



**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 .....	\$1,449M
Number of Holdings .....	93

**TOP TEN LONG HOLDINGS (AS OF 4/30/12)**

iShares Dow Jones Transport Avg. ETF .....	2.51%
Priceline.com Inc. ....	2.34%
BASF SE (Germany) .....	2.11%
SPDR S&P Regional Banking ETF.....	2.01%
Google Inc. ....	1.92%
iShares MSCI Mexico .....	1.91%
USG Corp. ....	1.83%
Union Pacific Corp. ....	1.75%
Tractor Supply Company .....	1.70%
TJX Cos. ....	1.69%
<b>TOTAL: .....</b>	<b>19.77%</b>

**PORTFOLIO ALLOCATION (AS OF 4/30/12)**

Equity Portfolio Long .....	85%
Equity Portfolio Short .....	30%

**★★★★★ OVERALL MORNINGSTAR RATING™**  
**AMONG 73 LONG-SHORT EQUITY FUNDS AS OF 4/30/12**

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			AS OF MONTH-END 4/30/12					
	1 Year Annualized	Since Inception*	Cumulative	1 Month	YTD	Since Inception*	1 Year	3 Year	Since Inception*
MFLDX	+9.35%	+9.08%	+50.06%	+1.14%	+7.99%	+51.76%	+7.53%	+17.76%	+9.18%
S&P 500	+8.54%	+1.52%	+7.28%	-0.63%	+11.88%	+6.61%	+4.76%	+19.46%	+1.36%

\*Since inception date 7/31/07

Gross Expense Ratio	2.46%
**Net Expense Ratio	1.55%
***Operating Expense Cap	1.75%

Source: U.S. Bancorp ©

\*\*The net expense ratio excludes dividends and interest expense on short positions, acquired fund fees and expenses & the recoupment of previously waived expenses. The net expense ratio including those expenses would have been 2.47%.

\*\*\* 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, 2013 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 .....	24.52%
Consumer Discretionary .....	22.61%
Technology.....	7.32%
Energy.....	6.40%
Consumer Staples .....	4.74%

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



**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 \$1,449 million in MFLDX and \$444 million in The Marketfield Fund, Ltd.; total assets under management are \$1,893 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.

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## COMMENTARY

With the European election season upon us and a similar point of reckoning fast approaching in the U.S., a brief look at the fundamental issues as they pertain to economic matters is in order. The basic points of contention on both continents are reminiscent of technical, economic arguments that arose during Victorian times.

During the last three decades of the 19th century, monetary austerity took center stage as a political issue. The debate between those who wished for strict adherence to a gold standard and those who favored a more relaxed bimetallic regime was a persistent theme in the aftermath of the Civil War.

Five generations have passed since Bryan's "Cross of Gold" speech attacked the deflationary burdens of a strict, gold-anchored monetary regime and little has changed.

In the spring of 2012, the debate has enlarged to comprise not only the monetary monopolies of political authorities, but also their fiscal and regulatory powers.

Politicians continue to mine the veins of popular anger that arise at intersections of policy and markets. When prices and flows move to levels that weigh on a particular segment of society, politicians suggest that they can, if given sufficient power, turn back the tides.

With governments of all sorts having metastasized to dominate financial flows in many supposedly free economic systems, we are witnessing an epic confrontation between political hubris and market forces. The outcome is not mysterious. Either economic freedom expressed through market interactions will be allowed to prevail, or the political entities in which they are forcibly suppressed will fail.

The paths of failure in systems that restrain the expression of their citizens' economic preferences are normally apparent. The difficulty lies in extracting their influence from the portions of the economic system in question that remain free and viable.

Regions like the European Union (EU), where a reasonably high degree of economic freedom still exists, the overall tone oscillates between the beneficial forces of private capital accumulation and the burdens of increasingly intrusive and unstable regimes. In countries that are further down the path of economic totalitarianism e.g., Venezuela, Ecuador and lately, Argentina, the predominating trends become more and more closely tied to the forces of suppression and overall, the forces of decline and the particular capital markets reflecting them gather momentum in retreat.

In nations where the substitution of dictatorial authority for free economic exchange is nearly complete, there remains almost no real economic activity other than desperate efforts at survival. This is the terminus, toward which all centralized economic authority, wittingly or not, is headed. Whether rulers or citizens have the inclination or ability to change course before disaster strikes is not a matter for economic analysis.

The modern intelligentsia smile in condescension at the thought of the ancient Aztecs tossing virgins into volcanoes in order to end eclipses (which, by the way, never failed), oblivious to the fact that modern, interventionist ideas about increasing government's expenditure of its citizens' funds in order to promote general prosperity are about as scientifically valid as virgin sacrifice. Fiscal expansion after crises does seem to be associated with recovery, which, like the end of an eclipse, is going to happen regardless of the participation of rulers and their soothsayers.

Popular misconceptions about the role and motives of those in political power are a pernicious thread running throughout recorded history. The pyramids and palaces of the ancient world are monuments to brutality and megalomania. King Solomon destroyed his own kingdom with reckless, ego-driven fiscal policy, doubtless at the behest of some Keynesian precursor who argued that the construction of more and larger palaces would stimulate growth.

The old 50s song, "I Fought the Law (and the Law Won)" is an appropriate theme for today's world, in which governments persist in battling the laws of economics. This conflict will be the defining element of the present decade, and there is no telling the precise forms of resolution that will occur from one political realm to the next.



### COMMENTARY CONT.

All we can say for certain is that the laws of economics will win, to the chagrin of those who claim to have discovered magical paths around them. Whether the entrenched political interests will respond like the Syrian leadership, the Greek unions or, more hopefully, the Irish and Baltic governments is anyone's guess.

At present our primary concerns with this process of markets forcibly disciplining governments revolve around the emerging markets more so than Europe. Greece may have terminal fiscal issues, but there is no longer much at stake in its markets. China, Brazil, India and Russia, on the other hand, have trillions of dollars of external funds tied directly to their capital markets.

We have maintained for decades that the main risk factor for investors (and cowboys) is stampede risk, wherein a vast herd of similarly situated beings decide to move at once. In the case of corrals and capital markets, there is a real possibility that the exit gates will prove inadequate. The risk of an illiquid, panicky retreat from the most favored sectors of the past three and ten years remains our principal concern at present.

In spite of our continuing optimism about business and macroeconomic conditions in the U.S. and northern Europe, there is little doubt that a real surprise from capital markets in the developing world will have a spillover effect across the globe. In light of the growing acknowledgement of the slow-down in emerging markets, we have increased our short exposure there while maintaining holdings in equity sectors sensitive to domestic activity.

May 9, 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.