MARKETFIELD FUND

MARKETFIELD ASSET MANAGEMENT

December 31, 2018

Fund Overview

OBJECTIVE

The investment objective of the Fund is capital appreciation.

STRATEGY & PROCESS

The Fund seeks long-term growth of capital above that of the broad equity market over a full market cycle, with volatility that is generally lower than that of the broad equity market. Correlation between the Fund and the broad equity market may vary considerably over an investment cycle. The Fund has a broad investment charter that allows it to utilize equity securities, fixed income instruments, commodities, futures, and options. Additionally, the Fund may engage in short sales of securities using up to 50% of net assets to profit from an anticipated decline in the price of the security. The use of short selling could result in increased volatility of returns.

Fund Facts

CUSIP Class I	89834E245
CUSIP Class A	89834E278
CUSIP Class C	89834E252
CUSIP Class R6	89834E299
Inception Date	7/31/2007
Benchmark	S&P 500 Index
Net Assets	$268.4 million
Number of Holdings	64

Portfolio Allocation

(Excluding Cash) (As of 12/31/18)

Equity Long*	83.5%
Equity Short*	-32.7%
Equity Index Futures Long**	4.2%

*Option deltas not reflected.
**Notional Value*

Performance

Quarterly Average Annual Total Return As of 12/31/18

	Tickers	1 Mo	3 Mo	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Class I	MFLDX	-1.94%	-10.10%	-13.25%	-13.25%	0.53%	-3.96%	5.36%	3.76%
Class A (Max. 5.5% load)	MFADX	-7.39%	-15.08%	-18.16%	-18.16%	-1.58%	-5.25%	4.51%	3.00%
Class A (NAV)	MFADX	-1.97%	-10.12%	-13.41%	-13.41%	0.29%	-4.18%	5.11%	3.51%
Class C (Max. 1.0% CDSC)	MFCDX	-3.05%	-11.24%	-14.99%	-14.99%	-0.49%	-4.92%	4.31%	2.73%
Class R6	MFRIX	-1.93%	-10.03%	-13.11%	-13.11%	0.66%	-3.81%	5.44%	3.83%
S&P 500® Index	SPXT	-9.03%	-13.52%	-4.38%	-4.38%	9.26%	8.49%	13.12%	7.15%

Class I Inception Date is 7/31/07. Class A Inception Date is 10/5/12, Class C Inception Date is 10/5/12 and Class R6 Inception Date is 6/17/13. S&P 500® Index since inception returns are as of Class I inception date of 7/31/07.

Performance data quoted represents past performance. Past performance is no guarantee of future results. Due to market volatility, current performance may be less or higher than the figures shown. Investment return and principal value will fluctuate, so that upon redemption, shares may be worth more or less than their original cost. For performance information current to the most recent month-end, visit our web site at http://www.marketfield.com/fund/.

Total Annual Operating Expenses After Fee Waiver and/ or Expense Reimbursement are: Class I: 2.50%, Class A: 2.74%, Class C: 3.50%, and Class R6: 2.38%. Expenses include Dividend Expense on Securities Sold Short and Broker Fees and Charges on Short Sales.

Performance data for the classes varies based on differences in their fee and expense structures. The performance figures for Class I shares reflect the historical performance of the then-existing shares of MainStay Marketfield Fund (the predecessor to the Fund, for which the Adviser served as the investment sub-advisor) for periods from October 5, 2012 to April 8, 2016. The performance figures for Class I shares also reflect the historical performance of the then-existing shares of the predecessor fund to MainStay Marketfield Fund (which was subject to a different fee structure, and for which a predecessor entity to the Adviser served as the investment adviser)for periods prior to October 5, 2012. The returns in the table below for periods prior to October 5, 2012 have been calculated using the expenses of the predecessor fund to the MainStay Marketfield Fund. Performance figures for Class A and Class C shares, first offered on October 5, 2012, include the historical performance of Class I shares through October 4, 2012 and are adjusted to reflect differences in fees and expenses. Performance figures for Class R6 shares, first offered on June 17, 2013, include the historical performance of Class I shares through June 16, 2013. Performance data for the classes varies based on differences in their fee and expense structures. The returns in the table above for periods prior to October 5, 2012 have been calculated using the expenses of the predecessor fund to the MainStay Marketfield Fund. Performance data for the classes varies based on differences in their fee and expense structures. Unadjusted, the performance for the newer classes would likely have been different because of differences in certain fees and expenses attributable to each share class.

