

## GRAMERCY EMERGING MARKETS DEBT FUND

### MONTHLY COMMENTARY

Global risk sentiment was positive in May as data in the U.S. turned more negative and weakened the higher rates for long-mantra that had been dominating fixed income markets for the last several months. Most significantly, unemployment ticked up to 3.9% as payrolls missed and U.S. jobless claims rose more than expected at the beginning of the month. These signs that the U.S. labor market might finally be cooling off brought back hopes of a soft landing and drove U.S. Treasuries to the lows of the month halfway into May. As an example, the 10-year U.S. Treasury rallied 34 basis points (bps) during the first two weeks of May to reach 4.34%. While significant supply during the second half of the month caused U.S. Treasuries to give back some of these gains, we still ended the month with tighter U.S. rates as the Fed's preferred measure of inflation, the core personal consumer expenditure deflator, came in weaker than expected at 0.2% Month-over-Month (MoM) for April, showing some disinflation momentum. As such, the 10-year U.S. Treasury ended the month at 4.50%, 18bps below April's month end level.

In terms of return streams, all emerging markets ("EM") fixed income sub-asset classes had strong results during the month of May. EM Hard Currency Sovereigns, as represented by the EMBI Global Diversified Index, outperformed, with an aggregate return of 1.80% (investment grade and high yield components returned 2.07% and 1.55% respectively). EM Local Currency Sovereigns, as represented by the GBI-EM Global Diversified Index, and EM Hard Currency Corporates, as represented by the CEMBI Broad Diversified Index, returned 1.61% and 1.46% respectively, in May. Within corporates, returns for investment grade and high yield were the same at 1.46%.

During the month of May, performance for the Fund largely benefited from our tactical exposure to select China property credits that rallied on the back of supportive policy measures announced by the government, our positioning in long duration investment grade corporate credits with convexity that benefited from the Treasury rally in the U.S. and our selection of high yield corporate credits, particularly in Brazil, Chile, South Africa and Turkey, that rallied on the back of positive global risk sentiment. These factors were partially offset by our under allocation to investment grade sovereigns which benefited the most from the Treasury rally in the U.S. in May.

### PERFORMANCE AS OF 5/31/2024

	May 2024	3 Month	YTD	1 Year	3 Year	5 Year	Cumulative ITD*
GFEMX	2.03%	N/A	N/A	N/A	N/A	N/A	0.04%
GFEAX	2.01%	N/A	N/A	N/A	N/A	N/A	0.00%
GFEAX w/ Load	-2.29%	N/A	N/A	N/A	N/A	N/A	-4.21%

**Performance data quoted represents past performance and is no guarantee of future results.** Total return figures include the reinvestment of dividends and capital gains. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month end performance, please call (800) 207-7108. Returns showing less than one year are cumulative. The gross operating expense ratio for the Class A and Institutional Shares are 1.51% and 1.26%, respectively. The net operating expense ratio for the Class A and Institutional Shares are 1.10% and 0.85%, respectively. The contractual agreement between the Fund and the Advisor for fee waiver and/or paying for operating expenses is in effect until April 30, 2025. Without the contractual agreement, performance would have been lower. Performance results with load reflect the deduction for Class A Shares of the 4.25% maximum front-end sales charge. Performance represented without the load would be lower if this charge was reflected. \* The Fund's inception date is 4/1/2024.

### IMPORTANT DISCLOSURES

**Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information about the Fund is 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](http://www.libertystreetfunds.com). Please read the Fund's prospectus or summary prospectus carefully before investing.**

