MARKETFIELD
ASSET MANAGEMENT

Marketfield Fund March 31, 2012

FUND OVERVIEW

Objective

The investment objective of the Fund is capital appreciation. We endeavor to accomplish this by seeking low-volatility absolute return in excess of broad equity indexes.

Strategy & Process

The Fund attempts to provide returns on capital substantially in excess of the risk-free rate rather than matching any particular index or external benchmark. The Fund has a broad investment charter that allows it to utilize equity securities, fixed-income instruments, commodities, futures and options. Additionally, with respect to 50% of the Fund's net assets, the Fund may engage in short sales of index-related and other equity securities to reduce its equity exposure or to profit from an anticipated decline in the price of the security sold short.

FUND FACTS

Fund Statistics

Ticker Symbol ....MFLDX
CUSIP 89833W865
Minimum Investment...$2,500
Inception Date 7/31/07
Benchmark ....S&P 500 Index
Net Assets $1,309M
Number of Holdings 94

Top Ten Long Holdings (as of 3/31/12)

W.W. Grainger Inc. 2.79%
BASF SE (Germany) 2.36%
Priceline.com Inc. 2.33%
Google Inc. 2.15%
IShares MSCI Mexico 2.03%
Wolseley PLC (U.K.) 1.91%
Fast Retailing Co. Ltd. (Japan)..............................1.88%
Teradata Corp. 1.87%
USG Corp. 1.84%
iShares Dow Jones Transport Avg. ETF 1.82%

TOTAL: 20.98%

Portfolio Allocation (As of 3/31/12)

Equity Portfolio Long...90%
Equity Portfolio Short 34%

★★★★★ OVERALL MORNINGSTAR RATING™ AMONG 72 LONG-SHORT EQUITY FUNDS AS OF 3/31/12

Ratings are based on risk-adjusted return. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its 3 year Morningstar Rating metrics.

FUND PERFORMANCE

As of Quarter-End 3/31/12

	Cumulative			Annualized		
	1 Month	YTD	Since Inception*	1 Year	3 Year	Since Inception*
MFLDX	+3.31%	+6.78%	+50.06%	+9.35%	+20.28%	+9.08%
S&P 500	+3.29%	+12.59%	+ 7.28%	+8.54%	+23.42%	+ 1.52%

*Since inception date 7/31/07

Gross Expense Ratio 2.43%
**Net Expense Ratio 2.54%
***Operating Expense Cap 1.75%

Source: U.S. Bancorp ©

***The net expense ratio includes dividends and interest expense on short positions, & the recoupment of previously waived expenses.*
**** The Adviser has agreed to waive its management fees and/or to reimburse expenses of the Fund to ensure that total Annual Fund Operating Expenses (exclusive of taxes, leverage, interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, dividends on short positions, acquired fund fees and expenses and extraordinary or non-recurring expenses, such as litigation) do not exceed 1.75% of the Fund's average annual net assets, at least through August 31, 2012 and for an indefinite period thereafter.*

Performance reflects the reinvestment of dividends and other earnings and is net of advisory fees. Performance data quoted represents past performance; past performance 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. Current performance of the Fund may be lower or higher than the performance quoted. Performance data to the most recent month end may be obtained by calling (888) 236-4298. The Fund imposes a redemption fee of 1.00% for shares held less than 60 days. Performance data quoted does not reflect the redemption fee. If reflected, total return would be reduced.

TOP FIVE SECTORS — NET

Industrial...28.34%
Consumer Discretionary...24.65%
Technology..8.18%
Energy..7.60%
Basic Materials...3.25%

Fund holdings and/or sector allocations are subject to change at any time and are not recommendations to buy or sell any security.

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MARKETFIELD
ASSET MANAGEMENT

MANAGEMENT TEAM

Michael C. Aronstein
President, Chief Executive Officer,
and Portfolio Manager

Michael C. Aronstein is Portfolio Manager of the Marketfield Fund. He is also Chief Investment Strategist for Oscar Gruss & Son Incorporated, a NYSE member firm that provides research and investment advice to institutional managers. Prior to joining Oscar Gruss in 2004, Mr. Aronstein was Chief Investment Strategist at Preservation Group, a provider of independent macroeconomic and strategic advice to professional investors. Mr. Aronstein began his investment career in 1979 at Merrill Lynch, serving positions as Senior Market Analyst, Senior Investment Strategist, and Manager of Global Investment Strategy. Mr. Aronstein spent six years as President of Comstock Partners, a diversified investment advisor, and left to found West Course Capital, a discretionary commodity management firm. Mr. Aronstein graduated from Yale College with a Bachelor of Arts in 1974. His views on macroeconomic and strategic issues are regularly sought by and disseminated through the financial print and visual media. Mr. Aronstein manages $1,309 million in MFLDX and $424 million in The Marketfield Fund, Ltd.; total assets under management are $1,733 million.

