

## The Spectrum Low Volatility Fund Update

### Fund Commentary

With the Federal Reserve reiterating their hawkish commitment to fighting inflation, investor actions suggested a change from believing a soft landing was possible to the increased likelihood of a hard landing. Following suit, most bond sub-classes entered December with positive momentum and shifted to neutral or negative momentum as the month progressed. Within the Spectrum Low Volatility Fund, our moderate high yield exposure going into the month was sold and municipal bonds were trimmed. Floating rate also slowed forward progress, but held steady near multi-month highs, justifying no change in the portfolio.

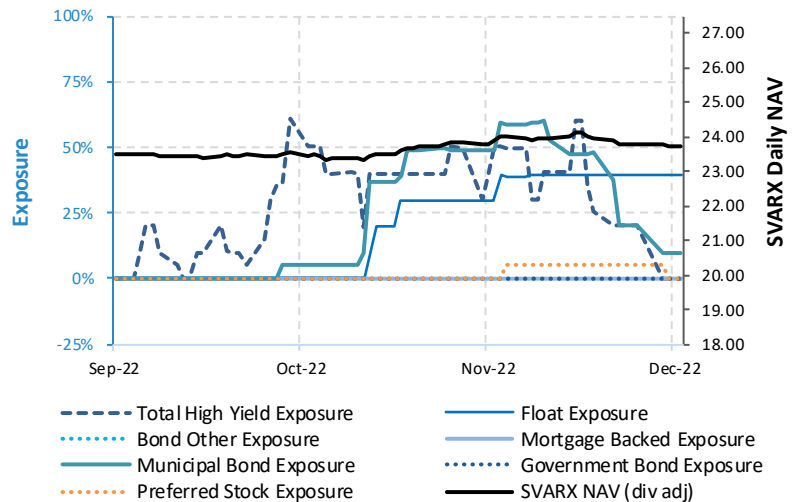
### Portfolio Allocation

	11/30/2022	12/31/2022
High Yield Bond	29.97%	0.00%
Mortgage-Backed	0.00%	0.00%
HY Credit Default Swaps	20.03%	0.00%
Municipal	49.15%	10.00%
Government	0.00%	0.00%
Preferred	0.00%	0.00%
Floating Rate	29.35%	39.67%
Bond Other	0.00%	0.00%

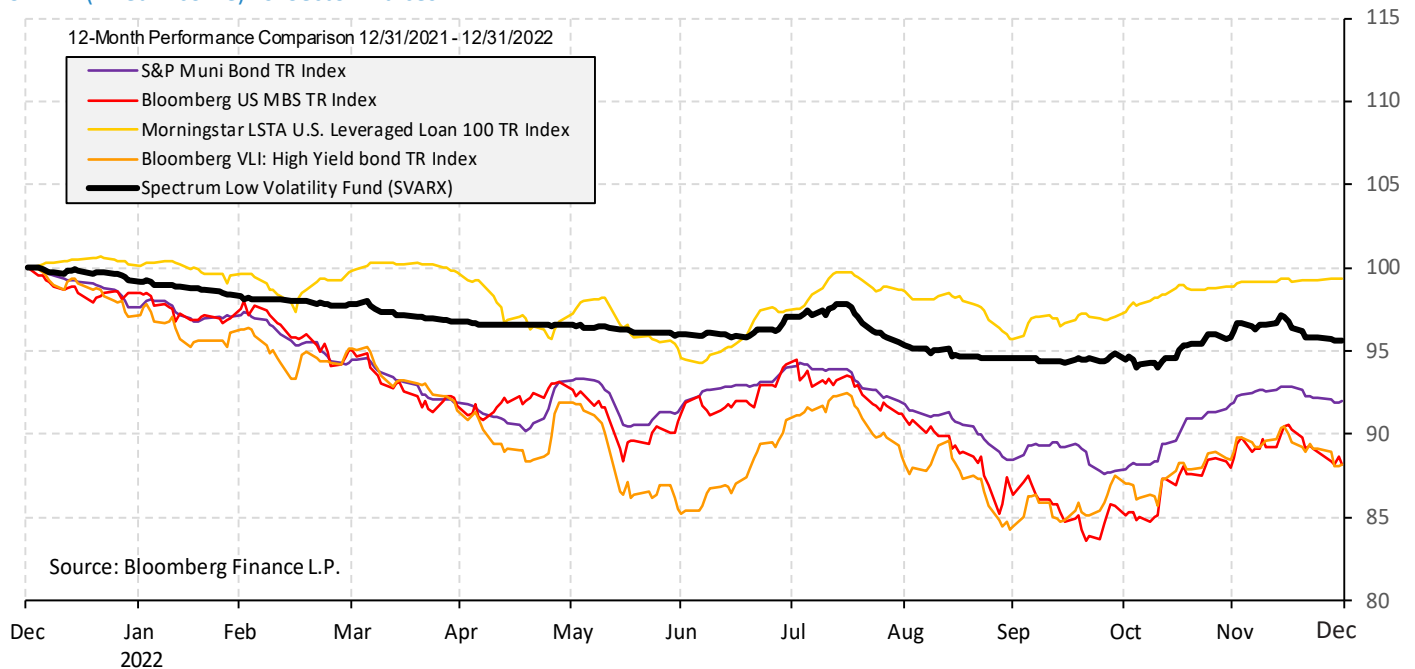
Can contain derivatives and/or short positions

**128.49%**      **49.67%**

### Exposure Allocation (9/30/2022 - 12/31/2022)



### SVARX (Fixed Income) vs. Sector Indices



Source: Bloomberg Finance L.P.

