SECURIAN AM EQUITY STABILIZATION FUND Q2 2022 MARKET COMMENTARY

MARKET SECTOR UPDATE

Q2 of 2022 saw nearly every asset class deliver a loss, with some plunging firmly into bear market territory:

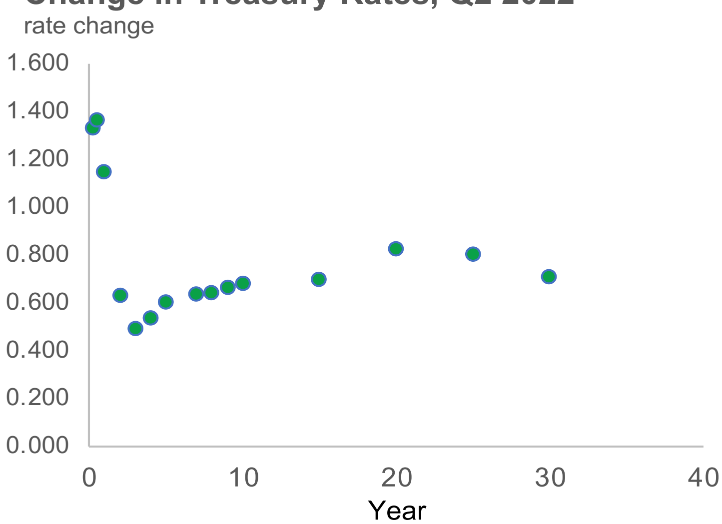
Q2 2022			
Total Return (%)		Change (bps)	
S&P 500	-16.10	6M UST	137
Nasdaq	-22.30	10Y UST	68
Russell 2000	-17.20	30Y UST	71
MSCI EAFE	-14.32	IG Credit Spreads	39
Bloomberg US Aggregate Bond Index	-4.69	HY Credit Spreads	244

Source: Bloomberg

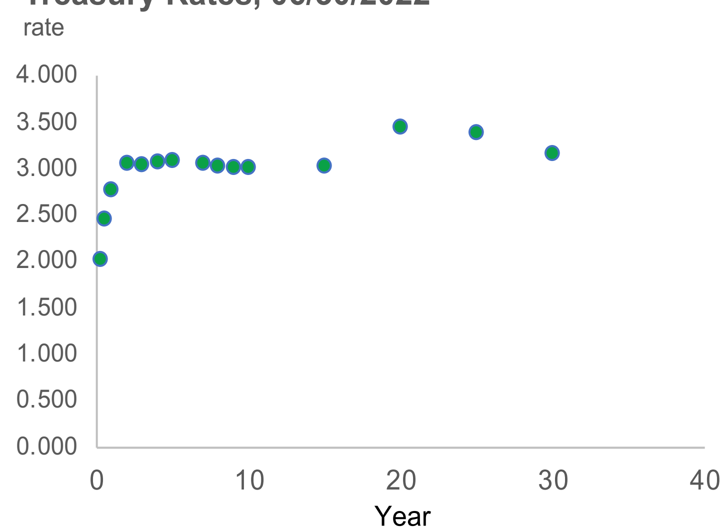
Equities of all market capitalizations and domiciles, commodities, and real estate, all delivered deeply negative returns over the quarter. Further, fixed income once again failed to provide a meaningful equity offset in balanced portfolios, as the Bloomberg Aggregate Bond Index (Bloomberg Agg) had its fourth-worst quarter ever, returning -4.69%. Note that its third-worst quarter ever was Q1 of 2022; the Bloomberg Agg has thus returned -10.35% year to date.

Inflation showed no signs of abating over the quarter. Core Personal Consumption Expenditures (PCE) and Consumer Price Index (CPI) printed 4.69% and 8.6% year-over-year changes on 05/31/2022, respectively. While Core PCE was actually down modestly from the recent peak of 5.31% on 02/28, the 4.69% print is still higher than any other level seen since the 1980s. The same can be said for the CPI change of 8.6%. Clearly, the economy is not yet granting the Federal Reserve (Fed) a reprieve from its monetary tightening campaign that elevated inflation has necessitated. As such, the Fed raised its policy rate twice during the quarter, taking a 50 bps step on 05/04, and a 75 bps step on 06/15. These moves left the policy rate at 1.50-1.75% at the close of Q2. Correspondingly, the short end of the yield curve--one year or less--increased by about 1.3% over Q2. The entire rest of the curve--out to 30 years--only increased by 50-80 bps.

Change in Treasury Rates, Q2 2022



Treasury Rates, 06/30/2022



Source: Bloomberg. Data as of 6/30/22.

The yield curve continues to be extremely flat from roughly 1Y to 30Y, and this rate behavior once again suggests to us that the market has a pessimistic view of longer-term growth prospects, and of the Fed's ability to tamp down inflation without driving the economy into a recession.

