Vice Fund (VICEX) Commentary
March 2023

The Vice Fund ended the month of March with a return of +2.26%.

Market Review

The Federal Reserve started hiking rates 13 months ago. In March, the stress of these hikes began to reveal cracks in the banking system. Three regional banks closed, and Credit Suisse had a forced takeover. By the end of March, government deposit backstops and a special lending facility for banks renewed confidence in the banking system, at least in the short term.

Equity market volatility, separate from the highly volatile banking sector, was relatively muted compared to volatility in the interest rates complex. For example, the CBOE VIX Index only briefly jumped above its three-month highs. Government backstops may have temporarily quashed contagion fears. However, the MOVE Index, a measure of Treasury rate volatility through options pricing, hit its highest level since the 2008 Financial Crisis.

Stresses in the banking system have created a challenge for a hawkish Federal Reserve. We believe there is a narrow path for the Federal Reserve to balance financial stability and price stability. Further, the uncertainty around the Federal Reserve hikes going forward may lead to another round of equity market volatility.

The fund has a bias to dividend-paying value stocks which lagged most growth-centric equity indices in March. We believe the out performance of value stocks since the end of 2021 was due for a pullback based on short-term market technicals instead of fundamental reasons. The main laggard in the portfolio has been military defense stocks while casinos have provided a boost.

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. 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.

**VIX**: VIX is the ticker symbol and the popular name for the Chicago Board Options Exchange's CBOE Volatility Index, a popular measure of the stock market's expectation of volatility based on S&P 500 index options.

**CBOE SKEW Index:** A measure of the perceived tail risk of the distribution of S&P 500 investment returns over a 30-day horizon.

**MOVE Index** - A measure of Treasury rate volatility through options pricing.

**Important Disclosures**
Click here for Prospectus

*The USA Mutuals Funds are distributed by Northern Lights Distributors, LLC, member FINRA/SIPC.*
*Northern Lights Distributors, LLC and USA Mutual Advisors, Inc. are not affiliated.*

**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.*

6128-NLD-04132023