Quarterly Commentary

September 30, 2024
Andrew Manton
Chief Equity Strategist, Senior Portfolio Manager

PORTFOLIO REVIEW

The OneAscent Emerging Markets ETF (OAEM) underperformed the index, Morningstar Category, and peer group in 3Q24 due mostly to negative country allocation attribution. The standout return of the Chinese market was a negative contributor due to large underweight in the fund (5.9% weight in China in the fund vs 21.4% in the index*). China stocks were up 25% in the quarter compared to 7.95% return for the index.* That led to a 350bps drag on performance, which made up nearly half of the overall underperformance of the fund compared to the index.*

Flows into China (stock market up +25% in quarter) came at the expense of Korea (-6%) and Taiwan (+0.7%), both of which underperformed the index (+7.9%) in the quarter.* Since the fund's two biggest overweight positions are in Korea and Taiwan, the negative attribution as a result accounted for the rest of the overall underperformance.

By sector, Technology, Communication services, and Healthcare were the biggest detractors while Industrials and Energy added positively to performance.

The biggest contributors to the portfolio's performance were Haier Smart Home Co (3.4% of portfolio), Trip.com Group Ltd (2.5% of portfolio), and Indofood Cbp Sukses (2.0% of portfolio). The biggest detractors were Samsung Electronics (7% of portfolio), Dentium Co Ltd (1.4% of portfolio), and ASMPT (3.1% of portfolio).*

The OneAscent Investments policy for investing in China prevents us from buying most of the companies in the Chinese market due to illegal subsidy participation, systematic intellectual property theft, and human rights violations. Therefore, the fund will always be underweight China. During the 3rd quarter of 2024, the Chinese Communist Party released a large-scale stimulus plan designed to prop up both the descending real estate market and the weak stock market. We believe the measures do nothing to arrest the biggest problem currently facing the Chinese economy, the exodus of foreign companies and capital. The CCP has gone out of its way to signal to the rest of the world that they desire a closed economy and foreign companies are leaving the country before the CCP can steal any more intellectual property. We do not support the values of the CCP and therefore do not invest in those ideals.

