MARKETFIELD
ASSET MANAGEMENT

# Marketfield Fund September 30, 2010

## FUND OVERVIEW

### Objective

The investment objective of the Fund is capital appreciation. We endeavor to accomplish this by seeking low-volatility absolute return in excess of broad equity indexes.

### Strategy & Process

The Fund attempts to provide returns on capital substantially in excess of the risk-free rate rather than matching any particular index or external benchmark. The Fund has a broad investment charter that allows it to utilize equity securities, fixed-income instruments, commodities, futures and options. Additionally, with respect to 50% of the Fund's net assets, the Fund may engage in short sales of index-related and other equity securites to reduce its equity exposure or to profit from an anticipated decline in the price of the security sold short.

## FUND FACTS

### Fund Statistics

| | |
|---|---|
| Ticker Symbol | MFLDX |
| CUSIP | 89833W865 |
| Minimum Investment | $25,000 |
| Inception Date | 7/31/07 |
| Benchmark | S&P 500 Index |
| Net Assets | $307M |
| Number of Holdings | 78 |

### Top Ten Holdings (as of 9/30/10)

| | |
|---|---|
| SPDR S&P Retail ETF | 4.09% |
| iShares Dow Jones Transp. ETF | 2.66% |
| W.W. Grainger Inc. | 2.13% |
| BASF SE | 2.13% |
| Daimler AG | 2.11% |
| The Southern Company | 2.07% |
| American Electric Power | 2.02% |
| Kimberly Clark Corp. | 2.00% |
| Duke Energy Corp. | 1.98% |
| Nextera Energy Inc. | 1.98% |
| TOTAL: | 23.17% |

### Portfolio Allocation

| | |
|---|---|
| Equity Portfolio Long | 85% |
| Equity Portfolio Short. | 15% |

## ★★★★★ OVERALL MORNINGSTAR RATING™ AMONG 84 LONG-SHORT FUNDS AS OF 9/30/10

Ratings are based on risk-adjusted return. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its 3 year Morningstar Rating metrics.

## FUND PERFORMANCE

As of Quarter-End 9/30/10

| | Cumulative | | | Annualized | | |
|---|---|---|---|---|---|---|
| | 1 Month | YTD | Since Inception* | 1 Year | 3 Year | Since Inception* |
| MFLDX | +6.12% | +5.61% | +25.20% | +10.85% | +7.56% | +7.35% |
| S&P 500 | + 8.92% | +3.89% | – 15.75% | + 10.16% | – 7.16% | – 5.27% |

*Since inception date 7/31/07

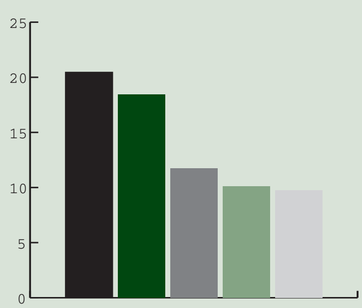
Gross Expense Ratio: 2.66%
**Net Expense Ratio: 1.75%

*Source: U.S. Bancorp ©*

***The advisor has contractually agreed to reduce operating expenses (exclusive of income tax expenses, interest expense, dividends on short positions and acquired fund fees and expenses) through August 31, 2011 and for an indefinite period thereafter subject to annual reapproval of the agreement by the Board of Trustees.*

*Performance reflects the reinvestment of dividends and other earnings and is net of advisory fees. 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 an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data to the most recent month end may be obtained by calling (888) 236-4298. The Fund imposes a redemption fee of 1.00% for shares held less than 60 days. Performance data quoted does not reflect the redemption fee. If reflected, total return would be reduced.*

## TOP FIVE SECTORS




*As a % of total equities as of 9/30/10*

| | |
|---|---|
| Industrials | 20.47% |
| Consumer Discretionary | 18.47% |
| Consumer Staples | 11.74% |
| Utilities | 10.12% |
| Information Technology | 9.76% |

*Fund holdings and/or sector allocations are subject to change at any time and are not recommendations to buy or sell any security. Current and future portfolio holdings are subject to risk.*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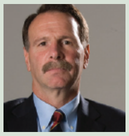
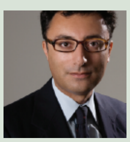
## MANAGEMENT TEAM



**Michael C. Aronstein**
President, Chief Executive Officer, and Portfolio Manager

Michael C. Aronstein is Portfolio Manager of the Marketfield Fund. He is also Chief Investment Strategist for Oscar Gruss & Son Incorporated, a NYSE member firm that provides research and investment advice to institutional managers. Prior to joining Oscar Gruss in 2004, Mr. Aronstein was Chief Investment Strategist at Preservation Group, a provider of independent macroeconomic and strategic advice to professional investors. Mr. Aronstein began his investment career in 1979 at Merrill Lynch, serving positions as Senior Market Analyst, Senior Investment Strategist, and Manager of Global Investment Strategy. Mr. Aronstein spent six years as President of Comstock Partners, a diversified investment advisor, and left to found West Course Capital, a discretionary commodity management firm. Mr. Aronstein graduated from Yale College with a Bachelor of Arts in 1974. His views on macroeconomic and strategic issues are regularly sought by and disseminated through the financial print and visual media. Mr. Aronstein manages $307 million in MFLDX and $370 million in MKTFLDA; total assets under management are $677 million.



**Michael Shaoul**
Chairman

Michael Shaoul also serves as Chief Executive Officer of Oscar Gruss and Son Incorporated, a position he has held since December 2001. He joined Oscar Gruss in 1996 as Chief Operating Officer. Between 1992 and 1996, Mr. Shaoul ran Park Square Associates, a Manhattan-based real estate investment and management company. He was awarded a Ph.D. in Accounting and Finance in 1992 from Manchester University (UK). Mr. Shaoul has written articles on behalf of *Barron's* and has been regularly quoted in *The Wall Street Journal* and *Dow Jones Newswires* regarding his opinions on the investment markets.

