HOWARD
Capital Management

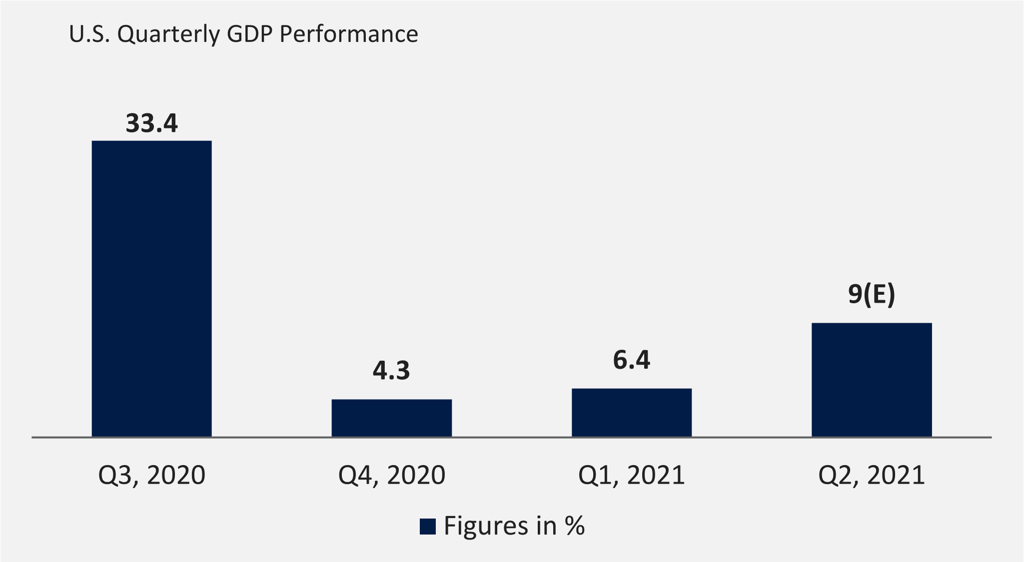
Q2 MARKET AND STRATEGY REVIEW

July 2021

Agenda

Highlights of Q2 2021

The second quarter of 2021 can be summarized in one word: resurgent. An accelerated COVID-19 vaccination rollout has led to renewed belief of a strong turnaround, reflected in the major indexes. The Biden administration's monetary and fiscal stimulus packages have spurred on the economy, as the President's proactive approach to reinforcing diplomatic relations with neighboring nations as well as trans-continental allies fueled an optimistic outlook for the near future.



Source: Conference Board

The bond market finally ended its bear run as the yields on U.S. 10-year treasury bonds declined and is expected to range between 1.5% and 2% for the remainder of 2021. The first quarter of the year had raised serious concerns about inflation pressures in the economy, which had reached as high as 5.4% in June. However, chairman of the Federal Reserve, Jerome Powell, calmed worries about sustained inflation and any hyperinflation by categorizing it a temporary spike. The chairman also stated that economic recovery would need significant future progress and the planned infrastructure spending will be the first step in that direction.

GDP is forecasted to witness a 9% growth in the quarter, buoyed by the increase in jobs in the economy and the monetary stimulus for infrastructure development. Growth equities have regained pace and have overtaken value stocks as outperformers during the quarter.

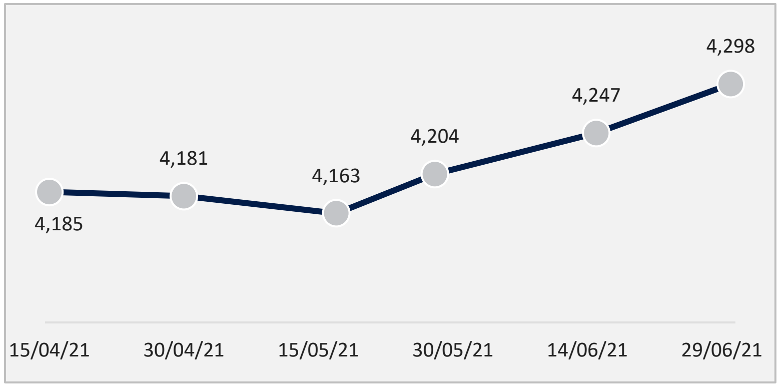
Additionally, the plan to make any future asset purchases in an "orderly, methodical and transparent" manner was well received. Interest rates have remained largely unchanged to give further impetus for businesses to have easy access to capital as the world slowly returns to normal.