* Souce: Bloomberg

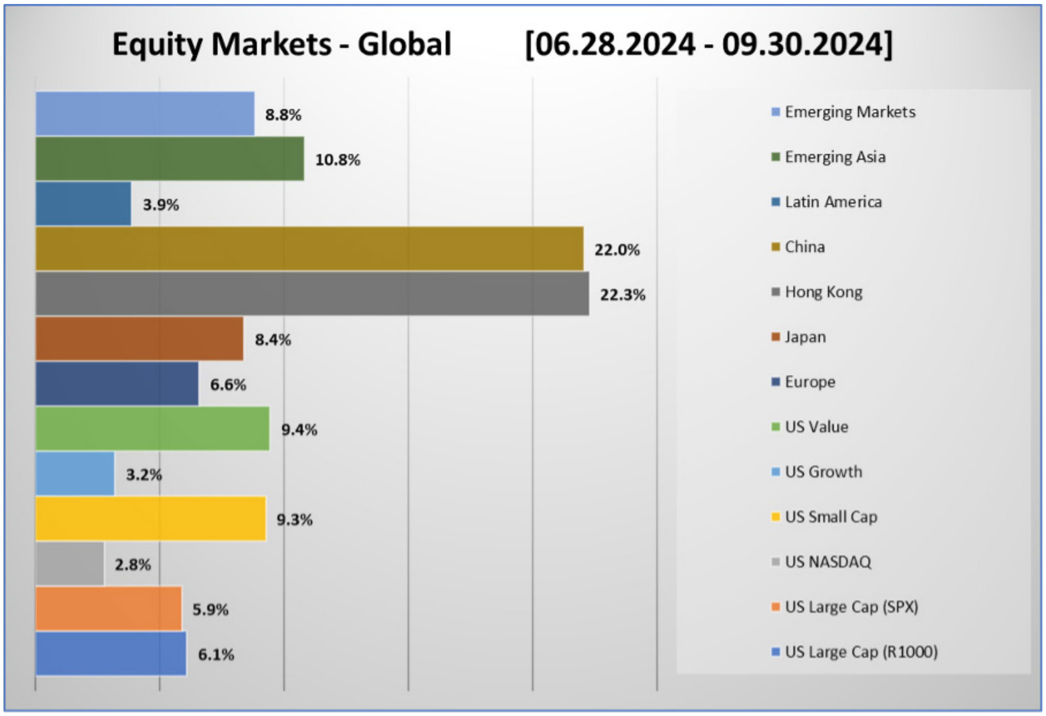
OUTLOOK

Macro Matrix			
	Possible Tailwinds / Strengths		**Possible Headwinds / Risks**
1	Inflations slows more than expected as demand abates - soft landing (however, wages now growing faster than inflation)	1	"US equity market" large cap indexes now **highly skewed** by handful of top mega-cap companies. Sustainable with the many anti-trust lawsuits around them?
2	Still a lot of parked cash -institutional + retail.	2	Inflation stays stubbornly above the Fed's 2% target, leading to high rates for long period which increases risk of stagflation/recession.
3	Russia/Ukraine War ends - Putin gone.	3	Fed balance sheet unwinding (QT) leads to bond market illiquidity & instability.
4	Fed lowers rates more than necessary: Equity markets will love this but it will ultimately be a huge mistake and continue to perpetrate unhealthy risk taking (including debt expansion), massive inequality, and market volatility globally.	4	Economy slows considerably due to inflation, stimulus cash spent, demand down. Real wage growth goes negative. Several interest rate cuts **ALREADY** priced into equity market.
		5	Housing market reversal: neg wealth effect bleeding into other markets. Potential for collapse.
		6	Rollover Risk: companies and countries, now highly levered coming out of lowest interest rate environment in history, issuing new debt at higher rates. Servicing costs rising substantially, especially in US Treasuries.
		7	Corporate Earnings decline on falling margins and/or demand - US equity market is ***still*** not expecting any kind of earnings drop (quite the opposite in fact).
		8	Consumer leverage, already above pre-COVID levels, necessitates a cooling of spending and/or much higher loan losses in banking sector.
		9	US Government debt, now at 130% of GDP, along with budget deficit equating to over 6% of GDP per year, is unsustainable. Higher taxes, lower spending, or miracle GDP growth are only prescription options.
		10	Continued weak U.S. leadership leads to more unchecked geopolitical turmoil: escalation of war in Middle East, Russia/ Ukraine War, China's continued South China Sea provocations and illegal land grabs, etc.
		11	China's ongoing pivot toward internal development greatly increases likelihood of isolation and deglobalization.
		12	China's escalated plans of annexing Taiwan greatly increases risks of conflict.
		13	Out of desperation, Russia's Putin resorts to the use of nuclear weapons.

