

LYFIX
LYFAX
LYFCX

When considering investment strategies, investors naturally hope for periods of positive performance, but should be aware of the possibilities of the strategy to produce periods of negative performance. These periods of negative performance are sometimes referred to as “drawdowns.”

At the moment, the healthcare/biotech market is experiencing a drawdown. This piece explores the opportunities this drawdown presents.

The S&P Biotechnology Select Industry Index (XBI) represents the biotechnology segment of the S&P Total Market Index. In the past 14 years, there have been multiple instances of drawdowns greater than 10%. These drawdowns are shown below, along with information regarding subsequent recoveries. While past performance is not necessarily indicative of future results, following these significant drawdowns historically, the next one-year performance has seen an average positive performance of 26%.

Drawdown Begin	Drawdown End	Max Drawdown	Max Drawdown Recovery	1 Year After Recovery Date	18 Months After Recovery Date
Dec 2007	Mar 2008	-11.67%	Jul 2008	-8.14%	1.33%
Aug 2008	Apr 2009	-33.85%	Apr 2011	24.99%	15.44%
Jun 2011	Sep 2011	-20.78%	Jan 2012	40.33%	30.55%
Mar 2014	Apr 2014	-21.33%	Oct 2014	55.23%	20.01%
Aug 2015	Feb 2016	-43.64%	Sep 2017	28.79%	34.19%
Sep 2018	Dec 2018	-28.09%	May 2020	14.82%	17.48%
Jan 2021	Dec 2021	-26.63%	TBD	TBD	TBD

Source: Zephyr StyleADVISOR

Average Return -->	26.00%	19.83%
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Again, although past performance is not always indicative of future results, history shows us that healthcare/biotech investors who were able to hold their investments through drawdowns or made the decision to add funds during these largest drawdown periods were ultimately rewarded.

Comparing the Fund to the XBI	As of 3/31/2022	3-Month	YTD	1-Year	Since Fund Inception
	LYFIX (Inception: 11/29/19)	2.76%	2.76%	-2.47%	20.82%
	XBI	-19.55%	-19.55%	-33.54%	-1.47%

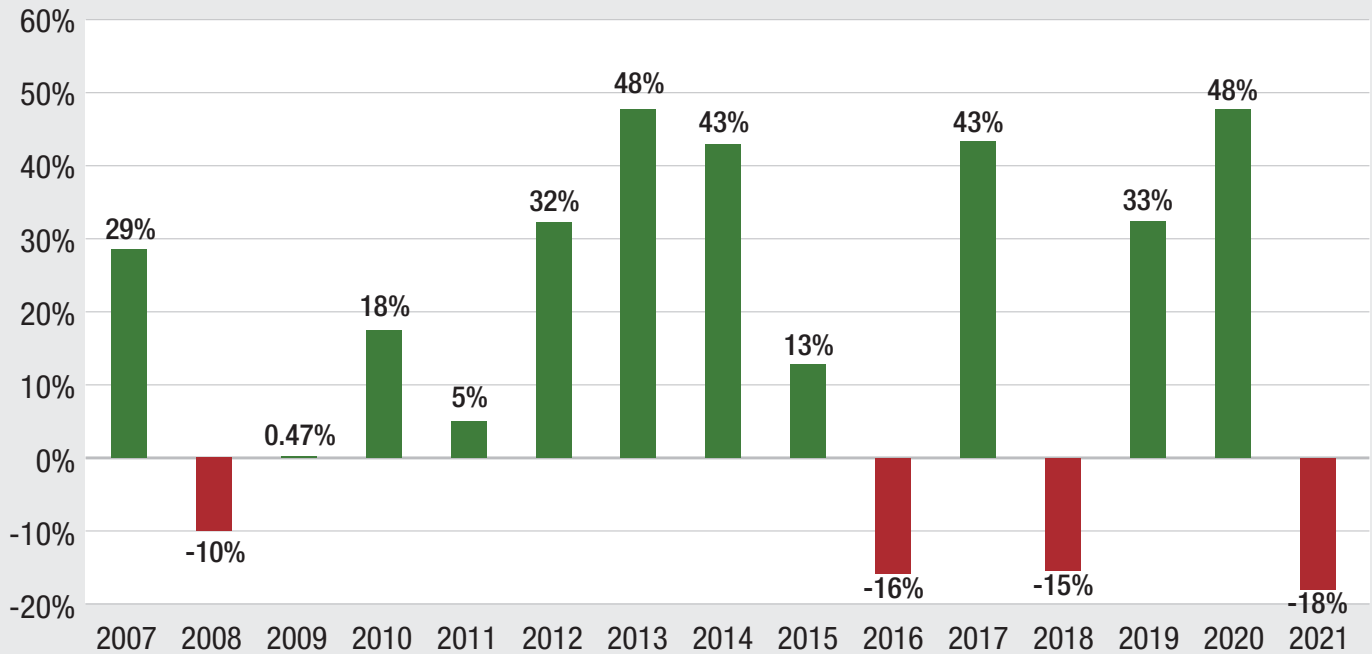
Data shown represents past performance and is not indicative of future results. Indexes do not incur expenses and are not available for investment. Index performance is not illustrative of Fund performance.

Looking at Patterns

Below is a visual representation of the XBI's performance over the past 15 years. This graphic is a clear illustration of the pattern described on page one.

Since inception in January 2006, the XBI has had four negative years: 2008, 2016, 2018 and 2021. Each time this happened, the index was positive the following year.

Annual XBI Returns



Source: Jefferies

So - although past performance is no guarantee of future results - it's hard not to be hopeful about what 2022 has in store for biotech investors.

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Fund Performance as of 3/31/22 (Annualized if greater than 1 year)

Inception Date: 11/29/19	QTD	6 Mos	YTD	1 Year	2 Year	Inception
LYFIX	2.76	-2.21	2.76	-2.47	27.63	20.82
LYFAX	2.69	-2.37	2.69	-2.74	27.33	20.57
LYFCX	2.46	-2.73	2.46	-3.54	26.68	20.05
S&P Biotechnology Select Industry Total Return Index	-19.55	-28.35	-19.55	-33.54	7.90	-1.47
S&P 500 Health Care Sector TR Index	-2.58	8.31	-2.58	19.10	26.35	17.03
Class A After Sales Charges	-3.18	-8.00	-3.18	-8.34	23.63	17.55

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-ACFUNDS (844-223-8637) or at our website www.AlphaCentricFunds.com.

The maximum sales charge for Class “A” Shares is 5.75%. The Fund’s total operating expenses are 2.77%, 3.52%, and 2.52% for the Class A, C, and I Shares respectively.

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 U.S. 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.

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-ACFUNDS (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/SIPC. AlphaCentric Advisors, LLC is not affiliated with Northern Lights Distributors, LLC.

Key Definitions

Maximum Drawdown is the percentage loss that a fund incurs from its peak net asset value to its lowest value. Usually expressed as a percentage decline in net asset value.

The **S&P Biotechnology Select Industry Total Return Index** represents the bio-technology sub-industry portion of the S&P Total Markets Index.

The **S&P 500 Health Care Sector TR Index** comprises those companies included in the S&P 500 that are classified as members of the GICS health care sector. You cannot invest directly in an index. Unmanaged index returns do not reflect fees, expenses or sales charges. There is no assurance that the Fund will achieve its investment objective.