

PTIAX

866.792.9606

www.ptamfunds.com



Fund Performance

For the fourth quarter of 2017, the Performance Trust Strategic Bond Fund ("PTIAX" or the "Fund") returned 1.02%, outperforming the Bloomberg Barclays U.S. Aggregate Bond Index's (the "Index") return of 0.39%. During the quarter, interest rates rose slightly (the 10-year Treasury went from 2.33% to 2.41%), and spreads tightened among most sectors. Despite these headwinds, returns were positive for the Fund's municipal bonds (approximately +1.51%), non-agency residential mortgage-backed securities (RMBS) (approx. +1.13%), corporates (approx. +1.25%), and commercial mortgage-backed securities (CMBS) (approx. +0.78%). These asset classes currently make up the lion's share of the Fund, which largely explains our outperformance of the Index.

RETURNS (%) (as of 12/31/2017)

	3-Month	1-Year	3-Year	5-Year	Since Inception
PTIAX (Inception Date: 9/1/2010)	1.02	7.08	5.05	4.77	6.76
BbgBarc Aggregate Bond Index	0.39	3.54	2.24	2.10	2.89

Performance data quoted represents past performance which does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month-end may be obtained by visiting www.ptamfunds.com or by calling (866) 792-9606. The expense ratio is 0.77.

Portfolio Review and Positioning

PORTFOLIO COMPOSITION (%)

	9/30/2017	12/31/2017	Change
Non-Agency RMBS	41.96	39.75	-2.21
Tax-Exempt Municipals	19.77	20.47	0.70
Taxable Municipals	19.39	15.83	-3.56
CMBS	12.25	16.73	4.48
Corporates	2.54	3.24	0.70
U.S. Treasuries	1.87	1.65	-0.22
CLOs	1.13	0.66	-0.47
Cash	1.09	1.67	0.58

Spreads Continued to Tighten Across Most Fixed Income Sectors, Which Will Shape Fund Allocations Moving Forward

Spreads have tightened across virtually every asset class, and corporate bonds (both investment grade and high yield) are within a few basis points of post-crisis lows. The graph below shows credit spreads for U.S. Investment Grade bonds (as measured by the Markit CDX Index) from 2012-2017. One could certainly argue that given the strength of the stock market and the current economy, it is reasonable that spreads should be at multi-year lows, but we feel there is very little upside left from spread tightening, specifically in corporates, and possibly in taxable municipals.

This will certainly influence our investment choices going into 2018. The tighter spreads get, the more attractive U.S. Treasuries become. Treasuries have never been a meaningful allocation for the Fund (other than liquidity needs), but if this continues, it is certainly possible that it will become a viable asset choice. In the meantime, there are still a handful of assets that have somewhat defied this relentless spread tightening.

CDX INVESTMENT GRADE INDEX



Source: Bloomberg, 1/9/2012 to 12/29/2017



Mike Plaiss, CFA
Senior Portfolio
Manager



Anthony Harris
Senior Portfolio
Manager

The Team Found Attractive CMBS Opportunities for Structured Credit Allocation

CMBS are among the sectors that have defied spread tightening mentioned this past quarter. Certain CMBS tranches, such as AA CMBS and AAA-A interest only CMBS, are structures we fundamentally like, and remain attractively priced. This largely explains the increase in allocation over the quarter. Additionally, we slightly decreased our allocation to RMBS due to a small supply and strong demand for this sector. We offset this by increasing the Fund's exposure to CMBS.

The Fund is Positioned to Potentially Benefit from January "Yield Curve Roll" from Strong Allocation to Tax-Exempt Municipals

During the quarter, we decreased our allocation to taxable municipals because spreads were tight, and we believed there were better opportunities among other asset classes, specifically CMBS. We are currently carrying what we regard as a fairly high allocation to tax-exempt municipal bonds, but that is mostly tactical. Tax-exempt municipal bonds typically benefit from a very strong January effect, and we have positioned the Fund to potentially take advantage of this. The "January effect" is the roll in the yield curve that occurs over the first couple of weeks of the calendar year. With a particularly acute "supply shortage" occurring this year (initial versions of the tax bill contemplated eliminating private activity bonds, leading municipal bond issuers to accelerate an estimated \$30 billion of new bonds from the first quarter of 2018 to the fourth quarter of 2017), we believe the "January effect" could be further pronounced. We anticipate reducing this allocation significantly in the early months of 2018.

What Differentiates PTAM?

DISTINCTIVE APPROACH TO FIXED INCOME INVESTING

GLOSSARY

Bloomberg Barclays U.S. Aggregate Bond Index represents securities that are taxable and USD denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis. It is not possible to invest in an index.

CDX Investment Grade Index CDX indices are a family of tradable credit default swap (CDS) indices covering North America and emerging markets. The CDX Investment Grade Index is based on a basket of investment grade CDSs.

EXPERTISE IN COMPLEX STRUCTURES

DISCLAIMER

Mutual fund investing involves risk; principal loss is possible. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in lower rated and non-rated securities present a greater risk of loss to principal and interest than higher-rated securities. Investments in asset-backed and mortgage-backed securities include additional risks that investors should be aware of such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. The Fund may invest in Real Estate Investment Trusts which involve additional risks such as declines in the value of real estate and increased susceptibility to adverse economic or regulatory developments. Derivatives involve investment exposure that may exceed the original cost and a small investment in derivatives could have a large potential impact on the performance of the Fund. Options and swap positions held in the Fund may be illiquid and the Fund manager may have difficulty closing out a position. The Fund may also invest in equities, including common and preferred stock, as a non-principal investment strategy and exchange-traded funds ("ETFs"). ETFs are subject to additional risks

STRONG LONG TERM RESULTS IN VARIOUS MARKET ENVIRONMENTS

that do not apply to conventional mutual funds, including the risks that the market price of an ETF's shares may trade at a discount to its net asset value, an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact the Fund's ability to sell its shares.

While the Fund is no-load, management fees and other expenses still apply. Please refer to the prospectus for further details.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The summary and statutory prospectuses contain this and other important information about the investment company, and may be obtained by calling 1.877.738.9095. Read carefully before investing.

PT Asset Management, LLC ("PTAM") is the advisor to the PTAM Funds, which are distributed by Foreside Fund Services, LLC ("Foreside"). PTAM and Foreside are not affiliated. PTAM is registered to do business in the State of Colorado under the name PTAM and in the State of Florida under the name PTAM Performance Trust Asset Management, LLC.