Debriefing Q2 2021 (1/3)

US EQUITIES

For the quarter beginning April 2021, the US equities market stood strong with the S&P 500 delivering returns of 8.5%. With 60% of the US adult population being vaccinated and subsequent reopening of the economy, the equities market rebounded with strong momentum supported by fiscal stimulus announced by the Biden administration. Even though energy shares performed well with oil prices reaching their highest levels since October 2018, growth stocks primarily fueled the resurgence of the equities market with 47% growth (Year on Year) this quarter.

S&P 500 Performance in Q2, 2021

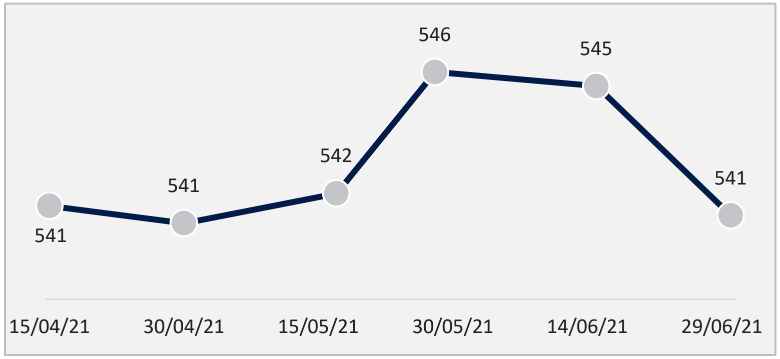


Source: Bloomberg

THE BOND MARKET

The first quarter ended with bond yields at 1.75%, and currently hovering around 1.5%. This is well within range of what was expected and with the anticipation of rising inflation, the yield could rise above 2%. There is a sudden increase in cost of capital owing to a simultaneous rise in real and nominal yields, which has negatively affected risky assets. Investors are turning towards yield and inflation hedges which include emerging market debt, US investment grade credit and US and European High Yield bonds.

Bloomberg Barclays Aggregate Bond Index Performance in Q2, 2021



Source: Bloomberg

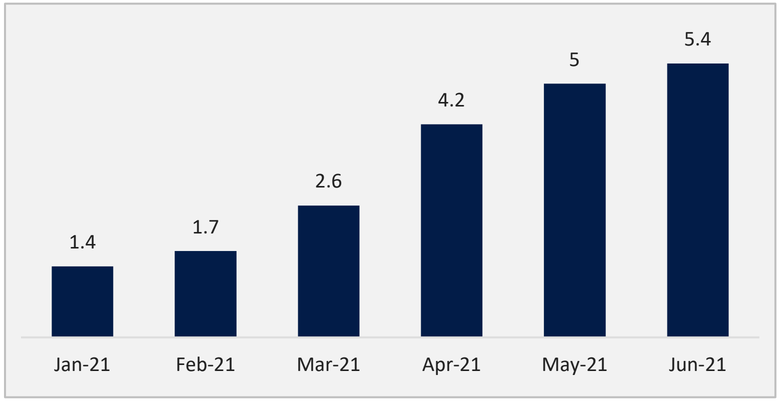
Debriefing Q2 2021 (2/3)

JOBS AND CONSUMER CONFIDENCE

Q2 witnessed a major turnaround in the employment numbers as May saw national unemployment levels drop to 5.8% and June added another 850,000 jobs. Small businesses have struggled to fill jobs as many of the previously laid off workers moved to other sectors. With unemployment benefits owing to the pandemic set to expire in September, many likely will be looking for work at that time. Most of the job gains occurred in leisure and hospitality, public and private education, professional and business services and retail trade.

The consumer confidence index soared above 100 for the second quarter running and reached the highest level since the onset of the pandemic in March 2020, indicating a potential rise in consumer spending across income groups.

