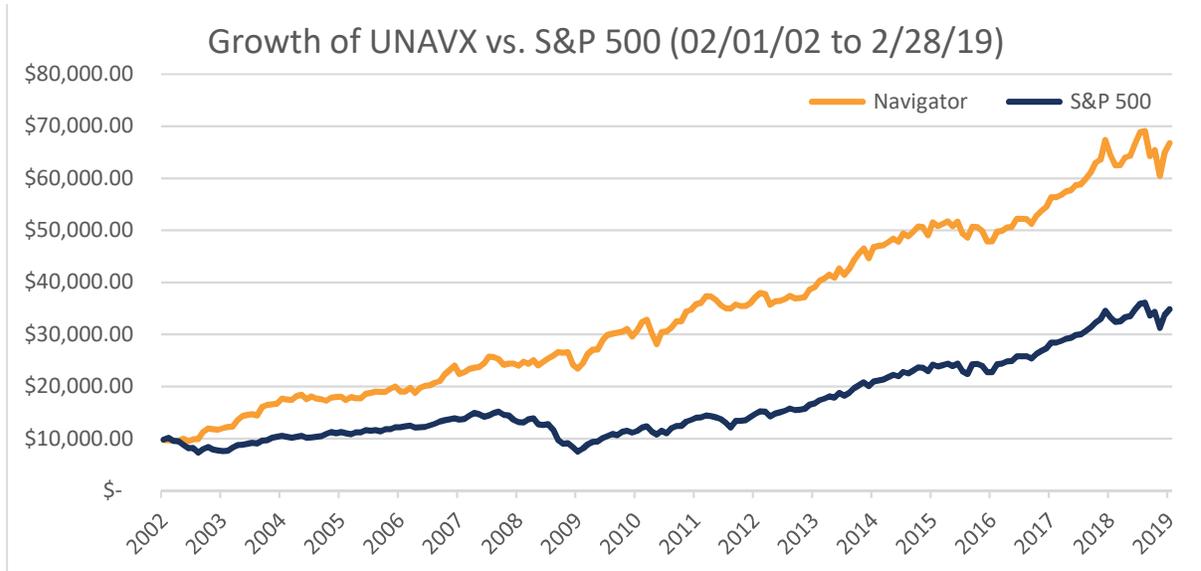
Steven Goldman



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*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.



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	0.40	-7.02	1.85	-7.61	-4.90%	-12.53%
2019	7.38	2.89											10.27%	-
Avg.													11.63%	-6.00%



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Standardized Performance (As of 02/28/19)

	1 Year	5 Year	10 Year	Since Inception*
UNAVX	3.67%	7.38%	11.05%	11.63%
S&P 500 Index	4.68%	10.67%	16.67%	7.58%

Standardized Performance (As of 12/31/2018)

	1 Year	5 Year	10 Year	Since Inception*
UNAVX	-4.91%	5.39%	8.57%	11.23%
S&P 500 Index	-4.38%	8.49%	13.12%	6.97%

*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.

DEFINITIONS

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

Index of Economic Policy Uncertainty - To measure policy-related economic uncertainty, we construct an index from three types of underlying components. One component quantifies newspaper coverage of policy-related economic uncertainty. A second component reflects the number of federal tax code provisions set to expire in future years. The third component uses disagreement among economic forecasters as a proxy for uncertainty.

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



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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.