All eleven Global Industrial Classification Standard (GICS) sectors within the S&P 500 posted negative returns in Q2. Consumer Staples was the best-performing sector, returning -4.62%. Information Technology, Communication Services, and Consumer Discretionary, homes of the mega-cap tech names like Apple, Microsoft, Alphabet, Tesla, and Meta, were the three worst-performing sectors in Q2. They returned -20.24%, -20.71%, and -26.16%, respectively. We are still wary of the excessive market cap concentration in a small number of technology-focused firms that, despite the equity losses in the first half of 2022, continues to plague the S&P 500.

Realized volatility was up from last quarter, 28.09% vs 21.48%. This 28.09% realized volatility is a 92nd percentile value historically. The Chicago Board of Options Exchange (CBOE) Volatility Index (VIX) averaged 27.35 for the quarter, and the average difference between the VIX and realized 20 day volatility was 0.61 points, a 5th percentile value. While the average implied-realized spread tends to be lower in high volatility and negative-return periods, we would argue this spread in Q2 was unjustifiably tight, and we interpret it as demonstration of misguided investor optimism.

PORTFOLIO STRATEGY

Equity volatility is what guides the asset allocation of this strategy. When equity volatility is low, the equity exposure of this strategy will be high. Conversely, when equity volatility is high, the equity exposure of this strategy will be low.

Realized 20 day volatility ranged from a low of 15.91% to a high of 34.87% over Q2 and, as mentioned, the realized volatility for the entire quarter was 28.33%. The VIX ranged from a low of 18.57 to a high of 34.75 over the same time period. Consequently, the Equity Stabilization Fund equity exposure was underweight for the quarter, averaging 64.30%. The maximum equity exposure of the Fund was 85.01%, and the minimum was 50.90%. The Fund closed out the quarter at 56.00%.

OUTLOOK

Most of what we stated in our prior quarterly update still holds true. The Federal Reserve is still in a very difficult spot. Inflation is still worryingly high. Despite the selloff thus far in 2022, equity market valuations are still elevated. The Russian invasion of Ukraine and its corresponding effect on commodity markets are still unfolding, with Europe facing a particularly ugly potential natural gas shortage. Finally, partisan hysteria at all levels of government continues to erode hard-fought social and political progress won over the last century, while simultaneously stymieing any meaningful attempts to improve the lives of working-class Americans. Unsurprisingly, the University of Michigan Consumer Sentiment Index hit 50 at quarter-end, its lowest-ever level, going back to 1978. Certainly, consumer sentiment alone could be enough to drive the domestic economy into its next recession.

The yield curve ended the quarter inverted between the 2 year and 10 year points, with the 2 year yield winding up 4 basis points (bps) higher than the 10 year yield on 06/30/2022. As we alluded to in our last update, we expect the remaining Fed actions in 2022—i.e. what is being priced in by the interest rate futures market—to fully invert the yield curve, which is a market condition that many observers use as a recession predictor.

Another point to keep in mind is the following: high-yield spreads widened by over 240 bps over the quarter, and finished Q2 at 5.69%. Wider high-yield spreads tend to be accompanied by more volatile equity markets:

High Yield Spread Range	Average 20-day Equity Volatility
< 3.56 (bottom third)	11.52%
3.56 to 5.27 (middle third)	13.54%
> 5.27 (top third)	23.01%

Source: Bloomberg

And, as we have pointed to many times, more volatile equity markets tend to see worse returns. In short, we continue to see a very challenging environment for risk assets in the coming months.

Another point that bears repeating is that traditional portfolio construction, which relies on fixed income to be a portfolio bulwark against equity volatility, has been severely challenged in the beginning of the present monetary tightening cycle. The Bloomberg Agg posted two of its four worst quarters ever in Q1 and Q2 of 2022, all while equity markets were producing appreciable losses. Thus far, fixed income has done little to dampen portfolio volatility and drawdown. And, given the Fed action priced into the market for the remainder of 2022, we expect more pain for fixed income in the near future. So, if any particular investor is still bullish on equities, in our view 2022 seems the ideal year to consider a Stabilization strategy that provides equity exposure while simultaneously managing volatility and downside risk.

Ordinarily, this strategy carries high equity exposure in low volatility periods, and low equity exposure in high volatility periods. In terms of linear exposure, this approach will continue. But in times like the ones we currently find ourselves in, we will endeavor to have additional downside risk management positions in place.

Top Holdings as of 6/30/22 (% of Net Assets Excluding Cash):

Shares MSCI USA Min Vol Factor ETF 31.66, iShares MSCI EAFE Min Vol Factor, ETF 24.00, iShares Core High Dividend ETF 18.01, iShares MSCI Emerging Markets, Min Vol Factor ETF 5.99, BlackRock Short Maturity Bond ETF 5.20, and iShares MSCI Germany ETF 4.04.

Fund holdings are subject to change and should not be considered a recommendation to buy or sell any security.