Inflation Rate H1 2021



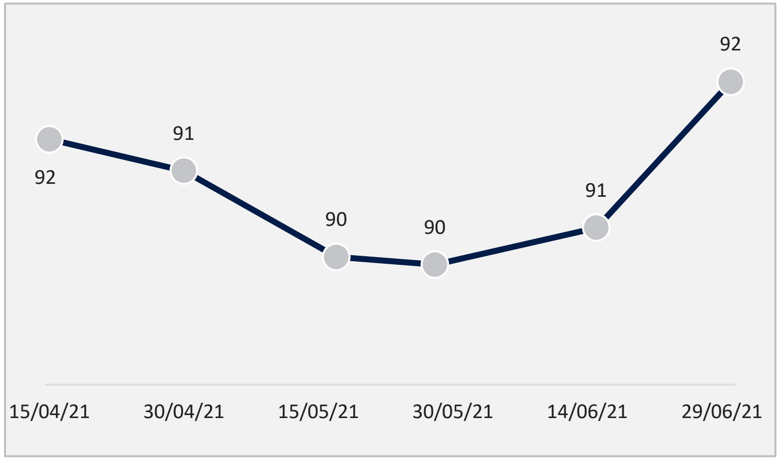
Source: U.S. Bureau of Labor Statistics

THE DOLLAR INDEX AND CRUDE OIL

The US Dollar Index (DXY) slipped 2.5% in April, its biggest tumble since July of last year. Since then, the DXY has gained 2.9%. But this rally seems to have stalled in light of a widening trade deficit and slow improvements in the labor market. Additionally, rising concerns about the Delta variant of the coronavirus, slowing asset purchases by the Fed and high inflation has led to a shift in investors' sentiment around the dollar.

Crude oil prices went up (to $68/barrel) as global inventories of oil continued to decline. Per barrel price level has returned to normal (and increasing) after it reached a negative price point during the previous year. OPEC has announced its intent to increase global production to match the rising demand, even though the long run demand for crude oil is expected to decline.

U.S. Dollar Index (DXY) Performance Q2 2021



Source: Bloomberg

Debriefing Q2 2021 (3/3)

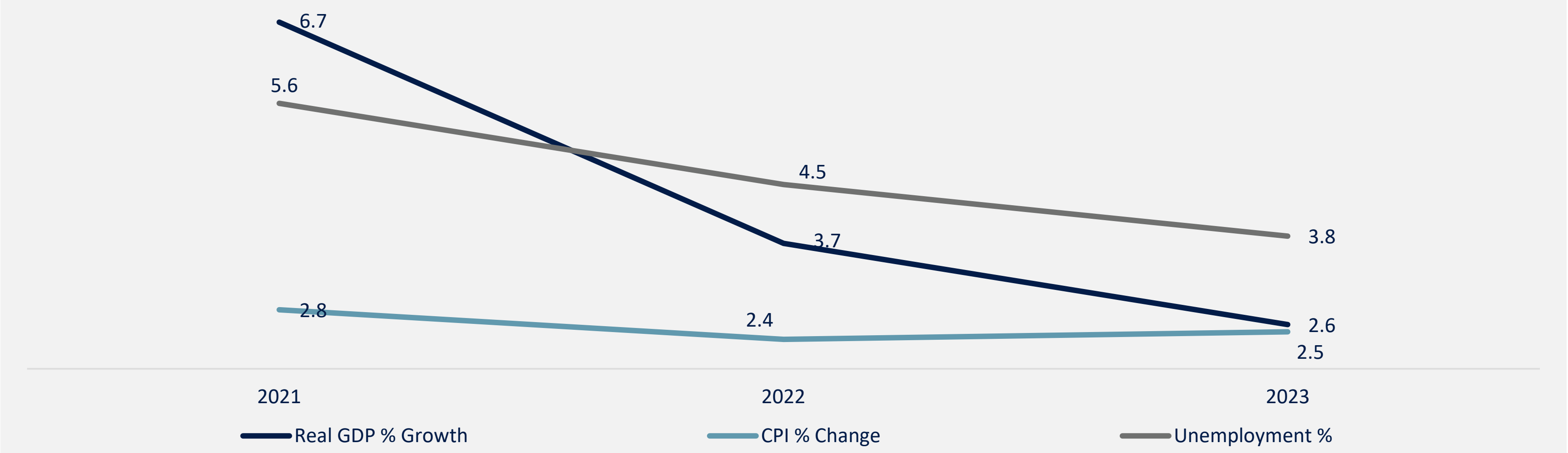
LOOKING AHEAD

Historically, Q3 has been the worst performing quarter since 1950 for the S&P 500. It is prudent to remember that even though the S&P 500 has achieved record highs in recent months, it is only 4% of the companies in the index that are attaining record highs.

As part ($579 billion) of the $1.2 trillion* infrastructure package begins to rollout after approval from the House of Representatives, the Fed needs to keep a close eye on the inflation figures and the stimulus spending, with the hope that it will peak sooner rather than later.

