

LONGBOARD

LONGBOARD LONG/SHORT FUND

Monthly
Portfolio Update And Commentary
April 2017

Assets as of April 30, 2017
\$ 12,320,527

HOW TO INVEST

Visit longboardmutualfunds.com
Call us at **800.290.8319**

FUND PERFORMANCE

(Performance as of 4/30/2017)

CLASS	I (NAV)*	A (NAV)**	A (Max Load)**
TICKER	LONGX	LONAX	LONAX
1M	2.92%	2.80%	-3.08%
3M	7.98%	7.83%	1.61%
6M	18.73%	18.38%	11.62%
YTD	6.41%	6.14%	0.00%
1Y AS OF 3/31/17	11.26%	10.95%	4.52%
1Y AS OF 4/30/17	20.69%	20.07%	13.12%
2Y AS OF 3/31/17	3.67%	N/A	N/A
2Y AS OF 4/30/17	8.26%	N/A	N/A
SINCE INCEP 3/31/17	3.40%	3.68%	-0.92%
SINCE INCEP 4/30/17	4.68%	5.53%	1.12%

*INCEPTION DATE: 3/19/15 **INCEPTION DATE: 12/09/15

The performance data quoted here represents past performance. Current performance may be lower or higher than the performance data quoted above. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Past performance is no guarantee of future results. For performance information current to the most recent month-end, please call toll-free 855.294.7540.

**Inclusive of maximum sales load of 5.75%. Total annual operating expenses are 3.24% and 2.99% for Class A and I respectively.

Long: Buying an asset such as a stock, commodity or currency, with the expectation that the asset will rise in value.

Short: Selling an asset such as a stock, commodity or currency, with the expectation that the asset will decrease in value.

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RECAP

The Longboard Long/Short Strategy Fund returned 2.92% in April. The fund experienced gains in stock prices across the board, as U.S. equities rebounded from a lackluster March. The S&P 500 approached new record highs, and the Nasdaq-100 crossed the 6,000 mark for the first time. The fund's exposure to upward-trending technology stocks delivered outperformance of the S&P 500 during the month. We also made gains in selected financial, industrial and consumer stocks.

Despite healthy gains in key market indexes, we continue to see a sharp divergence among individual stocks and sectors beneath the surface of the broader market. The more domestically-focused, small-cap stocks, which previously led the market on hopes for lower U.S. corporate tax rates, now are underperforming in line with the slower U.S. domestic economy. In fact, recent economic data showed U.S. consumer spending incurring its sharpest decline since 2009, contributing to the 0.7% U.S. GDP growth for the first quarter.

In contrast, European and selected Asian economies are expanding at their fastest pace in years. This is creating a relative tailwind for larger U.S. corporations with a global reach that can tap into the faster growth rates in foreign markets. Given that around half of S&P 500 sales and profits comes from overseas markets, many U.S. multinational corporations provide indirect exposure to global growth trends. This includes large-cap technology stocks, which are benefitting from the combination of foreign sales, plus relative immunity from broader consumer spending trends. Indeed, many of these large-cap technology firms are creating new areas of demand, instead of relying on traditional patterns of consumer and business spending. These upward-trending, large-cap growth stocks helped fuel the fund's performance in April.

OUTLOOK

Today's macroeconomic crosscurrents are creating a bifurcated market. The losses in some sectors, like energy and small cap stocks, largely are offsetting the gains in other areas of the market, like technology and selected multinational corporations. The dynamic between winners and losers is creating a modest headwind to performance for broad market indexes, like the S&P 500. In contrast, this dynamic is providing a tailwind to the fund's trend-following strategy, which is specifically designed to harvest the relative outperformance of winning, upward-trending stocks against the broader equity market.

While it's impossible to know exactly what drives current macroeconomic trends, some point to the disparity between the U.S. and foreign central banks activity. For example, in the first four months of this year, foreign central banks expanded credit by a record \$1 trillion—mostly coming from the European Central Bank and the Bank of Japan. In contrast, the U.S. central bank tightened monetary conditions at its most aggressive pace in over a decade. Thus, it's not surprising to see an uptick in European and Japanese economic growth and inflation, compared to slower loan growth and stalling economic activity in the U.S. As each central bank appears on track to continue current policies, we expect to see a continuation of current trends. Further progression of these trends would likely add to the tailwinds for the fund's performance. In any event, we will continue to follow our process of responding to the market's longer-term price movements and controlling risk.

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PROSPECTUS OFFERING DISCLOSURE

Investors should carefully consider the investment objectives, risks, charges and expenses of the Longboard Long/Short Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 855.294.7540. The prospectus should be read carefully before investing.

The Longboard Long/Short Fund is distributed by Northern Lights Distributors, LLC, a FINRA/SIPC member. Longboard Asset Management, LP, is not affiliated with Northern Lights Distributors, LLC.

MUTUAL FUND RISK DISCLOSURE

Mutual funds involve risk including possible loss of principal.

There is a risk that issuers and counterparties will not make payment on securities and other investments held by the fund, resulting in loss. The fund's use of derivatives (including futures, forward contracts and swap agreements) involves risks different from and possibly greater than those associated with investing directly in securities including leverage risk, counterparty default risk, tracking risk and liquidity. The price of equity security fluctuates based on changes in a company's financial condition and overall market and economic conditions. Investments in ETF's may involve extra expenses and may not perform as expected and may not replicate the performance of the underlying index.

Fixed income securities could lose value due to interest rate changes. ADR's are subject to fluctuations in foreign currencies, political and economic instability, differences in financial reporting, security regulation, trading and taxation issues. The successful use of forward and futures contracts draws on the Adviser's skill and experience in predicting market movement. Risks include imperfect correlation, illiquid secondary markets, unanticipated market movements, counterparty default, and potentially selling securities when disadvantageous to do so. The success of the fund's hedging strategy is subject to the Adviser's ability to correctly assess market performance and correlation of the instruments used in the hedging strategy and the investments in the portfolio.

The fund may trade more, incurring higher brokerage fees and tax liability to shareholders. The fund has a limited history of operation and an investment entails a high degree of risk. Large Cap companies may be unable to respond quickly to new competitive challenges such as changes in consumer tastes. Small Cap and Mid-Cap companies may be volatile and vulnerable to adverse business or economic events. The fund is 'non-diversified' and changes in the value of a single security may have a significant effect on the fund's value. The fund may have investments that appreciate or decrease significantly over short periods. The value of REIT securities may be adversely affected by changes in the value of the underlying property the REIT holds. Short positions may be considered speculative and losses are potentially unlimited.

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