Regions Exposure *(As of 12/31/18)*

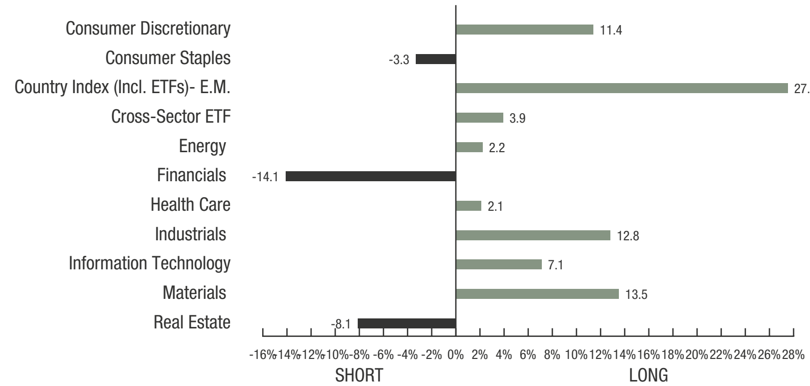
	Long	Short	Net
U.S.	39.10	32.70	6.40%
Emerging Markets	27.50	0.00	27.50%
Europe	1.70	0.00	1.70%
Japan	9.90	0.00	9.90%
China	4.20	0.00	4.20%
Australia	2.10	0.00	2.10%
Canada	3.20	0.00	3.20%

Portfolio Management

Michael C. Aronstein
President, Chief Investment Officer
Portfolio Manager
Marketfield Asset Management LLC

Michael Shaoul
Chairman, CEO
Portfolio Manager
Marketfield Asset Management LLC

Sectors Net Exposure



Before You Invest

Before considering an investment in the Fund, you should understand that you could lose money.

The Fund regularly makes short sales of securities, which involves the risk that losses may exceed the original amount invested. 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. However, a mutual fund investor's risk is limited to the amount invested in a fund. Investments in absolute return strategies are not intended to outperform stocks and bonds during strong market rallies.

Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. These risks may be greater for emerging markets. Investing in smaller companies involves special risks, including higher volatility and lower liquidity. Investing in mid-cap stocks may carry more risk than investing in stocks of larger, more well-established companies. 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 involves the risk that the macroeconomic trends identified by portfolio management will not come to fruition and their advantageous duration may not last as long as portfolio management forecasts. The Fund may invest in derivatives, which may increase the volatility of the Fund's NAV and may result in a loss to the Fund.

Notional value is the total value of a leveraged position's assets. Correlation is a statistical measure of the degree to which the movements of two variables (stock/option/convertible prices or returns) are related. Option Delta is the relationship between the option price and the underlying price, which reflects the sensitivity of the price of the option to changes in the price of the underlying security.

The S&P 500® Index is a trademark of McGraw Hill Financial Inc. The S&P 500® Index is widely regarded as the standard index for measuring large-cap U.S. stock market performance. The securities holdings and volatility of the Fund differ significantly from the stocks that make up the S&P 500 Index. An investment cannot be made directly into an index.

Regions and Sectors Exposures are subject to change and are not recommendations to buy or sell any security. Only equities and equity instruments classified in Regions and Sectors Exposures. Options premiums, and not delta exposure, are used in Sectors and Regions Exposures, when applicable. Options premiums, and not delta exposure, are used in Sectors and Regions Exposures, when applicable. The Global Industry Classification Standard (GICS®) was developed by and/or is the exclusive property of MSCI, Inc. and Standard & Poor Financial Services LLC ("S&P"). GICS is a service mark of MSCI and S&P and has been licensed for use by U.S. Bancorp Fund Services, LLC.

Diversification does not assure a profit nor protect against loss in a declining market.

For more information about Marketfield Fund, call 800-311-6583 for a prospectus or summary prospectus. Investors are asked to consider the investment objectives, risks, and charges and expenses of the investment carefully before investing. The prospectus or summary prospectus contains this and other information about the investment company. Please read the prospectus or summary prospectus carefully before investing.