Worries over the emerging “Delta” variant of COVID-19 are still looming large even as the vaccination drive gathers steam. While the country grapples with the expectation of returning to normalcy with reopening of businesses as well as public spaces becoming fully accessible again, this overall cautious positivity needs to be sustained to achieve the envisioned progress.

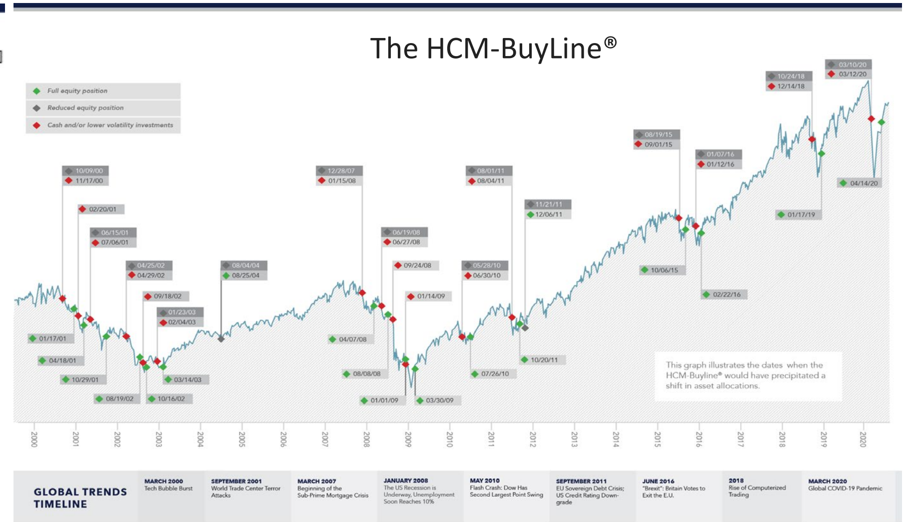
S&P Global U.S. Economic Forecast



Source: S&P Global U.S. Economic Forecast Overview

*Numbers subject to change.

HCM – Quarterly Review and Outlook



The HCM-BuyLine® remained positive. The market is a bit overbought and a pullback is warranted. If the market sees some selling, it could be another buying opportunity. The Technology sector picked up momentum recently; we added additional exposure mid-late June. The Nasdaq breakout was especially impressive. The rising trendline along the bottom of the Nasdaq Composite Index chart and the flat upper line along the top have the look of a potential "ascending triangle." Typically, this indicates a bullish continuation pattern. The Nasdaq breakout is indicative of a stronger technology sector, which is also hitting a new record.

The Fed meeting shed a bit of light on the current monetary situation with inflation rising. We are somewhat concerned that inflation and inflation expectations are running above the Fed's long-term target of 2%, but we have not hit maximum employment yet. We think the Fed should not be overly concerned with a low-2s inflation expectation-reading for a quarter or two. However, recent data hardly seems to support strengthening inflationary conditions. Commodities such as lumber and copper seem to have rolled over.

We have continuously discussed and analyzed the cash buildup for retail and institutional investors alike. Bullish retail investors poured nearly $28 billion in the stock market in June, the largest monthly inflow since 2014. Additionally, nearly 20 million new retail brokerage accounts have been added in the past year and a half. We believe the substantial cash buildup coupled with the millions of new investors entering the market can easily continue to set new highs.

Value has led the market this year and will probably stay strong, while growth/technology should pick back up in the last two quarters of the year. As stated by Vance Howard, "Everyone knows we love new highs. The only way a stock, bond, commodity, or an index can double in value is to hit new highs the whole way up. However, we do expect July to be a bit rockier, because most run-ups are followed by a period of consolidation. This should not surprise anyone, and if we get some volatility, investors should be taking advantage and buying into it."