The chart above shows how the Fund performed against related sector indices for the past 12 months. The Fund focuses on domestic fixed income and credit markets, but can invest globally when prudent. The management team navigates the various bond classes and their specific characteristics. Various bond classes tend to move in different directions from each other, as some tend to perform better when there is economic growth while other classes perform better during times of heightened instability. The Fund's holdings and exposure can shift on a daily basis allowing it to be nimble. Spectrum's core philosophy is to achieve competitive returns without sacrificing the goal of risk management.



Annualized total return performance

As of 12/31/2022	SVARX	Morningstar LSTA U.S. Leveraged Loan 100 TR Index	50/50 Bloomberg VLYHI/Morningstar LSTA U.S. Leveraged Loan 100 TR Index
MTD	-0.59%	0.52%	-0.18%
YTD	-4.35%	-0.63%	-6.25%
As of 12/31/2022			
Qtr	1.15%	3.80%	4.07%
1 Year	-4.35%	-0.63%	-6.25%
3 Years	7.31%	1.90%	0.53%
5 Years	6.00%	3.08%	2.45%
Since Inception	6.39%	3.05%	3.10%

Inception Date: 12/16/2013; Expense Ratio 3.02%

Annual performance at net asset value (all distributions reinvested)

	2014	2015	2016	2017	2018	2019	2020	2021	2022
SVARX	2.41%	1.08%	16.45%	8.26%	-0.99%	9.42%	24.10%	4.10%	-4.35%
Morningstar LSTA U.S. Leveraged Loan 100 TR Index	0.99%	-2.75%	10.87%	3.30%	-0.59%	10.65%	2.84%	3.54%	-0.63%
50/50 Bloomberg VLYHI/Morningstar LSTA U.S. Leveraged Loan 100 TR Index	1.55%	-4.01%	13.76%	5.06%	-1.58%	12.97%	4.36%	4.02%	-6.25%

The performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value will fluctuate, so that 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 and assumes the reimbursement of any dividend and/or capital gains distributions. To obtain performance data current to most recent month-end, please call toll free 1-888-572-8868.

All performance data are sourced from Bloomberg Finance L.P.

**Consider these risks before investing:** Bond risk, derivatives risk, emerging market risk, foreign investment risk, equity risk, inverse ETF risk, junk bond risk, leverage risk, management risk, market risk, mutual fund and ETF risk, short position risk, small and medium capitalization risk, and turnover risk. There is no guarantee the fund will achieve its investment objective. You can lose money by investing in the fund. Please carefully review the prospectus for detailed information about these risks.

Bloomberg US MBS Mortgage Backed Securities (MBS) Index tracks agency mortgage backed pass-through securities (both fixed-rate and hybrid ARM) guaranteed by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC). The Index is constructed by grouping individual TBA-deliverable MBS pools into aggregate or generics based on program, coupon and vintage.

Bloomberg U.S. Municipal Index covers the USD-denominated long-term tax exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds and pre-refunded bonds.

Morningstar LSTA U.S. Leveraged Loan 100 TR Index (formally S&P/LSTA U.S. Leveraged Loan 100 TR Index): This benchmark tracks the investable senior loan market and consists of the 100 largest loan facilities that meet all eligibility requirements using a rule-based set of criteria. Data reflects last business day for end of period.

Bloomberg US High Yield Very Liquid TR Index: This benchmark includes publicly issued U.S. dollar denominated non-investment grade, fixed-rate taxable corporate bonds that have a remaining maturity of at least one year, regardless of optionality. The bonds are rated high yield (Ba1/BB+/BB+ or below) using the middle rating of Moody's, S&P, and Fitch, respectively (before July 1, 2005, the lower of Moody's and S&P was used). Included issues consist of only the three largest bonds from each issuer that has a minimum amount outstanding of \$500 million or more (face value) and less than five years from issue date.

50/50 Bloomberg VLI HY/Morningstar LSTA U.S. Leveraged Loan 100 TR Index: This benchmark gives 50% weight to the Barclays VLI HY Index and 50% weight to the Morningstar LSTA U.S. Leveraged Loan 100 TR Index. Bloomberg VLI HY benchmark includes publicly issued U.S. dollar denominated non-investment grade, fixed-rate taxable corporate bonds that have a remaining maturity of at least one year, regardless of optionality. The bonds are rated high-yield (Ba1/BB+/BB+ or below) using the middle rating of Moody's, S&P, and Fitch, respectively (before July 1, 2005, the lower of Moody's and S&P was used). Included issues consist of only the three largest bonds from each issuer that have a minimum amount outstanding of \$500 million or more (face value) and less than five years from issue date. Morningstar LSTA U.S. Leveraged Loan 100 TR Index is designed to reflect the performance of the largest facilities in the leveraged loan market.

Request a prospectus or a summary prospectus from your financial representative or by calling Ultimus Fund Solutions, LLC. at 855-582-8006 or access [www.thespectrumfunds.com](http://www.thespectrumfunds.com). These prospectuses include investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

Advisors Preferred, LLC serves as Advisor to The Spectrum Funds distributed by Ceros Financial Services, Inc. (Member FINRA/SIPC). Advisors Preferred is a commonly held affiliate of Ceros. Ceros Financial Services has no affiliation with Spectrum Financial, Inc. who is the sub-advisor of The Spectrum Funds. Ultimus Fund Solutions, LLC serves as transfer agent to the Fund and is not affiliated with the advisor, subadvisor or distributor.

Date of first use: 1/6/2023  
Review Code: SVF122022