The Marketfield Fund is managed by Marketfield Asset Management LLC and distributed by Quasar Distributors, LLC.

Contact Us

Eilene Nicoll
Managing Director
Director of Client Services
Marketfield Asset Management LLC
enicoll@marketfield.com
www.marketfield.com
212-514-2357

MARKETFIELD FUND

December 2018

Commentary

Chairman's Report   December 2018

The Marketfield Fund declined -13.25% over the course of 2018 compared to a -4.38% decline by the SPX total return index. This poor performance was a consequence of maintaining a globally diverse portfolio with a strong pro-cyclical bias. This worked very well in 2017 and during the first part of 2018, but from the springtime onwards it was up-ended by the U.S. China trade dispute, together with concerns over U.S. and Chinese monetary policy. In hindsight we did not appreciate the degree that global equity markets would be punished to the extent they were, while U.S. markets remained largely unaffected until the end of September.

This left our U.S. short positions as ineffective hedges for our global long positions during the summer months, and given the breadth of declines within non-U.S. markets the performance of our long book was as poor as could be expected. However, we have seen very little in the way of fundamental deterioration in most of the economic and corporate data that we deem relevant. The most glaring weakening has been in semi-conductor sales and earnings, which punished some of our Asian equity holdings, but this is potentially a leading indicator for technology earnings in general, which has important ramifications for the U.S. equity market in 2019.

We did at least navigate the end of year collapse with some success and did so without radical use of hedges, allowing us to participate in the rebound that followed. The performance of emerging markets and most industrial commodities during the December rout showed that the prior liquidation had left them sufficiently de-populated and undervalued to be resilient even in the face of massive capital outflows. Just as 2018 proved to be very different from the calm year that it followed, 2019 looks likely to contain some significant surprises. If these include a resilient underlying bid to the global economy, even as the technology cycle starts to show clear signs of deterioration, then we should be well positioned in the months ahead.

January 18, 2019

Michael Shaoul

Chairman, CEO & Portfolio Manager

Commentary (continued)

Chief Investment Officer's Report

In our third quarter letter, we raised the likelihood that the Autumnal Equinox might mark a transitional point in financial as well as celestial conditions. With the clarity of three months' hindsight, it appears that important changes in markets did, in fact, occur.

Most noteworthy for investors was the potential beginning of a leadership change in equity markets, from the several dozen technology and new media companies that have come to dominate the averages to companies more entwined with traditional economic conditions. The transit toward the latter groups is, if actually underway, still in its initial phase. Leadership changes always begin in declining markets, with the exodus from prior favorites a key feature.

New leadership is only confirmed when relative outperformance continues as markets advance.

Skepticism surrounding the old economy and traditional measures of inflation has been the order of business for several years, among investors and among members of the Federal Reserve Board. This unease about the state of the economy was no barrier to equity investment. The leadership in equity markets comprised a group of companies that operated in new realms that were largely beyond the bounds of normal, macroeconomic cycles and measurement.

Risk to the recent market leaders was looked upon as company specific, rather than exogenous. Usage levels in new technologies were considered largely immune to fluctuations in traditional levels of consumption and output. This perspective was largely correct. Migration of activity to new platforms continued regardless of the ups and downs of gross domestic product (GDP).

The issue of inflation and its relationship to Federal Reserve policy bears strongly on questions of relative performance in equity markets and in the real economy.

Expansion of the Federal Reserve's balance sheet through asset accumulation provoked additional, abnormal increases in private sector demand for assets. The four trillion dollars of high quality financial assets removed from private sector holdings required replacement. The artificial demand was met with unprecedented increases in issuance and turnover of financial and physical assets. The quantity and price of nearly all capital assets inflated in concert.

New investment vehicles, from art to rental homes and crypto currencies were fashioned to satisfy the craving for assets.

By using liquid capital assets as conduits for monetary policy, the Fed has a direct bearing on asset prices. This ought to be perfectly apparent to all involved. If the Fed provided liquidity by purchasing farmland instead of bonds, the wealth effects would be concentrated in the middle of country rather than in financial centers. Bentley Motors would, no doubt, begin making tractors.

