

The **AlphaCentric Premium Opportunity Fund Class I Shares** (HMXIX) posted a return of +2.63% in February to keep pace with the 60/40 portfolio’s return of 2.72% for the month (as represented by VBINX), and is not far behind the S&P 500 at 5.34%. HMXIX has now gained 3.13% year-to-date (YTD), with the 60/40 portfolio’s YTD return of 3.34%, and SPY’s YTD return of 7.11%.

US stocks continued their ascent in February, with the S&P 500 and Nasdaq indexes reaching new all-time highs. Yet, volatility has not decreased to all-time lows in response, with the VIX sitting roughly 2 points higher than where it began 2024. With HMXIX in its Market Rising/Volatility Falling quadrant (quadrant 3 below), even while participating largely in the rally thus far, this setup has capped the Fund’s upside some. Part of what is happening in the volatility space is an inversion of the classic mantra that markets take the stairs up and the elevator down. Currently, the S&P is seeing about 3% more volatility on market up moves than on down moves; which is likely keeping a bit of a bid in volatility pricing.

Exhibit 2: SPX Realized Vol on Up vs. Down Days

	SPX Realized Vol		
	Up Days	Down Days	Spread (D-U)
2024 YTD	13.2	10.3	-2.9
2023	13.6	12.7	-1.0
2022	25.3	23.2	-2.1
2021	13.0	13.5	0.6
2020	31.3	38.4	7.1
2019	12.0	13.5	1.5
2018	15.2	19.0	3.8
2017	7.0	6.5	-0.4

Source: Cboe



Moving forward, we believe HMXIX’s suite of options strategies and VIX-based downside defense remains well-positioned. If downside market volatility returns to a more prominent position versus its upside cousin, HMXIX’s income-generating option strategies should perform a bit better. While in the meantime, we’re able to warehouse positions that may enable HMXIX to ‘flip the sign’ in a sharp downturn for stocks.

Fund Performance as of 12/31/23 (Annualized if greater than one year)

	QTD	YTD	1 YR	3 YR	5 YR	10 YR	Inception
HMXIX (Inception 9/1/11)	6.18	13.36	13.36	3.00	10.25	6.98	9.21
S&P 500 TR Index from 9/1/11	11.69	26.29	26.29	10.00	15.69	12.03	13.89
HMXAX (Inception 9/30/16)	6.09	13.06	13.06	2.74	9.97	-	6.73
HMXCX (Inception 9/30/16)	5.92	12.22	12.22	1.97	9.27	-	6.03
S&P 500 TR Index from 9/30/16	11.69	26.29	26.29	10.00	15.69	-	13.51
HMXAX After Sales Charges	0.00	6.56	6.56	0.74	8.69	-	5.86

The 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 when redeemed, it may be worth more or less than their original cost, and current performance may be lower or higher than the performance data quoted. To obtain performance data current to the most recent month-end, please call 844-ACFUND (844-223-8637) or visit www.AlphaCentricFunds.com.

The maximum sales charge for Class "A" Shares is 5.75%. The Fund's total operating expenses are 2.45%, 3.20%, and 2.20% for the Class A, C, and I Shares respectively.

S&P 500 Total Return Index: The Standard and Poor's 500, or simply the S&P 500, is a stock market index tracking the stock performance of 500 largest companies listed on stock exchanges in the United States. It is one of the most commonly followed equity indices.

VBINX: The investment seeks to track the performance of a benchmark index that measures the investment return of the overall U.S. stock market with 60% of its assets; the investment seeks to track the performance of a broad, market-weighted bond index with 40% of its assets. The investment employs an indexing investment approach designed to track the performance of two benchmark indexes. With approximately 60% of its assets, it seeks to track the investment performance of the CRSP US Total Market Index. With approximately 40% of its assets, it seeks to track the investment performance of the Bloomberg U.S. Aggregate Float Adjusted Index.

VIX: VIX is the ticker symbol and the popular name for the Chicago Board Options Exchange's CBOE Volatility Index, a popular measure of the stock market's expectation of volatility based on S&P 500 index options.

Important Risk Information

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 and options strategies. Investing in commodities markets may subject the Fund to greater volatility than investments in traditional securities. Currency trading risks include market risk, credit risk and country risk. Foreign investing involves risks not typically associated with US Investments. 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. Please see the prospectus for all of the principal risks of investing in the Fund.

Investors should carefully consider the investment objectives, risks, charges and expenses of the AlphaCentric Funds. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 844-ACFUND (844-223-8637) or at www.AlphaCentricFunds.com The prospectus should be read carefully before investing. The AlphaCentric Funds are distributed by Northern Lights Distributors, LLC, member FINRA. AlphaCentric Advisors LLC is not affiliated with Northern Lights Distributors LLC.