

CFHAX | CFHCX | CFHIX

The **Catalyst Hedged Commodity Strategy Fund** seeks to provide positive returns in most market conditions with low correlation to the global equity and commodity markets by investing in dynamic option strategies on physical commodity futures contracts.

## FUND OBJECTIVE

Capital appreciation independent from global equity or commodity markets and seeks a lower standard deviation from equity and other commodity markets.

## INVESTMENT STRATEGY

The Fund invests primarily in long and short call and put options on physical commodity futures contracts in agricultural products, energy and metals. It is managed as an absolute return, neutral strategy.

The Fund seeks to achieve its investment objective by buying and selling options and option spreads on commodity futures and trading options. Multiple dynamic option strategies are used to manage risk and take profits.

The Fund seeks to earn its return in several ways: (1) **Volatility Trading** -- the Fund may enter option positions designed to hedge or seek profit from either an increase or decrease in commodity volatility; (2) **Trend Following** -- under certain conditions the Fund may enter option positions that could profit from an established price trend; and (3) **Premium Collection** -- the Fund may write options to collect premium with the goal of retaining the premium as the options expire worthless or at a lower value.

Sector allocations are based on option volatility, pricing, seasonal dynamics and technical indicators.

Although the Fund's strategy can take advantage of advancing price trends, it is reactive in nature and does not depend on a prediction of market direction. The strategy allows for profit potential during the often seen range-trading commodity markets rather than needing an upward price bias or strong trend over time.

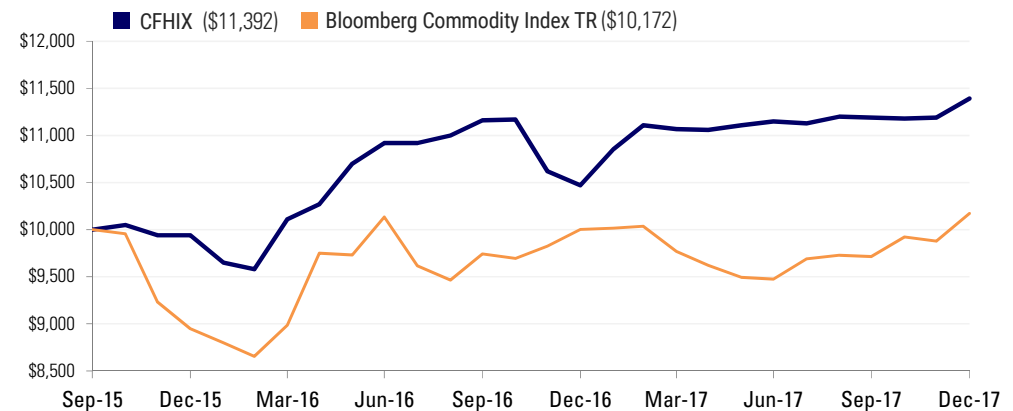
## Primary Goals & Reasons to Invest

**Investment Strategy:** The Fund seeks absolute positive returns regardless of commodity direction with a lower than average standard deviation compared to commodity benchmarks. The strategy involves trading option spreads and focusing on trades based on volatility, seasonality, technical analysis and price, with emphasis on volatility changes. Positions are focused as reactions to volatility and pricing, rather than attempting to forecast where the markets will be in the future.

**Non-Correlated:** The Fund seeks returns that are uncorrelated to equity and commodity markets through a strategy that profits from changes in options volatility, options volatility arbitrage, price and options volatility mean reversion and options time decay.

**Risk Management:** In an attempt to provide consistent returns and mitigate the extent of losses, the Fund employs strict risk management procedures to adjust portfolio exposure as necessitated by changing market conditions. Risk is viewed on an individual commodity basis as well as the overall portfolio. Spread trades are used, helping to limit risk and support the Funds overall lower standard deviation goal.

## Growth of \$10,000



## Performance (%): Ending December 31, 2017

Annualized if greater than a year

Share Class/Benchmark	3 Months	6 Months	YTD	1 Year	2 Year	Since Inception*
Class A	1.84	2.12	8.65	8.65	6.83	5.72
Class C	1.67	1.76	7.82	7.82	6.03	4.96
Class I	1.81	2.18	8.80	8.80	7.06	5.96
S&P 500 TR Index	6.64	11.42	21.83	21.83	16.79	18.30
Bloomberg Commodity Index TR	4.71	7.35	1.70	1.70	6.62	0.76
Class A w/ Sales Charge	-4.01	-3.76	2.40	2.40	3.70	2.97

\*Inception: 9/30/2015

**There is no assurance that the Fund will achieve its investment objective.**

*The Fund's maximum sales charge for Class "A" shares is 5.75%. Investments in mutual funds involve risks. Performance is historic and does not guarantee future results. Investment return and principal value will fluctuate with changing market conditions so that when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month end performance information or the funds prospectus please call the fund, toll free at 1-866-447-4228. You can also obtain a prospectus at [www.CatalystMF.com](http://www.CatalystMF.com).*

