

How does Managed Futures measure up, historically?

Market indexes are useful tools that reflect some area of the market, typically organized by a commonality such as market-cap size, region, style, or factor.

Managed futures has historically been a challenging asset class to accurately reflect in an index format. There is a wide dispersion amongst strategies, from the trading style to the regional exposure. About the only commonality is they trade futures!

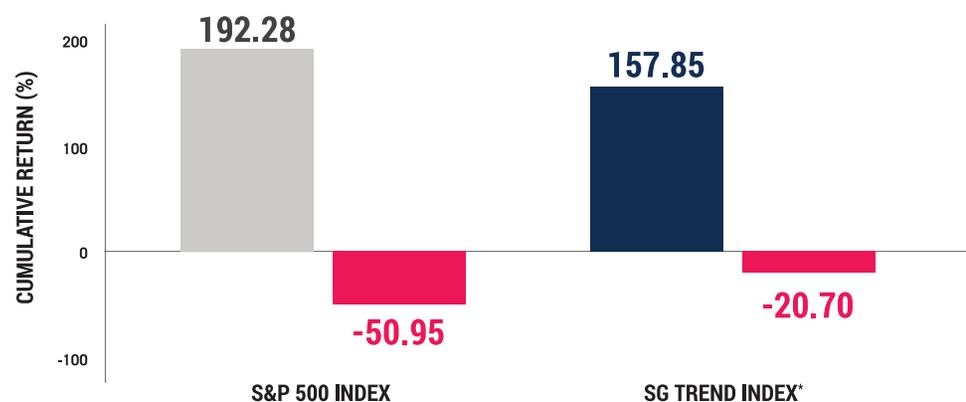
Societe Generale created the SG Trend Index in an attempt to solve this issue. The Index is composed of the ten largest managed futures hedge fund strategies in the world that are open to new investors. The Index excludes fund-of-hedge funds.

We find the Index to be an useful tool for demonstrating some of the benefits an investor may realize by owning managed futures, including positive absolute returns, low equity correlation and a generally diversified portfolio spread across global stock, bond, currency, and commodity markets.

CUMULATIVE RETURNS & MAX DRAWDOWNS

JAN. 1, 2000 - JUN. 30, 2019

■ CUMULATIVE RETURN ■ MAX DRAWDOWN



*Represents Managed Futures Hedge Funds

Source: Morningstar Direct

Hedge Fund Peers

(Represented by the SG Trend Index)

AQR Capital Mgmt.
(Managed Futures Offshore)

AlphaSimplex Group
(Managed Futures)

Aspect Capital
(Diversified)

Graham Capital Mgmt.
(Tactical Trend A)

GSA Capital Partners
(GSA Trend Fund)

ISAM LLP
(Systematic Trend)

Lynx Asset Management
(Lynx Bermuda D)

Man Investments
(Man AHL Alpha)

Systematica Investments
(BlueTrend)

Transtrend BV
(DTP Enhanced Risk)

PAST PERFORMANCE IS NOT AN INDICATION OF FUTURE PERFORMANCE.

PROSPECTUS OFFERING DISCLOSURE

Investors should carefully consider the investment objectives, risks, charges and expenses of the Longboard Managed Futures Strategy Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained at <http://www.longboardmutualfunds.com> or by calling 855-294-7540. The prospectus should be read carefully before investing. The Longboard Managed Futures Strategy Fund is distributed by Northern Lights Distributors, LLC, a FINRA/SIPC member. Longboard Asset Management, LP, is not affiliated with Northern Lights Distributors, LLC.

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Index performance in this document was sourced from third party sources deemed to be accurate, but is not guaranteed. All index performance is gross of fees and would be lower if presented net of fees except for the SG Trend Index, which is net of fees. Investors cannot invest directly in the indexes referenced in this document.

SG Trend Index: A leading benchmark for tracking the performance of a pool of the largest managed futures trend following based hedge fund managers that are open to new investment. The SG Trend Index is equal-weighted and reconstituted annually.

Diversification does not eliminate the risk of experiencing investment losses.

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