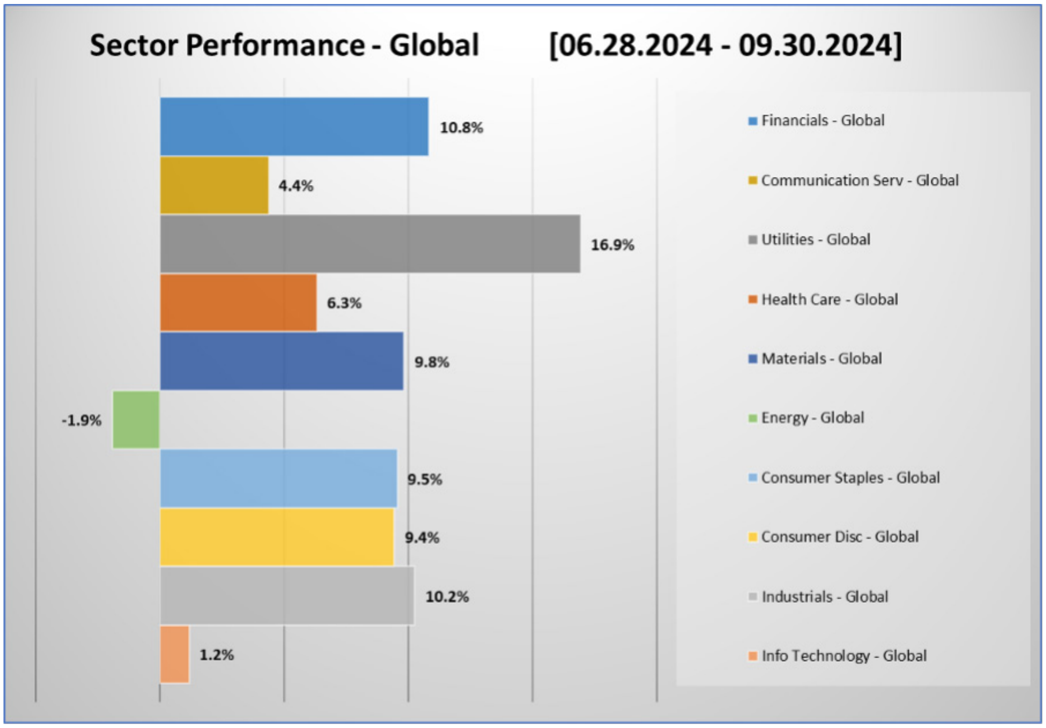
- Several geopolitical conflicts continued to escalate in 3Q24. China was, once again, at the center of many of these events but there is also growing concerns that Iran, North Korea, and Russia could spark some sort of global emergency in the absence of strong American leadership. **Geopolitics, led by Chinese aggression and disregard of international law, is by far our biggest concern presently.**
- The Israeli/Hamas war entered next level territory with Israel attempting an aggressive decapitation strategy by taking out Hamas leadership and expanding their attacks into Lebonon. We see a high possibility of this war entering a new phase of direct Israel/Iran fighting which may lead to both sides pulling in allies and thus leading to a major conflict.
- Although some countries have begun a new interest rate easing cycle, higher-for-longer interest rates will continue to wreak havoc in some countries, some industries, and in some companies. **We remain vigilant in our company selection and overall portfolio allocation.**
- Earnings multiples of large-cap stocks in the US are close to record spreads compared to the rest of the world, as mega-caps drive the difference on the back of the artificial Intelligence euphoria and much better earnings growth compared to the rest of the market. If this reverses, money flows around the world could shift to other countries. That possible trend, along with falling interest rates, could be a **boon for emerging markets** in the near future.

OneAscent INVESTMENTS

QUARTERLY DATA



Source: Bloomberg



Source: Bloomberg

OneAscent INVESTMENTS

PERFORMANCE TABLE

Name	Ticker	Total Return 3Q24	Total Return YTD	Total Return 1 YR[1]	Total Return Since Inception[2]
ONEASCENT EMRG MARKETS ETF - NAV	**OAEM**	1.02%	16.49%	5.13%	11.56%
ONEASCENT EMRG MARKETS ETF - Price	**OAEM**	0.69%	16.13%	4.54%	11.31%
MSCI EM NR	M1EF Index	8.72%	26.05%	16.86%	12.95%
		-7.70%	-9.56%	-11.73%	-1.39%

[1] Total Return from 9/30/23 through 9/30/24

[2] Inception Date is 9/15/22. Performance is through 9/30/24

Since Inception and all other time periods greater than 1 year are shown as annualized returns.

Price on 9/30/24: $30.61

NAV on 9/30/24: $30.75

Pricing Source: Morningstar

Market Price represents the fund's closing market price through September 30, 2024.

Performance date quoted represents past performance and past performance does not guarantee future results, investment return and principal value will fluctuate, investor's shares, when redeemed, may be worth more or less than their original cost, and current performance may be lower or higher than past performance quoted here. To obtain performance data current to the most recent month-end, please call 1-800-222-8274 or visit our website at https://investments.oneascent.com/etfs.

IMPORTANT RISK DISCLOSURES RELATED TO CHARTS:
US Large Cap (R1000) = Russell 1000 Index
US Large Cap (SPX) = S&P 500 INDEX
US NASDAQ = NASDAQ Composite Index
US Small Cap = Russell 2000 Index
US Growth = Russell 1000 Growth Index
US Value = Russell 1000 Value Index
Europe = EURO STOXX 50 Price EUR
Japan = Nikkei 225
Hong Kong = Hang Seng Index
China = Shanghai Shenzhen CSI 300 Inde
Latin America = MSCI Emerging Markets Latin Am
Emerging Asia = Bloomberg Asia Emerging Market
Emerging Markets = MSCI Emerging Markets Index
Info Technology - US = Russell 1000 Index Technology
Industrials - US = Russell 1000 Index Industrials
Consumer Disc - US = Russell 1000 Index Consumer Di
Consumer Staples - US = Russell 1000 Index Consumer St
Energy - US = Russell 1000 Index Energy
Materials - US = Russell 1000 Index Basic Mater
Health Care - US = Russell 1000 Index Health Care
Utilities - US = Russell 1000 Index Utilities
Communication Serv - US = Russell 1000 Index Basic Mater
Financials - US = Russell 1000 Index Financials