Because the principal effects of balance sheet changes by the Federal Reserve arise in asset prices, they do not contribute directly to changes in measured inflation. All of the inflation indices in common use measure changes in goods' and services' pricing and ignore fluctuations in asset values.

The results of quantitative easing by all major central banks have been overwhelmingly concentrated in asset price (or balance sheet) inflation. Prices for items usually accounted for in income statements have increased modestly at best.

The disparity between inflation in asset values and other components of the global economy has produced corresponding and extreme disparities in wealth between those who own capital assets and those who do not.

The social and political tensions arising from the concentrated wealth effects of asset inflation are at the forefront of economic debate.

If inflation of central bank balance sheets through asset acquisition prompts parallel inflation of private assets, will balance sheet contraction then trigger asset deflation and wealth destruction as it proceeds? This is the crucial question confronting investors and policy makers as we enter 2019.

Commentary (continued)

From the perspective of investment results, balance sheet expansions and contractions carry more weight than the level of short-term interest rates. Balance sheet fluctuations alter the gross, system wide demand for investment assets. If investable savings are at a finite level X, and monetary authorities hold .1X on their balance sheets, reducing their holdings will obviously leave a certain amount of orphaned assets, which can only be accommodated by lower prices or greater leverage.

If the European Central Bank (ECB) is really finished buying sovereign assets, peripheral European governments are going to have to find new homes for their ample bond issuance.

The same dynamic is further along in the U.S., where meaningful balance sheet contraction (diminished demand from the Fed) is beginning to crowd out lower tiers of fixed income markets.

Economic effects of quantitative tightening are less straightforward than they initially appear. Because the primary avenue of action runs entirely through the balance sheet, asset prices bear the brunt of inflationary or deflationary pressures stemming from central banks' purchases and sales of securities.

As we have witnessed during the past decade, inflating asset prices and the concentrated explosions of wealth that follow along do not necessarily translate into consumer price inflation or increased output of the goods and services measured by GDP.

The idea that asset prices and economic output can go their separate ways for some time is largely ignored in contemporary econometric theory. Also overlooked is the fact that central bank policy, particularly through changes in the size and composition of their balance sheets, is profoundly more influential in moving asset prices than prices and activity in the real economy. We find it remarkable that the Fed has yet to acknowledge that it has direct influence on asset markets, which are not considered in GDP or inflation statistics, and only a secondary or tertiary influence on activity and prices in the real, measured portions of the economy.

Monetary policy can ultimately change the overall course of economic activity, but the need to reach extremes in order to push effects beyond asset prices into the financial system and the real economy almost guarantees excessive volatility and unneeded trauma.

From 2003-2007 the Federal Reserve first inflated and then deflated house prices, culminating in a collapse of the wildly overgrown mortgage markets and the financial system as a whole.

Tightening policy in 1986-1987 led to a crash in the equity market, accompanied by similar travails in high-yield bonds and commercial mortgages. The idea that the decline in 1987 was not a harbinger of economic weakness is nonsense. On its heels came a collapse in commercial real estate values, near insolvency for a number of large, money-center banks and finally an "official" recession in 1990.

Current conditions feature contracting or stagnant central bank balance sheets, broad weakness in capital markets and a deflating bubble in high end property and other luxury items aimed at those who benefited most from the past decade of asset inflation.

Included in this mix is the retreat of conspicuous, trophy hunting buyers from China, Russia and parts of the Middle East who, for a variety of local and geopolitical reasons, have decided that discretion is the order of the day. Their apparently limitless budgets underpinned demand for the highest of the high end.

We envision an environment developing where weakness in premium priced i.e., inflated goods, services and assets will deflate in step with quantitative tightening.

The pace of tightening could moderate if the recent squalls in equity markets prompt the Federal Reserve to undertake a more gradual contraction of the balance sheet.

If declining support for asset prices is the primary consequence of Central Banks' quantitative tightening, what then is implied for the real economy?

The dramatic inflation of asset values and the heightened activity in high-end commerce that accompanied quantitative easing was only marginally influential in most elements of the broader economy. Housing values in New York, San Francisco, London, Monaco and Hong Kong may have skyrocketed, but prices for most consumer goods and services remained subdued.