HCM Funds – Performance Overview

Fund Name	Inception Date	Q2 2021 (3M)	1Y	3Y	5Y	Since Inception
HCM Defender 100 Index ETF – NAV	10/9/2019	15.25	58.62	-	-	45.97
HCM Defender 100 Index ETF – Market Price	10/9/2019	15.48	58.58	-	-	46.06
NASDAQ 100 TR Index[1]	10/9/2019	11.36	44.36	-	-	45.95
HCM Defender 500 Index ETF – NAV	10/9/2019	12.50	59.23	-	-	31.52
HCM Defender 500 Index ETF – Market Price	10/9/2019	12.20	59.62	-	-	31.62
S&P 500 TR Index[2]	10/9/2019	8.55	40.79	-	-	27.29
HCM Dividend Sector Plus A	3/11/2015	10.76	59.55	18.68	18.66	16.57
S&P 500 TR Index[2]	3/11/2015	8.55	40.79	18.67	17.65	14.78
HCM Income Plus A	11/9/2016	5.86	32.85	17.03	-	13.55
BB Barclays US Aggregate Bond Index[3]	11/9/2016	1.83	-0.33	5.34	-	3.58
HCM Tactical Growth A	7/30/2014	14.09	65.30	24.54	26.51	16.53
S&P 500 TR Index[2]	7/30/2014	8.55	40.79	18.67	17.65	14.17
HFRX Equity Hedge Index[4]	7/30/2014	5.07	11.05	4.79	24.45	22.67

Disclosure

The performance data quoted here represents past performance. Current performance may be lower or higher than the performance data quoted above. Past performance is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that investor's shares, when redeemed, may be worth more or less than their original cost. For performance information current to the most recent month-end, please call toll-free 770-642-4902. HCM Funds are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Brokerage commissions will reduce returns. Market Price returns are based upon the midpoint of the bid/ask spread at 4:00 pm ET when NAV is normally determined for most HCM Funds, and do not represent the returns you would receive if you traded shares at other times.

Note: *References given above are explained on the next slide*

HCM Funds – Performance Overview

Fund Name	Fund Category	3-year Morningstar Rating* as of 06/30/2021	5-year Morningstar Rating* as of 06/30/2021	Rating out of no. of funds (for 3 years as of 06/30/2021)	Rating out of no. of funds (for 5 years as of 06/30/2021)	Expense Ratio
HCM Defender 100 Index ETF	Large Growth	-	-	-	-	1.14%
HCM Defender 500 Index ETF	Large Blend	-	-	-	-	1.23%
HCM Dividend Sector Plus A	Large Value	★★★★★	★★★★★	1,141	1,012	2.09%
HCM Income Plus A	30% - 50% Equity	★★★★★	-	480	-	1.70%
HCM Tactical Growth A	Large Blend	★★★★★	★★★★★	1,257	1,099	2.22%

[1] **NASDAQ 100 TR Index:** The NASDAQ-100 Index represents 100 of largest non-financial US and international securities listed on The NASDAQ Stock Market® (NASDAQ ®) based on market capitalization.

[2] **S&P 500 TR Index**: The S&P 500 Index tracks the performance of top 500 large-cap U.S. companies.

[3] **Barclays US Aggregate Bond Index:** Barclays US Aggregate Bond TR Index (100%), is a broad-based benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass throughs), ABS, and CMBS.

[4] **HFRX Equity Hedge Index:** The HFRX Equity Hedge Index measures the performance of the hedge fund market. Equity hedge strategies maintain positions both long and short in primarily equity and equity derivative securities.

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*Ratings are based on risk adjusted returns

Dividend Sector Fund – Q2 2021 Overview

Quarterly Allocation Changes

We added to our previous positions in leveraged index ETF positions as well as dividend focused ETF with significant financial and utility exposure. We also took positions in individual dividend paying securities (50) for an approximate weight of 4.2%.

Quarterly Performance Drivers

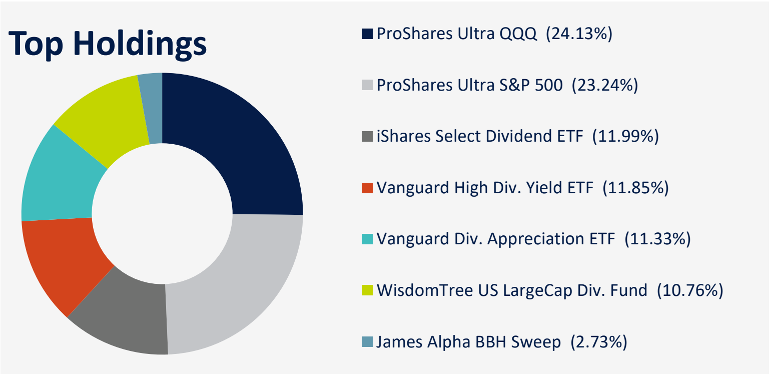
What Helped

The fund outperformed the S&P 500 Total Return Index. The major contributors were:

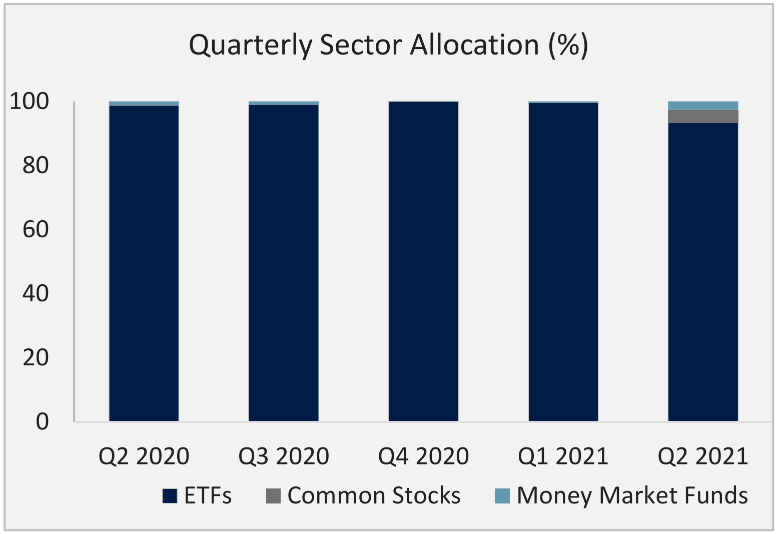
- Higher leveraged exposure to Nasdaq-100 and S&P 500 index ETFs through its largest holdings in ProShares Ultra S&P500 and ProShares Ultra QQQ, which seek daily investment returns that correspond to 2x the performance of the S&P500 and NASDAQ-100 respectively.
- Growth oriented positions within large blend dividend ETFs
- Exposure to the energy, technology and real estate sector

What Hurt

- Holdings in small value stocks and exposure to the utility sector hampered portfolio performance in the quarter



Current and future portfolio holdings are subject to risk and change



Income Plus Fund – Q2 2021 Overview

Quarterly Allocation Changes

We sold our holdings in thematic ETF (Ark Innovation). On the other hand, we added to our previous positions in mega cap growth and Nasdaq-100 ETFs as well as convertible and high yield bonds.

Quarterly Performance Drivers

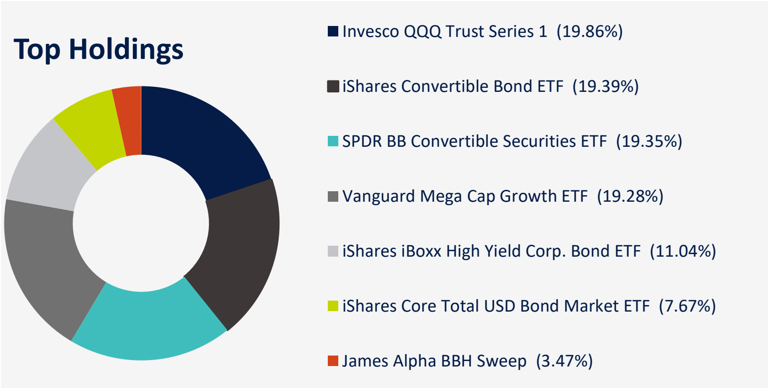
What Helped

The fund outperformed the BB Barclays US Aggregate Bond Index. The major contributors were:

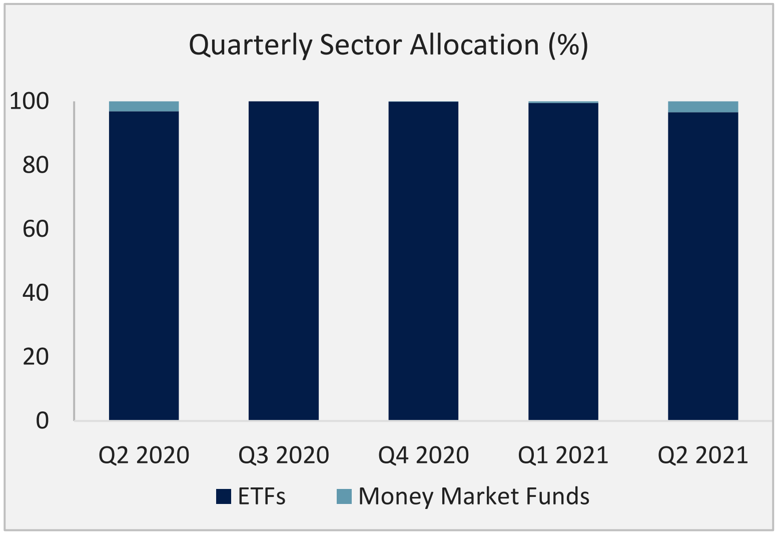
- Positions in mega cap growth (Vanguard Mega Cap Growth ETF) and Nasdaq-100 ETFs (Invesco QQQ Trust Series 1)
- Convertible bonds through its major position in iShares Convertible Bonds ETF, which offers exposure to U.S. dollar denominated convertible securities, specifically cash pay bonds

