AlphaCentric Premium Opportunity Fund
Quarterly Commentary 1Q2022

HMXIX
HMXAX
HMXCX

March 31, 2022 — The AlphaCentric Premium Opportunity Fund (HMXIX) returned +1.58% in the month of March, to bring its first quarter performance to -3.02%, which outpaced the S&P's -4.60% loss to start the year.

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

	QTD	YTD	1 YR	3 YR	5 YR	10 YR	Inception
HMXIX (Inception 8/1/11)	-3.02	-3.02	2.51	13.28	8.82	9.62	10.36
HMXAX (Inception 9/30/16)	-3.08	-3.08	2.24	13.01	8.43	-	8.19
HMXCX (Inception 9/30/16)	-3.27	-3.27	1.46	12.35	7.75	-	7.51
S&P 500 TR Index	*-4.60*	*-4.60*	*15.65*	*18.92*	*15.99*	-	*16.46*
Class A After Sales Charges	-8.65	-8.65	-3.62	10.80	7.16	-	7.03

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 4.75%. Total Operating expenses for the Fund are 2.39%, 3.14%, and 2.14% for Class A, C, and I shares, respectively.

Market Overview

The first quarter saw multiple themes – which historically don't play well with one's portfolio – play out alongside one another: war, inflation, and record bond market losses.

- The threat of Fed rate hikes sent markets lower in January
- The threat of war sent markets lower in February
- And then actual war sent markets into correction territory mid-March

As of March 14th, the S&P 500 stood at -12%, while the Nasdaq was -20%, and the classic diversifier, bonds (as represented by AGG), was down -6%. There was nowhere to hide, except in long volatility and VIX hedges.

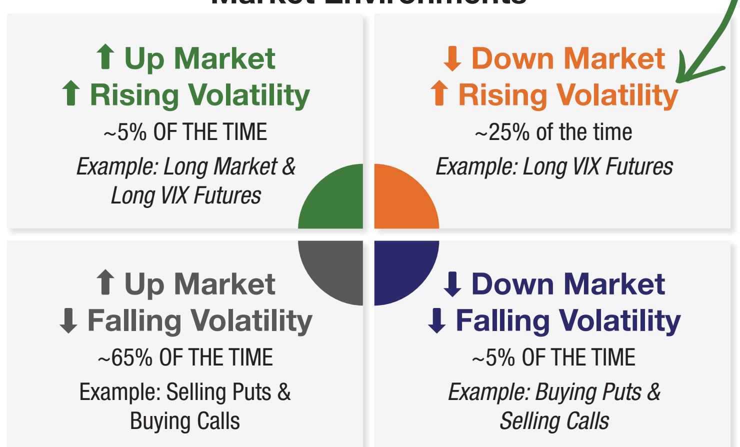
But, even that was a more difficult game than it appeared, with the further out of the money defense remaining stubbornly expensive (lots of people wanting to hedge). That pricey defense made for less upside when this sell-off materialized – as evidenced by the VIX up approximately 50% in this go around, mid-March 2022, versus the VIX being up roughly 3 times as much when the S&P was down roughly the same amount as the sell off started in March of 2020.

Fund Overview

Despite these difficulties in the cost of hedging, the Fund was able to pivot to a defensive mode and guard the Portfolio quite well – consistently clocking in at about half the losses of the S&P at the largest inflection points.

Positioning during the first quarter was predominantly in the ***Down Market/ Rising Volatility*** quadrant, which aims to include beneficial volatility exposure via long VIX futures.

Market Environments



But while that positioning was in place on average in the first quarter, it was a curious path to get there. January had to pivot from the ***Up Market/ Falling Volatilty*** quadrant, while the end of February and second half of March both saw markets quickly shift back to ***risk on***. Apple's stock, for example, added half a trillion in market cap, rising 11 days in a row from March 15th to the 29th, bringing the S&P along with it to close positive on the month.

Outlook

The outlook for the year ahead is as cloudy as ever. One of the most consistent recession indicators of the past 50 years is flashing bright red, with the US 2 Year/10 Year Treasury Yield curve inverting to signal a lack of faith in future growth amidst rising short term rates.

There's the Fed hell-bent on not just raising interest rates, but also removing the massive bond buying it has been doing for quite some time.

And of course, $5/gallon gasoline and mortgage rates back up at 5% affecting real people in the real economy.

"...we have world economies ready to re-open after COVID and the **potential that all of this bad news has already been priced in.**"

There are tons of headwinds, which is no doubt why the stock market was down in the first quarter. But at the same time, we have world economies ready to re-open after COVID and the potential that all of this bad news has already been priced in. Oil already went from $50 to $125. Will it really go from $125 to $300 per barrel? Similarly, the 2s/10s curve has already inverted, will it invert more?

These battling narratives are likely to keep pressure on US stock markets – with drops and sharp recoveries like we saw in March more common than not. Given such, our models are likely to stay in the upper half of our four quandrants for the foreseeable future – where volatility is rising, and the market either rising or falling.

As such, the Fund will look to participate in that rising volatility a bit more, targeting Long VIX Futures, while potentially selling less Puts on the downside. The trick will be managing the potentially high cost of that downside protection. Our target, meanwhile, will remain in place for participation in some of the market's upside (approximately 30% to 40%), while attempting to hedge against a sharp -10% down move.

We've had inflation, recession, and even war thrown at this market… what else can 2022 bring? α

Disclosure

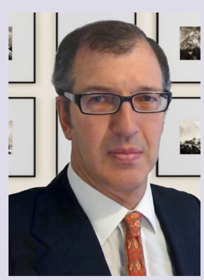
The Performance shown before December 31, 2016 is for the Fund's Predecessor Fund (Theta Funds, L.P.) The Fund's management practices, investment goals, policies, objectives, guidelines and restrictions are, in all material respects, equivalent to the predecessor limited partnership. From its inception date, the predecessor limited partnership was not subject to certain investment restrictions, diversification requirements and other restrictions of the 1940 Act of the Code, if they had been applicable, it might have adversely affected its performance. In addition, the predecessor limited partnership was not subject to sales loads that would have adversely affected performance. Performance of the predecessor fund is not an indicator of future results.

S&P 500 Index is considered to be generally representative of the U.S. large capitalization stock market as a whole.

Important Risk Information

Investing in the Fund carries certain risks. The value of the Fund may decrease in response to the activities and financial prospects of an individual security in the Fund's portfolio. The Fund is non-diversified and may invest a greater percentage of its assets in a particular issue and may own fewer securities than other mutual funds; the Fund is subject to concentration risk. Credit risk is the risk that the issuer of a security will not be able to make principal and interest payments when due. The use of derivatives and futures involves risks different from, or possibly greater than, the risk associated with investing directly in securities. Fixed income securities will fluctuate with changes in interest rates. Lower-quality bonds, known as "high yield" or "junk" bonds, present greater risk than bonds of higher quality. The performance of the Fund may be subject to substantial short-term changes. There are risks associated with the sale and purchase of call and put options. 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.



Portfolio Manager
Russell Kellites

- Portfolio Manager of the Fund since inception
- Managing Director of Theta Capital Partners since 2009
- Columbia University: Computer Science, AI concentration — BS (cum laude), MS (matriculated); MBA (Finance)

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