Commentary (continued)

Exclusive, high-ticket investment opportunities proliferated to accommodate surplus liquidity among institutional and large private investors unable to accept the meager rates of return imposed by the Fed across fixed income markets.

Early stage venture companies enjoyed ultra-premium valuations well before any hints of profitability. Wealthy families begged to participate in private equity and venture capital pools as liquidity outran opportunity. Those able to take advantage of the monetary tsunami could access a privileged realm far removed from normal life.

The dissonance between ebullient asset markets and conspicuous displays of wealth among the beneficiaries and the subdued improvements in reported GDP, inflation and official measures of wage growth has been a source of confusion for most observers and policy makers.

Companies with little cyclical exposure to traditional, old economy sectors led advances in the U.S. equity markets. Narrow areas of strength in stocks did not portend widespread gains across the real economy or generalized inflation.

Now that the markets have corrected, there is more talk of recession in the overall economy. We consider this view to be mistaken.

The economic saga starring quantitative easing and miniscule rates of interest is beginning to play in reverse.

Monetary conditions in place for the past decade had profound but narrow effects on prices, profits and activity within private sector balance sheets. Those who entered the cycle with substantial investable assets or access to them enjoyed robust compounding of wealth. Consumption goods demanded by this fortunate portion of the society inflated in concert.

The popularity and profitability of rarified products was not lost on producers. Supplies of everything from penthouse apartments to thousand dollar “athletic” shoes exploded.

Now that QE has become QT, we expect similarly concentrated effects in the upper reaches of the economy. More prosaic sectors and their participants should be largely unscathed.

Recessions, like bull and bear markets in stocks have clearly defined leadership. Every economic contraction has, at its core, sectors or endeavors where fundamental metrics are exaggerated beyond any normal limit. When the central excesses finally give way, the distress can radiate through financial institutions and other parts of the economy.

During the past forty years, primary excesses have arisen in oil production (1979-1980) savings and loan institutions (1980-1985) high yield bond financing (1984-1990) commercial property, Japanese assets and investment flows (1987-1991) mortgage bonds (1992-1994) internet startups and IPOs (1999-2000) and single family housing and housing finance (2003-2008). In each instance, the areas cited attracted the most enthusiasm and speculative capital. When reality intruded, parts of the economy that were not directly involved came under duress, but much less than those close to ground zero.

If deflating asset values provoke distress that is concentrated in high-end, wealthy segments and regions of the economy, broad economic metrics may show little effect. Strength in employment, wages and consumption should continue. Equity markets may struggle at the index level, as the most highly capitalized, new economy leadership confronts increased capacity and competition. The greatest risks exist in highly valued, pre-profit, private companies whose sponsors and investors are counting on massive initial public offerings to achieve liquidity and additional financing.

Trouble in asset paradise might well cause the Fed to slow its pace of tightening even in face of robust activity in broader, less rarified parts of the economy. The combination of a hesitant Federal Reserve and less enticing prospects for the established leaders of the U.S. public and private equity markets could undermine the strength of the dollar and relieve funding pressures across developing economies.

The great wealth disparities that dominate political discourse should begin to recede without political intervention as market and monetary forces take hold.

Central bank policy will, as always, have decidedly uneven effects in different parts of the economy and markets. Confusion will be the order of the day for investors and policymakers alike.

If we are correct in thinking that reversals of quantitative easing will have concentrated effects in the areas that were helped most by the QE regime, equity leadership should move away from U.S. large cap indices toward more traditionally cyclical sectors and to parts of the world that have lost liquidity and investment flows to dollar assets.

Commentary (continued)

The first hints of this process taking hold arose in the fourth quarter selloff, in which long-standing favorites bore the brunt of liquidation. In fact, the S&P 500 is in the lowest quintile of major world equity index performance during the past three months.

Our portfolio is positioned for the type of leadership shifts that we have outlined above. Thus far it has been a painful exercise. We sense that important changes are underway that will warrant and reward macroeconomic insight and active management.

January 18, 2019

Michael C. Aronstein

President, CIO & Portfolio Manager