VITIUM GLOBAL FUND

Vitium Fund Commentary
December 2020

For the month of December, VICEX gained 4.54%, compared to a 4.51% return for the MSCI World Index. The S&P 500 index rose 3.8% during the month.

Market Review

December saw a continuation of the rally that began in late October, spurred by the rollout of multiple COVID-19 vaccines and the signing of a new fiscal relief bill. Small cap stocks enjoyed a second month of outperformance, while growth stocks outlasted value-oriented names. Interest rates rose slightly, and the U.S. dollar continued its slide against the other major currencies.

Looking back on the last twelve months, 2020 was certainly one of the most challenging periods in modern history. Australian bushfires welcomed the new year, destroying an area larger than the size of Cuba. California's wildfire season was the worst on record, oil traded below zero for the first time ever, and racial divisiveness erupted across the country on an unprecedented scale. And not to forget, a global pandemic killed nearly 2 million people and caused financial destruction on a scale not seen since the 1920s.

But difficulties are often followed by periods of opportunity. The markets are forward-looking and seem more focused on the end of the COVID-19 epidemic, although the popular press seems to discount the considerable strides made on both the medical and economic front since March. We continue to believe that the world will exit the pandemic recession quicker and more powerfully than is believed by the general public.

The portfolio team is focused on repositioning the Vitium Fund in an attempt to profit from the significant opportunities we see heading into 2021. We believe that the next twelve months will be dominated by two broad economic themes:

- **Reflation**. Policy makers seem intent on running the economy at a red-hot pace, with the goal of returning the economy to pre-COVID levels as quickly as possible. While unemployment cost U.S. households $330 billion in lost wage income, they have already received over three times that amount from fiscal stimulus, with much more likely to come. With the Democrats in control of both the House and the Senate, Biden aims to spend trillions of additional dollars for infrastructure and economic relief.

- **Inflation**. In our view, an economic recovery buoyed by pent-up demand and an unprecedented amount of government spending will make it difficult to keep inflation at the Federal Reserve's 2% target. Pressure on prices is most evident in the explosive rally in bitcoin, which potentially indicates demand for non-dollar denominated assets. With 10-year Treasury yields at nine-month highs, interest rates are likely the biggest risk factor to equity prices.

Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. Share prices and investment returns fluctuate and an investor's shares may be worth more or less than original cost upon redemption. For performance data as of the most recent month-end please call 1-866-264-8783.

We will express these views in multiple ways in the Vitium portfolio. The Fund's overweight to small, foreign companies in our four areas of concentration will continue. Our focus on opportunities in the gaming space, especially online and in offshore regions like Macau an Singapore, will also guide our activities. A de-emphasis on defense contractors will give us capital to express our view in more opportunistic areas in the consumer discretionary sectors. We will be communicating on a much more regular basis as we steer the Fund's assets toward the most promising sectors of the market.

Sincerely yours,

Ben Warwick

Paul Strehle

Standardized performance as of (12/31/2020) Fund Inception (08/30/2002)

	1 Year	5 Year	10 Year	Since Inception
VICEX	-0.90%	6.26%	9.53%	8.78%
MSCI World Index	16.82%	12.86%	9.71%	9.31%

Investor Class 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. Returns over one year are annualized. The Gross and Net expense 1.67% and 1.49%. Contractual fee waivers through 07/31/2021.

Important Disclosures
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DEFINITIONS:
The MSCI All Country World Index Total Return ("MSCI ACWI TR") captures large and mid-cap representation across 23 Developed Markets (DM) and 26 Emerging Markets (EM) countries.

The S&P 500 Total Return Index® ("S&P 500 TR") is considered to be generally representative of the U.S. large capitalization stock market as a whole. You cannot invest directly in an index.

Mutual fund investing involves risk; principal loss is possible. The Fund will concentrate its net assets in industries that have significant barriers to entry including the alcoholic beverages, tobacco, gaming and defense/aerospace industries, the Fund may be subject to the risks affecting those industries, including the risk that the securities of companies within those industries will underperform due to adverse economic conditions, regulatory or legislative changes or increased competition affecting those industries, more than would a fund that invests in a wide variety of industries. The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. The Fund invests in smaller companies, which involve additional risks, such as limited liquidity and greater volatility. Derivatives may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most *advantageous. Investing in derivatives could result in losing more than the amount invested. If a security sold short increases in price, the Fund may have to cover its short position at a higher price than the short sale price, resulting in a loss.*

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