



Vice Fund Commentary
September 2021

For the month of September, the Fund was -8.76%.

Market Review

September global equity markets were down as several risk factors weighed on the rally. The political and regulatory risk environment in China spread beyond technology stocks. China proposed greater oversight of the casino stocks in Macau which were down sharply mid-month. This put a damper on potential Western investment in China with an uncertain outcome. Further, China's Evergrande developer crisis raised concerns of potential contagion to other frothy real estate markets around the world. In short, markets were weighed by concerns about whether the risks were mainly regional or widespread.

In the United States, politicians continued to debate whether to raise the debt ceiling. This created fear of a default. Congress did pass a stopgap spending bill that will keep the government open until December 3rd. This extension is occurring with ongoing debate around President Biden's stimulus initiatives, and implied volatility for November is higher than near-term volatility as a result.

On the economic front, Federal Reserve Chair Jerome Powell said the tapering could begin as soon as the next meeting and did not refer to the recent inflationary pressures as "transitory". This added further headwinds to an uncertain equities market and sent the 10 Year Yield higher.

The Fund suffered mainly due to the *potential* for shorter Macau casino licensing terms than the current 20-year term due to expire June 26, 2022. The China technology collapse this summer demonstrated that selling first and asking questions later was a strategy taken by many managers in reaction to Chinese regulation. As the Macau government has moved through the first of four consultation sessions with the public through October, Macau casino names have stabilized. We believe staying diversified in the Fund and the casino sector globally is key to long-term returns. While volatility may run high, the Chinese government likely understands the risk to Western investment if concessions are not made to big casino operators. We believe the risk versus reward is potentially in our favor at current stock levels in those names.

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 (9/30/2021) Fund Inception (02/01/2002)

	1 Year	5 Year	10 Year	Since Inception
VICEX	10.07%	3.69%	9.55%	8.33%
MSCI World Index	27.98%	13.77%	12.50%	9.56%

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:

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.

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.

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