What Hurt

- Holdings in high yield bonds, specifically in iShares iBoxx High Yield Corporate Bond ETF; Bond yields were still on the higher side amid worries over unemployment and rising inflation
- Holdings in investment grade bonds weighed down on portfolio performance in the quarter



Current and future portfolio holdings are subject to risk and change



Tactical Growth Fund – Q2 2021 Overview

Quarterly Allocation Changes

We added to our positions in leveraged Nasdaq-100/ S&P 500 and technology focused ETFs as well as to positions in Amazon and Tesla. In addition, we established positions in Biotechnology ETF (~3.5%). We also took a large position in a technology focused ETF composed of U.S equities in the technology sector (~6.7%).

We sold our positions in thematic ETFs (Ark Innovation and Ark Genomic Revolution), consumer discretionary (consumer services) and small cap growth ETFs.

Quarterly Performance Drivers

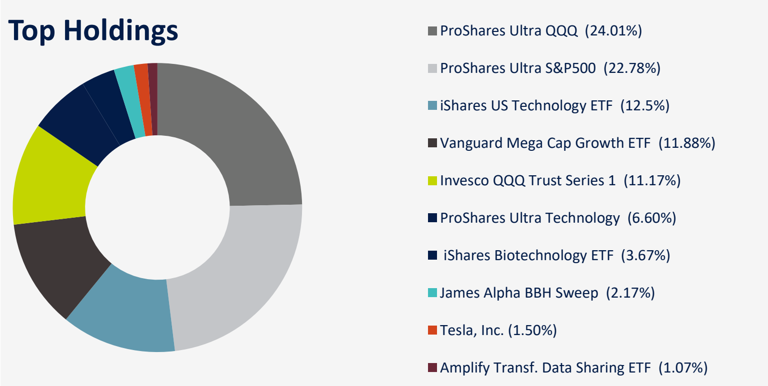
What Helped

The fund outperformed the HFRXEH and S&P 500 Total Return Index. The major contributors were:

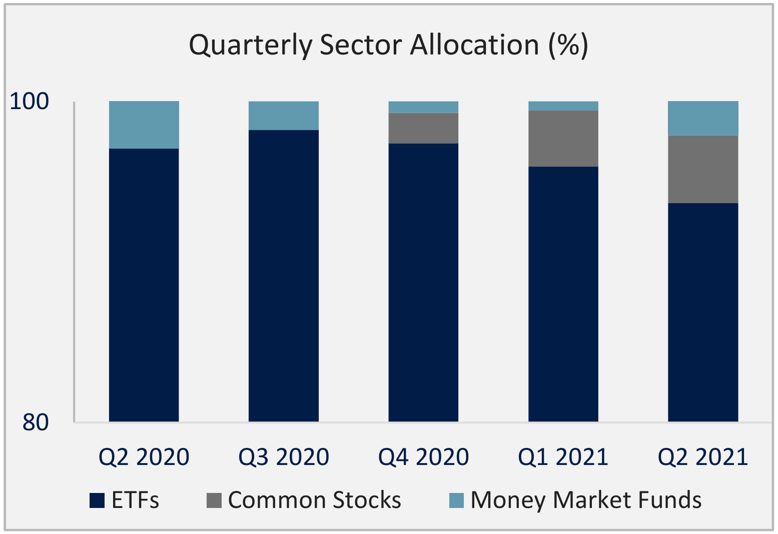
- Mega cap growth and technology focused ETFs, leveraged Nasdaq-100 and S&P 500 index ETFs (ProShares QQQ and ProShares Ultra S&P 500 respectively)
- Individual security selection (NVIDIA, Google, American Express)
- The fund's exposure to financial services, communication services, and technology sectors proved beneficial