Michael Shaoul
Chairman

Michael Shaoul also serves as Chief Executive Officer of Oscar Gruss and Son Incorporated, a position he has held since December 2001. He joined Oscar Gruss in 1996 as Chief Operating Officer. Between 1992 and 1996, Mr. Shaoul ran Park Square Associates, a Manhattan-based real estate investment and management company. He was awarded a Ph.D. in Accounting and Finance in 1992 from Manchester University (UK). Mr. Shaoul has written articles on behalf of *Barron's* and has been regularly quoted in *The Wall Street Journal* and *Dow Jones Newswires* regarding his opinions on the investment markets.

Myles D. Gillespie
Chief Operating Officer

Myles D. Gillespie joined Marketfield Asset Management as Chief Operating Officer in 2007. Mr. Gillespie is a graduate of The Hotchkiss School and holds a Bachelor of Arts degree from Franklin and Marshall College (Class of 1983). From 1983 to 1986, he worked as a stock index futures trader with Henderson Brothers and in 1986 became a NYSE Specialist at Quick & Reilly. He was appointed Executive Vice President of JJC Specialist Corp., the successor firm to Quick and Reilly, in 1989. In 1999 he became President of Fleet Specialist, Inc., the successor firm to JJC Specialist Corp., retiring from this position in 2004. During his time at the NYSE, Mr. Gillespie served as a NYSE floor Official (1993-1999) and NYSE floor Governor (2001-2004).

David C. Johnson, Jr.
Director of Research

Mr. Johnson joined Marketfield Asset Management, LLC as Director of Research in April 2011. Mr. Johnson is a graduate of the University of North Carolina at Chapel Hill. He received his MBA in 1984 from Darden School of Business, University of Virginia. Prior to joining Marketfield, Mr. Johnson was an investment analyst, portfolio manager, and head of business development at Wilkinson O'Grady & Co., Inc. He spent the first ten years of his career in the fixed-income department of Salomon Brothers, where he managed one of its primary sales groups. Mr. Johnson was president of Preservation Group, where he worked closely with Mr. Aronstein.

Mutual fund investing involves risk. Principal loss is possible. The Fund invests in smaller companies, which involve additional risks such as limited liquidity and greater volatility. The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for investments in emerging markets. Investments in debt securities typically decrease in value when interest rates rise. 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 regularly makes short sales of securities, which involves the risk that losses may exceed the original amount invested, however a mutual fund investor's risk is limited to the amount invested in a fund. 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. The investment in options is not suitable for all investors. Investments in absolute return strategies are not intended to outperform stocks and bonds during strong market rallies. ***The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectuses contains this and other important information about the investment company, and may be obtained by calling (888) 236-4298. Read carefully before investing. Diversification does not assure a profit or protect against a loss in a declining market.***

The S&P 500 Index (SPX) is a broad-based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. The securities holdings and volatility of the Fund differ significantly from the stocks that make up the SPX. You cannot invest directly in an index. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. Correlation is a statistical measurement of how two securities move in relation to each other.

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The Marketfield Fund is advised by Marketfield Asset Management and distributed by Quasar Distributors, LLC. Quasar Distributors is not affiliated with Sincere & Co., LLC.

COMMENTARY

Markets continue to function against a backdrop of improving private sector dynamics and a concomitant decline in the fortunes of governments. The long restructuring process that began with the corporate sector in 1998-2002 and spread to households in 2006-2008 is continuing to weigh on an increasing number of governments, tightening the terms under which they can borrow and otherwise oblige taxpayers.

The coexistence of expansive and depressive forces in the macroeconomic background is nothing new, and has been a regular feature of bull and bear markets for decades. In fact, it is often the case that sectors in decline make their absolute lows around the same times as favored sectors are driving prices to bull market peaks. It is virtually impossible, on a month-to-month basis, to guess whether the constructive or destructive trends will arrive at center stage.

The last bull market peak in precious metals took place in the first quarter of 1980, at the exact same time as the stable growth and interest sensitive sectors, which were to provide market leadership for the next fifteen to twenty years, were hitting historic lows. In some cases, the extremes occurred on the same day.