# Catalyst Hedged Commodity Strategy Fund

December 31, 2017

Class A: CFHAX | Class C: CFHCX | Class I: CFHIX



## Performance & Risk Statistics

(December 31, 2015 – December 31, 2017)

	CFHAX	BCOMM TR
Standard Deviation	7.14%	10.66%
Alpha (vs. BCOMM TR)	4.72	-
Beta (vs. BCOMM TR)	0.22	-
R-squared (vs. BCOMM TR)	0.11	-
% of Positive Months	55.6%	44.4%
Maximum Drawdown	-6.26%	-13.45%

## GLOSSARY & RISK CONSIDERATIONS:

**Alpha:** A measure of the difference between a fund's actual returns and its expected performance, given its level of risk as measured by beta. **Beta:** A measure of a fund's sensitivity to market movements. **R-squared:** A measure of the relationship between a portfolio and its benchmark. **Bloomberg Commodity Index TR** ("BCOMM TR") is composed of futures contracts and reflects the returns of fully collateralized investments in BCOM, which reflects commodity futures price movements. **Option Spread:** A type of option that derives its value from the difference between the prices of two or more assets. **S&P 500 Total Return Index** is considered to be generally representative of the U.S. large capitalization stock market as a whole.

You cannot invest directly in an index and unmanaged index returns do not reflect any fees, expenses or sales charges

### Past performance is not a guarantee of future results.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Catalyst Funds. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 866-447-4228 or at [www.CatalystMF.com](http://www.CatalystMF.com). The prospectus should be read carefully before investing. The Catalyst Funds are distributed by Northern Lights Distributors, LLC, member FINRA/SIPC. Catalyst Capital Advisors, LLC is not affiliated with Northern Lights Distributors, LLC.

*Investing in the Fund carries certain risks. The Fund will invest a percentage of its assets in derivatives, such as futures and options contracts. The use of such derivatives and the resulting high portfolio turnover may expose the Fund to additional risks that it would not be subject to if it invested directly in the securities and commodities underlying those derivatives. The Fund may experience losses that exceed those experienced by funds that do not use futures contracts, options and hedging strategies. Investing in commodities markets may subject the Fund to greater volatility than investments in traditional securities. Changes in interest rates and the liquidity of certain investments could affect the Fund's overall performance. The Fund is non-diversified and as a result, changes in the value of a single security may have significant effect on the Fund's value. Other risks include U.S. Government securities risks and investments in fixed income securities. Typically, a rise in interest rates causes a decline in the value of fixed income securities or derivatives owned by the Fund. Furthermore, the use of leveraging can magnify the potential for gain or loss and amplify the effects of market volatility on the Fund's share price. The Fund is subject to regulatory change and tax risks; changes to current rules could increase costs associated with an investment in the Fund. These factors may affect the value of your investment.*

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## FUND MANAGEMENT

### Investment Advisor

Catalyst Capital Advisors LLC

### Edward S. Walczak

#### Portfolio Manager

- Managing member and portfolio manager of Harbor Financial, LLC, a registered Commodity Trading Advisor from 2005 to present
- Formerly: VP of Operations of Acuity Specialty Products; VP of Supply Chain, VP of Purchasing and VP of Engineering at Brach and Brock Confections; Captain of the U.S. Army Corps of Engineers
- BA in Physics and Economics from Middlebury College and MBA from Harvard University's Graduate School of Business

### Kimberly Rios, CFA, CMT

#### Portfolio Manager

- Formerly: Equity Trader, Assistant Currency Trader, Equity Analyst and Portfolio Specialist
- BSBA in Economics and Finance from the University of Arizona. Equity and Assistant Currency Trader at Brandes Investment Partners; Assistant Portfolio Manager and Trader at Roxbury Capital Management; Equity Analyst at Northern Capital; Portfolio Specialist at RMR Financial Advisor

## INVESTMENT INFORMATION

Total AUM				\$103 million
<small>(all share classes as of 12/31/17)</small>				
Min. Initial Investment				\$2,500
Subsequent Investment				\$50
Inception				09/30/2015
Benchmark				S&P 500 TR Index
	Class	Ticker	CUSIP	Net Expense*
	A	CFHAX	62827P808	2.24%
	C	CFHCX	62827P881	2.99%
	I	CFHIX	62827P873	1.99%

\*Gross expense ratios for the fiscal year are estimated to be 2.52%, 3.27% and 2.27% for the A, C and I shares respectively.

4142-NLD-1/18/2018

NOT FDIC INSURED • MAY LOSE VALUE • NOT BANK GUARANTEED

866-447-4228 | [www.CatalystMF.com](http://www.CatalystMF.com)