PERFORMANCE AS OF 6/30/2022

	Q2 2022	YTD	1 Year	3 Year	5 Year	Ann ITD*	*Inception
Institutional Class	-5.76%	-10.05%	-5.72%	0.35%	2.85%	4.63%	9/28/2015
MSCI ACWI Index	-15.66%	-20.18%	-15.75%	6.21%	7.00%	9.06%	
S&P 500 Index	-16.10%	-19.96%	-10.62%	10.60%	11.31%	13.01%	

Performance data quoted represents past performance and 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. Fund performance current to the most recent month-end may be lower or higher than the performance quoted and can be obtained by calling 800-207-7108. *Returns showing less than one year are cumulative. The gross and net operating expense ratio for the Institutional Shares are 1.73% and 1.13% respectively. The Fund's advisor has contractually agreed to waive its fee and/or pay operating expenses so that total annual fund operating expenses do not exceed 0.95%. The contractual agreement is in effect until December 31, 2023. Without the contractual agreement, performance would have been lower. Net expenses are applicable to the investor. Because of ongoing market volatility, Fund performance may be subject to substantial short-term changes.*

Before investing you should carefully consider the Securian AM Equity Stabilization Fund's investment objectives, risks, charges and expenses. This and other information in the prospectus and summary prospectus, a copy of which may be obtained by calling 800 -207-7108 or by visiting the Fund's website at www.libertystreetfunds.com. Please read the prospectus or summary prospectus carefully before investing.

RISK AND OTHER DISCLOSURES:

An investment in the Fund is subject to risk, including the possible loss of principal amount invested and including, but not limited to, the following risks: **Market Turbulence Resulting from COVID-19:** The outbreak of COVID-19 has negatively affected the worldwide economy, individual countries, individual companies and the market in general. The future impact of COVID-19 is currently unknown, and it may exacerbate other risks that apply to the Fund**. Managed Volatility Strategy Risk:** The securities used in the strategy are subject to price volatility, and the strategy may not result in less volatile returns for the Fund relative to the market as a whole, and they could be more volatile. **Derivatives Risk:** Derivatives involve special risks including leverage, correlation, counterparty, liquidity, operational, accounting and tax risks. These risks, in certain cases, may be greater than the risks presented to more traditional investments. **Liquidity Risk:** The Fund may invest in illiquid securities which involve the risk that the securities will not be able to be sold at the time or prices desired by the Fund, particularly during times of market turmoil. **Short Sales Risk:** In connection with establishing a short position in an instrument, the Fund is subject to the risk that it may not always be able to borrow the instrument, or to close out a short position at a particular time or at an acceptable price. **ETF Risk:** The market price of an ETF fluctuates based on changes in the ETF's net asset value as well as changes in the supply and demand of its shares in the secondary market. It is also possible that an active secondary market of an ETF's shares may not develop and market trading in the shares of the ETF may be halted under certain circumstances. **Futures Contracts Risk.** The price of a futures contract may change rapidly in response to changes in the markets and the general economic environment. **Options Risk.** When the Fund purchases an option on a security or index it may lose the entire premium paid. There is also the possibility that the counterparty will default in the performance of its obligations. **Leverage Risk.** Using futures, swaps and other derivatives creates leverage, which can magnify the Fund's potential for gain or loss and, therefore, amplify the effects of market volatility on the Fund's share price. **Portfolio Turnover Risk**. A high portfolio turnover rate (100% or more) has the potential to result in the realization and distribution to shareholders of higher capital gains, which may subject you to a higher tax liability.

The Fund may not be suitable for all shareholders. We encourage you to consult with appropriate tax and financial professionals before considering an investment in the Fund.

The MSCI ACWI Index captures large and mid-cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. The Index covers approximately 85% of the global investable opportunity set. The returns are shown net of foreign dividend withholding taxes. **The S&P 500 Index** consists of 500 large cap common stocks which together represent approximately 80% of the total U.S. stock market. It is a float-adjusted market-weighted index (stock price times float-adjusted shares outstanding), with each stock affecting the index in proportion to its market value. **The Bloomberg Aggregate Bond Index** measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, mortgage-backed securities, asset-backed securities and commercial mortgage-backed securities. **The Nasdaq 100 Index i**s a basket of the 100 largest, most actively traded U.S companies listed on the Nasdaq stock exchange. **The Russell 2000 Index** is a small-cap stock market index that makes up the smallest 2,000 stocks in the Russell 3000 Index. **The MSCI EAFE Index** is a stock market index that is designed to measure the equity market performance of developed markets outside of the U.S. & Canada**. One cannot invest in an index.**

Basis Point: One basis point is equal to 1/100th of 1%, or 0.01%, or 0.0001 **Yield:** A return measure for an investment over a set period of time, expressed as a percentage. **Core Personal Consumption Expenditures:** is a measure of the prices that people living in the United States, or those buying on their behalf, pay for goods and services**. Consumer Price Index (CPI):** measures the overall change in consumer prices based on a representative basket of goods and services over time. **The Chicago Board of Options Exchange(CBOE) Volatility Index (VIX):** is a real-time market index representing the market's expectations for volatility over the coming 30 days. **Consumer Sentiment Index:** is a monthly survey that gathers information on American consumer expectations regarding the overall economy.

The views in this material were those of the Fund's Sub-advisor as of the date written and may not reflect its views on the date this material is first disseminated or any time thereafter. These views are intended to assist shareholders in understanding the Fund's investment methodology and do not constitute investment advice.

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