



Vice Fund (VICEX) Commentary
November 2023

The Vice Fund ended the month of November with a return of +3.03%.

Market Review

Equity markets halted a three-month losing streak by posting the best month in over a year. Equity market volatility, as measured by the VIX, also fell to the lowest level since pre-pandemic – an indication fear is subsiding. Bonds also rallied sharply, with long yields biggest decline since December 2008.

In our view, the rally across equities and bonds was fueled by a softening labor market that tempered Federal Reserve hawkishness. As the labor market softens and inflation falls, Fed Fund futures markets are now pricing in a better than 50% chance of a March rate cut. This has led many investors to believe Chair Powell's posturing on "moving carefully" is more bark than bite.

We believe the market's risk-off approach may be premature and may even create a setup for greater downside risk if data comes in more bearish than expected. Chair Powell stated that inflation is far from the 2% target. That said, the unemployment rate remains below 4 percent with rising unemployment, which is precisely what the Fed wants. The bulls won in November, but going forward, a mountain of risk remains, and stock valuations are historically high.

The Vice Fund remains committed to its core belief that certain stocks are undervalued based on certain factions of society deeming these stocks as morally questionable. Our core holdings remain military defense, casino, alcohol, and tobacco stocks because they typically have an inelastic customer base that is unlikely to be swayed whether the product price rises or falls. While it can be frustrating for shareholders to hold the fund during risk-off periods in markets, we believe it is an important part of any portfolio to hold assets that historically have less downside when markets capitulate.

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 (9/30/2023) Fund Inception (08/30/2002)

	1 Year	5 Year	10 Year	Since Inception
VICEX	6.60%	0.20%	3.79%	7.36%
MSCI World Index	21.41%	6.99%	8.11%	8.44%

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 1.98% and 1.73%. The Fund's adviser, USA Mutuals Advisors, Inc. (the "Adviser"), has contractually agreed to reduce its fees and/or absorb expenses of the Fund, until July 31, 2024, to ensure that total annual fund operating expenses after fee waiver and reimbursement will not exceed 1.48% of the Fund's average daily net assets for each share class.

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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