



Vice Fund (VICEX) Commentary
June 2024

The Vice Fund ended the month of June with a return of -3.86%.

Market Review

In June, equity markets continued higher and closed out the first half of 2024 as they started the year in a bull market—led primarily by large technology growth stocks. The breadth of the rally was limited, with only five of the eleven sectors showing positive returns. Gains were largely isolated in technology, consumer discretionary, and communication services stocks.

Treasury yields dropped across the board with the exception of short-dated T-Bills. Bond funds benefitted from the lower yields. We believe the yield moves were driven by a weaker jobs report and data that indicated inflation was being tamed in line with expectations.

The unemployment rate has steadily risen for the last twelve months, which may be cause for concern despite raising rate cut expectations in the near term. While the Federal Reserve may be using this strategy to control inflation in the short term, the end game is unclear.

The Fund's core four vice categories have continued to lag the growth-heavy major stock indices. While these top-heavy market-weighted indices have been a short-term boon for investors, we believe overconcentration risk in the top names may cause more volatility than expected if these stocks sell off.

The Vice Fund remains committed to its core belief that certain stocks are undervalued because certain factions of society deem them 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 by whether the product price rises or falls.

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 (6/30/2024) Fund Inception (08/30/2002)

	1 Year	5 Year	10 Year	Since Inception
VICEX	-4.94%	0.66%	2.83%	7.25%
MSCI World Index	19.92%	11.28%	8.99%	9.21%

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 are 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.

S&P 500 Index: An unmanaged composite of 500 large capitalization companies. This index is widely used by professional investors as a performance benchmark for large-cap stocks. You cannot invest directly in an index.

Volatility - The degree of variation of a trading price series over time, usually measured by the standard deviation of logarithmic returns.

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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VICE FUND: JUNE 2024 – COMMENTARY LETTER

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Volatility – The degree of variation of a trading price series over time, usually measured by the standard deviation of logarithmic returns.

Disinflation – A reduction in the rate of inflation.

Nasdaq – a global electronic marketplace for buying and selling securities.

Dow Jones – a price-weighted index that tracks 30 large, publicly-owned companies trading on the New York Stock Exchange and the Nasdaq.

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SYMBOL: VICEX

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VICE FUND

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Built on a steadfast foundation of progressive investment theory, our philosophy endeavors to meet the goals of our investors in any economic cycle. Perpetually striving to transform clearly defined expectations into successful and measurable results is the bedrock of our organization.

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