In similar fashion, industrial and basic materials stocks were falling to secular lows in the late 1990s and early 2000, right at the time technology and large cap growth names were in the last, spectacular stages of an historic bull market. Homebuilding stocks reached long term lows in March 2000, and actually rose during the ensuing collapse in technology stocks between 2000 and 2002. Homebuilders peaked and started down in the second quarter of 2005. Between June 30, 2005 and its peak in November 2007, the MSCI Emerging Market index gained 138% while crude oil prices rose by 150% between June 2005 and July 2008.

The point of the foregoing is to remind our readers that in every macroeconomic environment there are positives and negatives unfolding simultaneously. One of the dangers of running a very flexible portfolio is the ease of allowing one's temperamental biases to focus on only one side of the story. For managers who are inclined toward pessimism, there is always some set of forces inimical to the health and value of certain capital assets. This makes constant bearishness and a categorical refusal to invest seem like a reasonable strategy.

The opposite case, in which stubborn adherence to optimism leads one down the path of permanent destruction of capital, usually occurs when the misplaced enthusiasm involves a sector that has already provided highly unusual returns and has attracted a great number of adherents.

Our approach in writing these commentaries and annual letters is to highlight the shifts between the constructive and destructive trends as one or another becomes overlooked. When the popular imagination is taken with doom and gloom, we try to remind readers of the coextensive mechanisms that are likely to produce positive outcomes. When return-chasing in already inflated and highly populated sectors becomes the order of the day, we like to remind people of the risks while describing the processes by which these risks will come to the fore.

The secular decline in the fortunes and prerogatives of bodies political is an issue that we have regularly addressed for the past eighteen months. It is the last act of a long term restricting and deleveraging cycle that began with the U.S. corporate sector in the late 1990s, progressed to households after the housing mania came to tears and is now centered around the most profligate, least competent and most credit dependent entities of all — governments.

We have been asked how, if we are concerned about the unwinding of a sovereign credit cycle, can our main worries involve emerging markets where, at least on the surface, government finances seem to be on much firmer ground than in Europe, Japan or the U.S.? That is a very good question.

The apparent lack of sovereign leverage in the developing economies is not as clear-cut as generally presumed. In many cases, borrowing by state run enterprises and banks acting as proxies of the government itself has produced as great a degree of implied obligation as is present in the more indebted European economies. Record bond issuance by private and quasi-private sector emerging market borrowers has been a notable feature of the global recovery since 2009 and continued to accelerate in Q1 2012. The majority of these borrowings are assumed to have government as an ultimate guarantor.

Compounding the expansion of corporate and financial system leverage, several crucial developing economies (Brazil, India and Russia) are actually running large and growing fiscal deficits at the sovereign level. The local liquidity provided by record inbound capital flows from foreign investors has

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allowed these governments, banking systems and corporate borrowers to proceed largely unscathed through the worst of the upheavals in Europe. We are concerned that any disruption in overall risk appetite, even if only for a few weeks, will diminish the flows into emerging market assets and dramatically tighten local credit conditions at a point in the cycle where there is an acute need for additional lending. This could be a feature of any generalized market declines, even ones that originate in the developed world.

The most noteworthy risks of this decade will continue to involve markets' examination of the proper roles of government within economic processes. We suspect that certain popular enthusiasms about government "investment" i.e., spending, or the apparent vigor of economies driven by the wanton expansion of publically funded infrastructure will end in tears.

The particular risks that we envision within the emerging markets are born of a dangerous conjunction among expectations, investor habitation, intrinsic illiquidity through the escape hatch of local currencies and a broad tendency to high correlations brought on by the arbitrary groupings of indices, funds and ETFs.

Many of our readers are probably sick of hearing from us about the special risks of emerging markets, particularly as our short positions there have cost us about half of our year-to-date returns from the long side of the portfolio. Nevertheless, we continue to consider these risks to be the most pressing in an environment where any of the first quarter's enthusiasms for risk are tested.

In the event that these markets are resilient in the face of weakness in the U.S., Europe or Japan, then it will be time for us to reconsider our hypothesis and move on. Wrong and stubborn is a combination that we earnestly try to avoid.

April 8, 2012
Michael C. Aronstein
President

The information provided herein represents the opinion of the Portfolio Manager and is not intended to be a forecast of future events, a guarantee of future results, nor investment advice.