



Vitium Global Fund Commentary
February 2021

For the month of February, VICEX gained 8.66%, while the MSCI ACWI Large Cap Index added 2.07%. The S&P 500 index gained 2.61% during the month.

Market Review

The Fund's performance was buoyed by the strong momentum that started after January's late sell-off. "Reflation-themed" positions in gaming and alcohol led the way higher, and our opportunistic positions in hard assets and tilts to stocks of smaller and international companies added to gains.

All signs continue to point to a robust economic recovery. The House passed President Biden's \$1.9 trillion pandemic relief package. The bill, which is facing revision before it is passed to the Senate, provides a \$350 billion lifeline to the states and \$1,400 checks to many Americans. It is a massive spending bill that will likely increase demand just as the number of new COVID cases are taking a nosedive due to increased vaccinations and eventual herd immunity.

It is hard to overstate just how large this spending package is. According to Former Treasury Secretary Larry Summers' *Washington Post* editorial, Biden's stimulus package is three times larger than the projected economic shortfall caused by the pandemic. And how might such a huge fiscal stimulus package effect the chances for further expenditures on public works like infrastructure? The era of massive government spending may be just beginning.

Meanwhile, Federal Reserve Chairman Powell reiterated that the Fed funds rate will remain low and that the Fed will keep buying bonds to support the US economy. He continues to push back against fears of higher inflation, even as commodity prices continue to rise.

As this is all occurring, the yield curve is steeping (i.e., long-term interest rates are increasing more quickly than are short-term rates). This has spooked the equity markets, as evidenced by the 7% drop in the Nasdaq 100 in the last two weeks of February. But it should be noted that higher rates and higher stock prices have occurred in lockstep in several periods, especially if the reason for increasing rates is more robust economic growth. We believe this is currently the case, and we plan on adding to positions during periods of market weakness.

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.



www.usamutuals.com
1-800-MUTUALS
FA.sales@usamutuals.com

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.

IMPORTANT RISK INFORMATION:

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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www.usamutuals.com
1-800-MUTUALS
FA.sales@usamutuals.com