

Wavelength Interest Rate Neutral Fund

April 2019

Portfolio Commentary

- The portfolio generated profits of +1.80% in March amidst changing expectations for Fed policy that caught many investors off-guard
- In this context, the fund outperformed the Barclays Global Aggregate Bond Index which returned +1.25%
- Profits were driven by US government bonds, particularly 5-year and 10-year Treasury positions which rallied strongly as interest rates recalibrated following the Fed's March meeting
- Additional gains came from inflation-linked bonds, emerging market debt and corporate credit
- The portfolio has shifted exposure dynamically across the US yield curve to harvest a changing opportunity set for bonds and is positioned to profit in an unstable environment as the impact of policy becomes clear

Performance

	Cumulative Return as of 3/31/2019						Annualized Return as of 3/31/2019			
	March	YTD	1yr	3yr	5yr	ITD	1yr	3yr	5yr	ITD
WAVLX	1.80%	5.92%	4.86%	15.19%	13.11%	15.15%	4.86%	4.83%	2.50%	2.60%
Bloomberg Barclays Global Aggregate Bond Index	1.25%	2.20%	-0.39%	4.54%	5.31%	7.36%	-0.39%	1.49%	1.04%	1.30%
S&P BGCantor 0-3 Month US Treasury Bill Index	0.21%	0.59%	2.09%	3.47%	3.58%	3.60%	2.09%	1.15%	0.71%	0.65%

Source: Bloomberg LP

Correlation Statistics

Correlation vs. Government Bonds ¹	0.12	Correlation vs. Real Estate ⁴	0.31
Correlation vs. Corporate Credit ²	0.45	Correlation vs. FI / Credit Hedge Funds ⁵	0.31
Correlation vs. Commodities ³	0.31		

Investment Approach

Investment Strategy

The Fund is designed to harvest total return through diversification across instruments linked to the macroeconomic drivers of interest rates.

Target Portfolio



Investment Exposure

Investment exposures for the Fund are built systematically using investment disciplines examined by leading academics over multiple time frames and economic environments.

Macroeconomic Risk Budget – measures long-term, macroeconomic relationships of markets; combines these with volatility, skew, and other statistical measures of risk to generate risk budget

Momentum Signals – measure recent performance versus past performance

Carry Signals – measure current yields versus historical yields

Value Signals – measure current valuations versus historical valuations

About the Fund

INVESTMENT OBJECTIVE

Seeks total return.

KEY ADVANTAGES

Innovative Research

The Fund's investment strategy is grounded in academic research and uses financial and economic concepts commonly examined by leading academics.

Portfolio Hedging

The Fund uses four distinct sub-portfolios built based on the macroeconomic relationships of markets traded and quantitatively balances the portfolio's investment exposure.

Disciplined Risk Management

The Fund incorporates risk measures as part of its investment process which seeks to limit outsized sensitivity to any single economic outcome.

Ticker

WAVLX

Inception Date

9/30/2013

Investment Minimum*

\$100,000

12b-1 Fee

None

Gross Expense Ratio

1.85%

Net Expense Ratio**

1.29%

*Investment minimums waived for fee-based advisors and certain other investors. See Prospectus for additional details.

**Adviser contractually agreed until at least October 1, 2019 to waive management fee and/or reimburse expenses of Fund to the extent necessary to maintain total annual fund operating expenses at 0.99% of average daily net assets, exclusive of certain expenses such as those related to short sales and borrowing costs.

