



Vice Fund Commentary
June 2021

For the month of June, the Fund was -1.07%.

Market Review

As inflation fears receded, U.S. growth stocks led equities slightly higher in June. In a change from previous months, the Russell 1000 Growth Index was +6.3% and the Russell 1000 Value Index was -1.1% during the month. Bullish economic data coupled with the ongoing vaccine rollout provided a further tailwind to equities in general.

However, uncertainty related to the Covid-19 Delta variant was a headwind. Fears around potential curbs at casino-related stocks were a drag on the portfolio for the month. Further, developed international equity stocks were down which was a further performance drag.

From a market dynamics' standpoint, equity moves were historically typical of summer trading; i.e. low volumes and lower volatility. However, one important metric we follow is the amount of "tail risk" (or crash risk) investors are factoring into options markets. In the case of June 2021, the relative level of option put pricing to option call pricing was at its highest level ever recorded. Most of this protection buying is likely attributed to hedging the rapid rally. In short, there is some fear of a large down move in market.

Looking forward, we believe the muted reaction in credit markets is a risk factor. This spring's period of deflation may have been a short outlier, but longer-term inflation may be a possibility – more than the market has factored in.

Since VICEX is a holder of mainly consumer discretionary stocks that historically have high brand loyalty, we believe the Fund has a better chance of outperformance to "Big Tech", or other rate-sensitive stocks. The price inelasticity of many Vice Fund holdings may provide a buffer relative to the stock market at large.

Sincerely yours,

Paul Strehle

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.

Standardized performance as of (6/30/2021) Fund Inception (02/01/2002)

	1 Year	5 Year	10 Year	Since Inception
VICEX	27.04%	6.83%	9.12%	9.10%
MSCI World Index	39.87%	15.20%	10.48%	9.74%

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 07/31/2022.

DEFINITIONS:

Tail Risk: A form of portfolio risk that arises when the possibility that an investment will move more than three standard deviations from the mean is greater than what is shown by a normal distribution. Tail risks include events that have a small probability of occurring, and occur at both ends of a normal distribution curve.

The Russell 1000 Index: refers to a stock market index that is used as a benchmark by investors. It is a subset of the larger Russell 3000 Index and represents the 1000 top companies by market capitalization in the United States.

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.

6470-NLD-08052021



fundinfo@USAMutuals.com
1-800-MUTUALS
www.USAMutuals.com