**Myles D. Gillespie**
Chief Operating Officer

Myles D. Gillespie joined Marketfield Asset Management as Chief Operating Officer in 2007. Myles is a graduate of The Hotchkiss School and holds a Bachelor of Arts degree from Franklin and Marshall College (Class of 1983). From 1983 to 1986, he worked as a stock index futures trader with Henderson Brothers and in 1986 became a NYSE Specialist at Quick & Reilly. He was appointed Executive Vice President of JCC Specialist Corp., the successor firm to Quick and Reilly, in 1989. In 1999 he became President of Fleet Specialist, Inc., the successor firm to JCC Specialist Corp., retiring from this position in 2004. During his time at the NYSE, Myles served as a NYSE floor Official (1993-1999) and NYSE floor Governor (2001-2004).

**Mutual fund investing involves risk. Principal loss is possible. The Fund invests in smaller companies, which involve additional risks such as limited liquidity and greater volatility. The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for investments in emerging markets. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investment by the Fund in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities. Investments in asset-backed and mortgage-backed securities involve additional risks such as credit risk, prepayment risk, possible illiquidity and default, and increased susceptibility to adverse economic developments. The Fund regularly makes short sales of securities, which involves the risk that losses may exceed the original amount invested, however a mutual fund investor's risk is limited to the amount invested in a fund. The Fund may also use options and futures contracts, which have the risks of unlimited losses of the underlying holdings due to unanticipated market movements and failure to correctly predict the direction of securities prices, interest rates and currency exchange rates. The investment in options is not suitable for all investors.**

***The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectuses contains this and other important information about the investment company, and may be obtained by calling (888) 236-4298. Read carefully before investing.***

*The S&P 500 Index (SPX) is a broad-based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. The securities holdings and volatility of the Fund differ significantly from the stocks that make up the SPX. You cannot invest directly in an index.

*Growth stocks typically are more volatile than value stocks; however, value stocks have a lower expected growth rate in earnings & sales.*



*For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ (based on a Morningstar Risk Adjusted Return measure that accounts for variation in a fund's monthly performance, including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Marketfield Fund received 5 stars among 84 for the three-year period ending 9/30/2010.*

*The Marketfield Fund is advised by Marketfield Asset Management and distributed by Quasar Distributors, LLC. Quasar Distributors is not affiliated with Sincere & Co., LLC.*

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## COMMENTARY

September was marked by near record gains in equities, and equally impressive performance across a wide range of asset classes. Cash, credit default swaps, the U.S. dollar and short positions were among the few allocations that did not enjoy the strength. The rally took place against a backdrop of intense pessimism, marked by discussions of crash indicators, sovereign default, double dips (not pertaining to ice cream) and a need for additional quantitative easing.

The most noteworthy feature of the September rally was the intense skepticism with which it was greeted by the general public. Withdrawals from U.S. equity mutual funds accelerated as the rally progressed. The unwillingness of retail (and many professional) investors to acknowledge the better tone in equity markets has been a unique and consistent feature of the past 15 months. If one was to judge simply by the public mood without actual knowledge of the market levels, it would be reasonable to assume that the S&P 500 was at 850 and not 1150. The wall of worry that bull markets must climb is tall enough to block out any sunlight.

We have spoken for the past few months about the possibility of a "green swan" i.e., a positive market event so rare that professional investors cannot afford to miss seeing one if it should appear. While we are normally disinclined to offer near term advice, the confluence of circumstances since the July lows suggest that something unusual is afoot.

The speed with which the Federal Reserve and the financial community reversed course following the optimism of April is remarkable. In response to a normal leveling off in the recovery after the initial sharp rebound, the popular opinion has shifted toward a repeat of 2008 and a further deflationary credit and asset price collapse. From our perspective, general financial conditions seem 180 degrees removed from 2008. As opposed to that period, we are in a world where everything can be financed on ever better terms. September's rally included all aspects of the high yield credit markets, with the most speculative areas performing best. Commercial mortgage backed securities had their best month in many years.

In a world marked by data and opinion inflation, the risk of intellectual contagion is high. Popular macroeconomic narratives arise in response to unreliable official statistics and volatile capital markets, with the intent of providing some ex post rationale for random fluctuations. These stories and concerns reach a global community that still suffers from post traumatic stress disorder following the 2008-2009 cataclysm. An entire industry has arisen based on the inclination of most investors to be frightened to death and avoid all apparent cyclical risks. It is too bad that Lon Chaney and Boris Karloff are no longer around to become strategists. It would pay better than their films.

Real and nominal yields across a wide range of credit markets are at or headed toward record lows. Investors' liquid assets are at historic levels as are global dollar reserves. The Fed appears to have panicked in response to lackluster blue collar employment recovery. Conditions are right for a rapid inflation of all capital assets. Protection of real purchasing power will increasingly depend upon a willingness to take some pro-cyclical risks and to tolerate the random volatility of illiquid public equity markets.

We have maintained a substantial net exposure to developed market equities, with emphasis on global cyclicals and growth stocks. Commodities have continued to respond strongly to the weakening dollar, but would be vulnerable where better U.S. data prompted some rebound in the appetite for U.S. assets. The political and regulatory risks that have arisen domestically during the past 18 months and have held back the economy and capital markets appear to be on the verge of easing as elections approach.

October 11, 2010
Michael C. Aronstein
President

The information provided herein represents the opinion of the Portfolio Manager and is not intended to be a forecast of future events, a guarantee of future results, nor investment advice.

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