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, which are more fully described in the prospectus: **Market Risk:** the market price of a security may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular issuer, company, or asset class. **Fixed income/interest rate:** generally, fixed income securities decrease in value if interest rates rise, and increase in value if interest rates fall. **Foreign Investment:** the prices of foreign securities may be more volatile than the prices of securities of U.S. issuers because of economic and social conditions abroad, political developments, changes in the regulatory environments of foreign countries, and changes in U.S. laws regarding such countries. **Emerging Markets:** many of the risks with respect to foreign investments are more pronounced for investments in issuers in developing or emerging market countries. Emerging market countries tend to have more government exchange controls, more volatile interest and currency exchange rates, less market regulation, and less developed and less stable economic, political and legal systems than those of more developed countries. **High Yield (“Junk”) bond:** involve greater risk of default, downgrade, or price declines, can be more volatile and less liquid than investment-grade securities. **Credit:** if an issuer or guarantor of a debt security held by the Fund or a counterparty to a financial contract with the Fund defaults or is downgraded or is perceived to be less creditworthy, the value of the Fund’s portfolio will typically decline. **Convertible Securities:** are subject to market and interest rate risk and credit risk. **Contingent Convertible Securities:** subject to the risk of a triggering event occurring which may result in the issuer converting the security to an equity interest, cancelling interest payments, or writing down the principal value of such securities, and are inherently risky because of the difficulty of predicting triggering events. **Foreign Sovereign Debt:** Foreign governments rely on taxes and other revenue sources to pay interest and principal on their debt obligations. The payment of principal and interest on these obligations may be adversely affected by a variety of factors. **Currency Risk:** the values of investments in securities denominated in foreign currencies increase or decrease as the rates of exchange between those currencies and the U.S. dollar change. Currency conversion costs and currency fluctuations could erase investment gains or add to investment losses. **Prepayment or Call Risk:** if interest rates fall, an issuer may exercise the right to prepay their securities, and the Fund will not benefit from the rise in market price that normally accompanies a decline in interest rates. The Fund may also lose any premium it paid on the security. **ESG Criteria:** the Fund’s consideration of ESG criteria in making its investment decisions may affect the Fund’s exposure to risks associated with certain issuers; the criteria can result in excluding securities of certain issuers; there are significant differences in interpretations of what it means for a company to have positive or negative ESG characteristics. **Inflation:** risk that as inflation increases, the real value of the Fund’s assets can decline. This risk is greater for fixed-income instruments with longer maturities. **Derivatives:** Using derivatives exposes the Fund to additional or heightened risks, including leverage risk, liquidity risk, valuation risk, market risk, counterparty risk, and credit risk. **Liquidity:** the Fund may not be able to sell some or all of the investments that it holds due to a lack of demand in the marketplace or it may only be able to sell those investments at a loss. Liquid investments may become illiquid or less liquid after purchase by the Fund, illiquid investments may be harder to value, especially in changing markets. **Valuation:** the sales price the Fund could receive for any particular portfolio investment may differ from the Fund’s valuation of the investment, particularly for securities that trade in thin or volatile markets or that are valued by the Adviser using a fair value methodology. This may affect purchase price or redemption proceeds for investors who purchase or redeem Fund shares on days when the Fund is pricing or holding fair-valued securities. The value of foreign securities, certain fixed income securities, and currencies may be materially affected by events after the close of the market on which they are valued but before the Fund determines its net asset value. **Portfolio Turnover Risk:** active and frequent trading of the Fund’s portfolio securities may lead to higher transaction costs and could negatively affect the Fund’s performance. **No Operating History:** The Fund is recently organized and has no operating history. As a result, prospective investors have no track record or history on which to base their investment decisions. **Management and Strategy Risk:** the evaluation and selection of the Fund’s investments depend on the judgment of the Fund’s Sub-Adviser, which may prove to be incorrect. **Recent Market Event:** periods of market volatility may occur in response to market events and other economic, political, and global macro factors, and could adversely affect the value and liquidity of the Fund’s investments.

The **JPM Emerging Market Bond Index Global Diversified (EMBI Global Diversified)** is a uniquely weighted USD-denominated emerging markets sovereign index. It has a diversified allocation scheme which allows a more even distribution of weights among the countries in the index. The **JPM Corporate Emerging Market Bond Index (CEMBI) Broad Diversified** is a comprehensive USD-denominated corporate emerging markets bond index, with broad issuer coverage (including small and short-dated bonds) and a diversified weighting scheme. The index is at times separated into sub-indices: High Grade and High Yield, to delineate between the constituents. The **JPMGIBI-EM Global Diversified** version is a comprehensive global emerging markets index of local government bond debt offering a diversified weighting scheme and broad country coverage. **Emerging Markets Bond Index Global Diversified (EMBI® Global Diversified):** The EMBI Global Diversified is a uniquely-weighted version of the EMBI Global. It limits the weights of those index countries with larger debt stocks by only including specified portions of these countries’ eligible current face amounts of debt outstanding. The countries covered in the EMBI Global Diversified are identical to those covered by the EMBI Global. **One cannot invest directly in an index.**

**Core personal consumer expenditure deflator:** Also referred to as the “Core PCE”, the core personal consumer expenditure deflator is the Federal Reserve’s preferred measure of inflation. Core PCE excludes food and fuel — two categories that frequently experience price swings. Increases in both PCE and core PCE can signal an increase in inflation; decreases may signal a decline in inflation. **Investment grade** indicates that a bond presents a relatively low risk of default. **Non-investment grade** high yield bonds involve greater risks of default. **Duration** is the sensitivity of a bond’s price against the benchmark yield curve. **Basis Point** is one hundredth of 1 percentage point. **Convexity** is a measure of the non-linear relationship of bond prices to changes in interest rates, and is defined as the second derivative of the price of the bond with respect to interest rates.

The views expressed in this material reflect those of the Fund’s Sub-Advisor as of the date this is written and may not reflect its views on the date this material is first published or anytime thereafter. These views are intended to assist in understanding the Fund’s investment methodology and do not constitute investment advice. This material may contain discussions about investments that may or may not be held by the Fund. All current and future holdings are subject to risk and to change.

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