What Hurt

- Blockchain technology thematic ETF and a small position in Intel Corporation adversely affected portfolio performance



Current and future portfolio holdings are subject to risk and change



Important Risk Information

Investors should carefully consider the investment objectives, risks, charges and expenses of the HCM Income Plus Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained at www.howardcmfunds.com or by calling 770-642-4902. The prospectus should be read carefully before investing. HCM Income Plus Fund is distributed by Northern Lights Distributors, LLC, member FINRA/ SIPC. Northern Lights Distributors, LLC and Howard Capital Management, Inc. are not affiliated.

Mutual funds involve risk including possible loss of principal. When the Fund is out of the market and in cash or cash equivalents, there is a risk that the market will begin to rise rapidly and may cause the Fund to miss capturing the initial returns of changing market conditions. The mutual funds in which the Fund may invest may use leverage. Using leverage can magnify a mutual fund's potential for gain or loss and therefore, amplify the effects of market volatility on a mutual fund's share price. The Fund may be subject to the risk that its assets are invested in a particular sector or group of sectors in the economy and as a result, the value of the Fund may be adversely impacted by events or developments in a sector or group of sectors.

The price of small or medium capitalization company stocks may be subject to more abrupt or erratic market movements than larger, more established companies or the market averages in general. A higher portfolio turnover will result in higher transactional and brokerage costs and may result in higher taxes when Fund shares are held in a taxable account. ETFs and mutual funds are subject to investment advisory and other expenses, which will be indirectly paid by the Fund. As a result, the cost of investing in the Fund will be higher than the cost of investing directly in other investment companies and may be higher than other mutual funds that invest directly in securities. The market value of ETF and mutual fund shares may differ from their net asset value. Each investment company and ETF is subject to specific risks, depending on the nature of the fund.

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HCM Indicators. The HCM-BuyLine® is a proprietary indicator used to assist in determining when to buy and sell securities. When the Indicator identify signs of a rising market, HCM then identifies the particular security(ies) that HCM believes have the best return potentials in the current market from the universe of assets available in each given model and signals to invest in them. When the Indicators identify signs of a declining market, the Indicators signal to move clients' investments to less risky alternatives. Not every signal generated by the Indicators will result in a profitable trade. There will be times when following the Indicators results in a loss. An important goal of the Indicators is to outperform the market on a long-term basis.

Important Risk Information (Contd..)

The reason is the mathematics of gains and losses. A portfolio which suffers a 30% loss takes a 43% gain to return to the previous portfolio value. The Indicators are a reactive in nature, not proactive. They are not designed to catch the first 5–10% of a bull or bear market. Ideally, they will avoid most of the downtrends and catch the bulk of the uptrends. There may be times when the use of the Indicators will result in a loss when HCM re-enters the market. Other times there may be a modest positive impact. When severe downtrends occur, however, such as in 2000-2002 and 2007-2008, the Indicators have the potential to make a significant difference in portfolio performance. Naturally, there can be no guarantee that the Indicators will perform as anticipated. The Indicators do not generate stop-loss orders that automatically sell securities in the portfolio at a certain price. As a result, use of the Indicators will not necessarily limit your losses to the desired amounts due to the limitations of the Indicators, market conditions, and delays in executing orders.

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Exchange Traded Funds involve risk including possible loss of principal. The Fund is a new fund with a limited history of operations for investors to evaluate. The value of securities owned by the Fund may go up or down, sometimes rapidly or unpredictably, due to factors affecting particular companies or the securities markets generally. Using leverage and investing in leveraged ETFs can magnify a fund's potential for gain or loss and therefore, amplify the effects of market volatility on a fund's share price. The Fund focuses its investments in securities of a particular industry which may cause the Fund's NAV to fluctuate more than that of a fund that does not focus in a particular industry. The price of small or medium capitalization company stocks may be subject to more abrupt or erratic market movements than larger, more established companies or the market averages in general. The Fund is structured as an ETF to special risks including, not individually redeemable, trading issues and market price variance.

Fixed income investments are affected by a number of risks, including fluctuations in interest rates, credit risk, and prepayment risk. In general, as prevailing interest rates rise, fixed income prices will fall.

FR2021-0729-0207 | HCM-072621-43 | 9119-NLD-7/20/2021

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Thank You