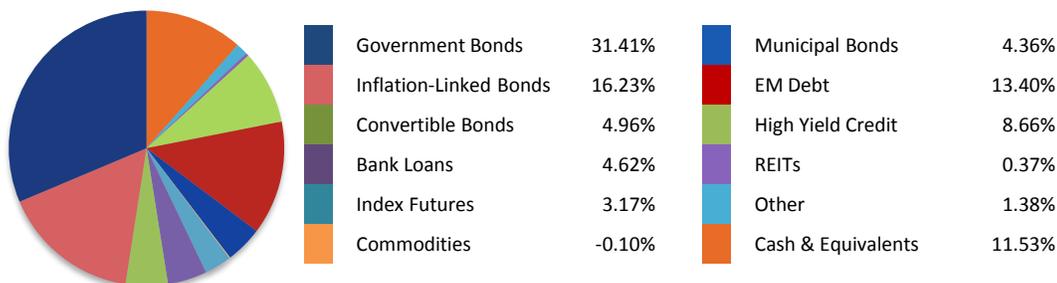
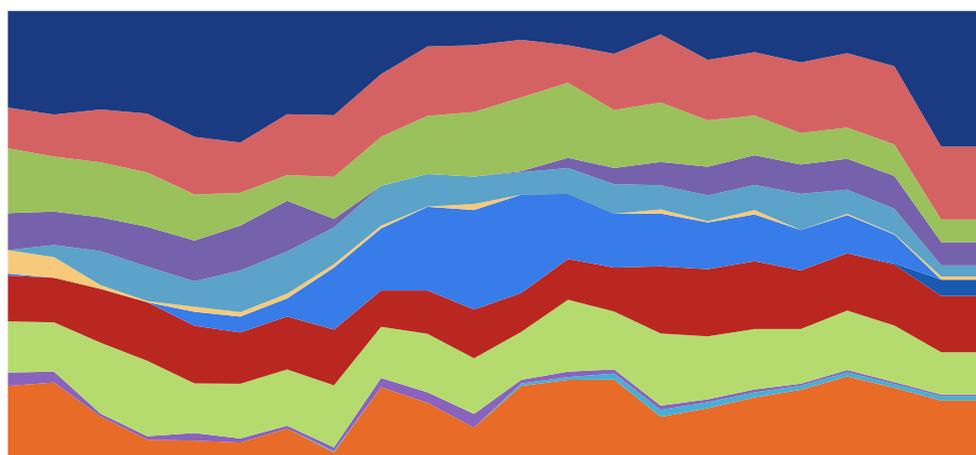
Notes: Daily correlation since inception; ¹ Morningstar Global Government Bond Index, ² Barclays Global High Yield Corp Index, ³ S&P / Goldman Sachs Commodity Index, ⁴ Bloomberg World Real Estate Index, ⁵ HFRX Fixed Income - Credit Index

The S&P/BGCantor U.S. Treasury Bill Index is a broad, comprehensive, market-value weighted index that seeks to measure the performance of the U.S. Treasury Bill market. You can not invest directly in the index. The Bloomberg Barclays Global Aggregate Bond Index is a global bond benchmark that includes treasury, government-related, and securitized bonds.

The performance data quoted represents past performance. Past performance does not guarantee future results. Investment returns 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 may be lower or higher than the performance data quoted. Call 1-866-896-9292 or visit www.wavelengthfunds.com for current month-end data. Control Number: 8393390-UFD-4/2/2019.



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Sector Allocation (as of 3/31/2019)

Historical Sector Allocation (as of 3/31/2019)


12/31/2013 9/30/2014 6/30/2015 3/31/2016 12/31/2016 9/30/2017 6/30/2018 3/31/2019

■ Government Bonds ■ Inflation-Linked Bonds ■ Bank Loans ■ Convertible Bonds ■ Index Futures ■ Commodities
■ Investment Grade Bonds ■ Municipal Bonds ■ EM Debt ■ High Yield Credit ■ REITs ■ Other
■ Cash & Equivalents

Portfolio holdings are subject to change and should not be considered a recommendation to buy or sell securities.

PRINCIPAL RISKS:

The use of derivatives, forward and futures contracts, and commodities exposes the Fund to additional risks including increased volatility, lack of liquidity, and possible losses greater than the Fund's initial investment as well as increased transaction costs. Concentration generally will lead to greater price volatility.

This Fund enters into a short sale by selling a security it has borrowed. If the market price of a security increases after the Fund borrows the security, the Fund will suffer a potentially unlimited loss when it replaces the borrowed security at the higher price. Short sales also involve transaction and other costs that will reduce potential Fund gains and increase potential Fund losses. Diversification does not eliminate risk. An investor considering the Fund should be able to tolerate potentially wide price fluctuations. The Fund is subject to high portfolio turnover risk as a result of frequent trading, and thus, will incur a higher level of brokerage fees and commissions, and cause a higher level of tax liability to shareholders in the Fund. The Fund may attempt to increase its income or total return through the use of securities lending, and they may be subject to the possibility of additional loss as a result of this investment technique.

This Fund is a non-diversified fund. Because the fund may invest in securities of smaller numbers of issuers, the Fund may be more exposed to the risks associated with and developments affecting an individual issuer than a fund that invests more widely, which may, therefore, have a greater impact on the Fund's performance.

This Fund is not suitable for all investors.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Fund before investing. To obtain a prospectus containing this and other important information, please call 1-866-896-9292 or visit www.wavelengthfunds.com to view or download a prospectus online. Read the prospectus carefully before you invest. There are risks involved with investing including the possible loss of principal. Past performance does not guarantee future results. Wavelength Funds are distributed by Ultimus Fund Distributors, LLC.

Wavelength Principals


Andrew Dassori

Co-Founder & Chief Investment Officer
Wavelength Capital Management
BSc, London School of Economics



Mark Landis

Co-Founder
Wavelength Capital Management
BS, Union College

About Wavelength Capital Management

Wavelength Capital Management is an asset management firm that provides research, advisory, and fund management services to institutional and individual investors. The firm's investment philosophy is based on the macroeconomic drivers of asset prices and its investment strategies are designed to generate consistent risk-adjusted returns uncorrelated with traditional asset classes over long-term macroeconomic cycles



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