



Vice Fund (VICEX) Commentary  
April 2023

The Vice Fund ended the month of April with a return of +2.98%.

### Market Review

In April, equity markets were a mixed bag. Large-cap stock indices were positive, while small-cap stock indices were negative. In general, equity earnings beat already lowered consensus estimates. It was the best earnings season compared to analyst consensus since Q4 2021. But full-year guidance from these companies was murky, with negative linearity in Q1.

Economic data provided mixed signals over the month. Q1 Gross Domestic Product (GDP) came in below consensus, but personal consumption expenditure grew over the quarter. The consumer is not dead, which may bode well in the short term. However, hot April inflation reports indicate the Federal Reserve will keep rates higher for longer. May offers more inflation data points for the Federal Reserve to ponder with the release of jobs numbers, GDP, and CPI.

We believe the primary source of volatility looking forward is the debt ceiling debate deadlock. If lawmakers cannot break this deadlock, an unprecedented U.S. debt default may occur in early June. Both parties are playing a dangerous game of brinksmanship that has historically resolved a week or two before the deadline. As of this writing, we are still in a debt ceiling deadlock with the potential for large volatility spikes as we get closer to the end of the month.

The Vice Fund benefited from the rally in large-cap stocks versus small-cap stocks in the month. In general, the Vice fund invests in large to mid-cap stocks that pay dividends that overperform small and micro caps in the month.

Sincerely yours,

Paul Strehle

**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](http://www.USAMutuals.com). Read the prospectus or summary prospectus carefully before investing.**

**Standardized performance as of (3/31/2023) Fund Inception (02/01/2002)**

	1 Year	5 Year	10 Year	Since Inception
VICEX	9.05%	0.74%	5.94%	8.06%
MSCI World Index	-6.96%	7.46%	8.62%	8.51%

**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 1.64% and 1.49%. Contractual fee waivers through 07/31/2023.

**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.

**Important Disclosures**

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**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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