Note: All returns are in USD

Andrew Manton

Chief Equity Strategist
Senior Portfolio Manager

Andrew Manton is the Chief Equity Strategist and Senior Portfolio Manager at OneAscent Investments. He manages OneAscent's International, Emerging Market, and US Large Cap equity strategies.

Prior to joining OneAscent, Andrew was most recently Senior Portfolio Manager at Shelton Capital Management, where he was the Lead Portfolio Manager for the Shelton International Select and the Shelton Emerging Markets funds. Andrew has over 20 years of investing experience and was previously with WHV Investments, Victory Capital Management, Deutsche Asset Management, and Merrill Lynch. His thought leadership has been featured on outlets such as the Faith Driven Investor Podcast and Advisor Perspectives. Andrew earned an MBA from the Tepper School of Business at Carnegie Mellon University and a B.S. from the University of Illinois at Chicago.

Andrew and his wife, Karin, are members of Fellowship Church in Frisco, TX and are active in the We Want More ministry in Bridgeport, CT.

Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investment)

Management Fees	0.74%
Other Expenses	0.99%
Total Annual Fund Operating Expenses	1,73%
Fee Waiver and/or Expense Reimbursement[1]	(0.48)%
Total Annual Fund Operating Expenses (After Fee Waiver and/or Expense Reimbursement)	1.25%

1-The Fund's adviser, OneAscent Investment Solutions, LLC (the "Adviser") has contractually agreed to waive its management fee and/or reimburse expenses so that total annual Fund operating expenses, excluding portfolio transaction and other investment-related costs (including brokerage fees and commissions); taxes; borrowing costs (such as interest and dividend expenses on securities sold short); acquired fund fees and expenses; fees and expenses associated with investments in other collective investment vehicles or derivative instruments (including for example option and swap fees and expenses); any administrative and/or shareholder servicing fees payable pursuant to a plan adopted by the Board of Trustees; expenses incurred in connection with any merger or reorganization; extraordinary expenses (such as litigation expenses, indemnification of Trust officers and Trustees and contractual indemnification of Fund service providers); and other expenses that the Trustees agree have not been incurred in the ordinary course of the Fund's business, do not exceed 0.95% of the Fund's average daily net assets through December 31, 2024. This expense cap may not be terminated prior to this date except by the Board of Trustees upon sixty days' written notice to the Adviser. Each waiver/expense payment by the Adviser is subject to recoupment by the Adviser from the Fund in the three years following the date the particular waiver/expense payment occurred, but only if such recoupment can be achieved without exceeding the annual expense limitation in effect at the time of the waiver/expense payment and any expense limitation in effect at the time of the recoupment.

Investors should carefully consider the investment objectives, risks, and charges and expenses of the fund before investing. The prospectus contains this and other information about the fund, and it should be read carefully before investing. Investors may obtain a copy of the prospectus by calling 1-800-222-8274 or clicking the link above. The fund is distributed by Northern Lights Distributors, LLC, Member FINRA/SIPC, which is not affiliated with OneAscent Investment Solutions, LLC.

Important Risk Information:

Exchange-traded funds involve risk including the possible loss of principal. Past performance does not guarantee future results.

The Adviser invests in equity securities only if they meet both the Fund's investment and values-based screening requirements, and as such, the returns may be lower than if the Adviser made decisions based solely on investment considerations.

Larger, more established companies may be unable to attain the high growth rates of successful, smaller companies during periods of economic expansion.

The Fund faces numerous market trading risks, including the potential lack of an active market for Fund sharers, losses from trading in secondary markets, and periods of high volatility and disruption in the creation/redemption process of the Fund. These factors may lead to the Fund's shares trading at a premium or discount to NAV.

The Fund is a new ETF and has a limited history of operations for investors to evaluate. The Adviser has not previously managed a mutual fund or an ETF.

20241022-3964622