



	MTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
BIVIX (Month-End)	1.00	2.98	9.54	-	-	-	8.61
Russell 3000 Index	-7.36	2.43	6.60	11.27	10.81	13.35	9.15
Morningstar Cat. Avg.	-4.70	-2.72	-0.23	2.76	2.55	3.41	2.12
BIVIX (Quarter-End)	2.24	1.96	8.98	-	-	-	8.36

Month-end data above is through 10/31/18 and quarter-end is through 09/30/18. Fund Inception: 06/19/17

Total operating fund expense as of 03/01/18: 3.09% (Gross), 2.63% (Net). Includes dividend and interest expense on short sales, acquired fund fees and expenses. When excluded the net with limitation expense ratio is 2.24%. See page 3 for more information.

*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. The fund imposes a 1.00% redemption fee on shares sold within 60 days. For performance information current to the most recent month-end, please call toll free 855-854-7258.*

## MONTHLY FUND REVIEW

The Balter Invenomic Fund returned +1.00% for October compared to -7.36% for the Russell 3000 Index, and -4.70% for the Morningstar Long/Short Equity Category Average. The long portfolio detracted -7.9% and the short portfolio added +8.8% during the month, on a gross basis. The portfolio averaged 92.8% long and -67.3% short, resulting in average net exposure of 25.5% and average gross exposure of 160.1%.

## MONTHLY COMMENTARY

October proved to be an interesting month. While we were a bit ahead of the curve with our calls against small caps and growth stocks, eventually things began turning our way. The beauty of what we do, however, is that we do not stay still. While lots is working in the portfolio, we are also always looking towards the future. On that note, October presented a lot of opportunities to shuffle the portfolio. We were able to buy some attractive companies, to decent size positions, in situations when we seemed to be the only buyer in town as others were getting more defensive. We were also able to opportunistically cover some of our shorts as they reached fair value.

While our positioning is starting to work, I believe we are still in the early innings. We believe our short portfolio is still robust and has substantial amounts of downside. Furthermore, as the economy begins rolling over under the weight of rising rates, other sectors of the economy including construction and autos are beginning to turn downward which we believe provides even more compelling short opportunities. We are very happy with how our long portfolio looks. We have made a conscious effort to stay away from secular losers and yet the aggregate portfolio trades at around a 6% FCF yield and 12 PE multiple.

We believe we are well positioned to continue delivering solid returns while aiming to mitigate market and rate risk and look forward to more volatility in the year to come.



Kind regards,

Ali Motamed

Portfolio Manager of the Balter Invenomic Fund

*The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the Fund and it may be obtained by calling 1-844-322-8112, or visiting [www.balterliquidalts.com](http://www.balterliquidalts.com).*

## **IMPORTANT FUND INFORMATION**

Mutual fund investing involves risk. Principal loss is possible. The Fund is non-diversified and may hold a significant percentage of its assets in the securities of fewer companies, and therefore events affecting those companies have a greater impact on the Fund than on a diversified fund. The Fund may use derivatives, including options, which may not perform as anticipated by the Sub-Advisers, may not be able to be closed out at a favorable time or price, or may increase the Fund's volatility. A counterparty's inability to fulfill its obligation may result in financial loss to the Fund. Increases and decreases in the value of the Fund's portfolio may be magnified when the Fund uses leverage.

The fund may make short sales of securities, which involves the risk that losses may exceed the original amount invested. Investments in debt securities typically decrease when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in lower rated and non-rated securities present a greater risk of loss to principal and interest than higher-rated securities. Investing in foreign securities exposes investors to economic, political and market risks, and fluctuations in foreign currencies. The fund may invest in the securities of small and medium sized companies. Small and medium company investing subjects investors to additional risks, including security price volatility and less liquidity than investing in larger companies.

Pursuant to an operating expense limitation agreement between Balter Liquid Alternatives, LLC (the "Adviser") and the Fund, the Adviser has agreed to waive its fees and/or absorb expenses of the Fund to ensure that Total Annual Fund Operating Expenses (excluding any front-end or contingent deferred sales loads, brokerage fees and commissions, acquired fund fees and expenses, borrowing costs (such as interest and dividend expense on securities sold short), taxes and extraordinary or non-recurring expenses, including, but not limited to, litigation) for the Fund do not exceed 2.24% and 2.54% of the Fund's average net assets, for Institutional Class and Investor Class shares, respectively, through February 28, 2019. This operating expense limitation agreement can be terminated only by, or with the consent of, the Board of Trustees. The Adviser is permitted to seek reimbursement from the Fund for fees it waived and Fund expenses it paid, subject to the limitation that: (1) the reimbursement for fees and expenses will be made only if payable within three years from the date on which they were incurred; and (2) the reimbursement may not be made if it would cause the expense limitation in effect at the time of the waiver or currently in effect, whichever is lower, to be exceeded.

The indices shown are for informational purposes only, are not reflective of any investment, nor are they professionally managed. As it is not possible to invest in the indices, the data shown does not reflect or compare features of an actual investment, such as its objectives costs and expenses, liquidity, safety, guarantees or insurance fluctuation of principal or return, or tax features. There is no guarantee that any investment strategy will achieve its objectives, generate profits, or avoid losses. Returns over one year are annualized and include the reinvestment of dividends and income.

The Russell 3000 Index is a market capitalization weighted equity index maintained by the FTSE Russell that provides exposure to the entire U.S. stock market. The index tracks the performance of the 3,000 largest U.S.-traded stocks which represent about 98% of all U.S. incorporated equity securities. Russell 3000 Value Index is a market-capitalization weighted equity index maintained by the Russell Investment Group and based on the Russell 3000 Index, which measures how U.S. stocks in the equity value segment perform. Included in the Russell 3000 Value Index are stocks from the Russell 3000 Index with lower price-to-book ratios and lower expected growth rates. The Russell 2000 Growth Index is a market capitalization weighted index based on the Russell 2000 index. The Russell 2000 Growth Index includes companies that display signs of above average growth. The Morningstar Long-Short Equity Category is an average monthly return of all funds in the Morningstar Long-Short Equity Category, including the Fund. The category contains a universe of funds with similar investment objectives and investment style, as defined by Morningstar. Performance of the indices and Morningstar Category Average is generated on the 1st business day of the month.

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