

## FUND INFORMATION

Inception Date	12/07/2020
Ticker	DFHY
Benchmark	Bloomberg US Aggregate Bond
Expense Ratio	0.88%
CUSIP	89628W609
AUM	\$29,506,420
30 Day Sec Yield	5.94%
Exchange	CBOE BZX Exchange, Inc.

## Where does DFHY Fit Into a Portfolio?

The Donoghue Forlines Tactical High Yield ETF is a strategic allocation to investor portfolios. The fund can be used as a sleeve for the fixed income portion of an overall asset allocation portfolio for investors seeking income and or a total return.

## INVESTMENT COMMITTEE

- John A. Forlines III
- Richard E. Molari
- Jeffrey R. Thompson
- Nick Lobley

## PROSPECTUS & ACCOUNT QUESTIONS:

1-800-617-0004

## MARKETING AND SALES QUESTIONS:

1-800-642-4276

## OR VISIT OUR WEBSITE:

[www.DonoghueForlinesETFs.com](http://www.DonoghueForlinesETFs.com)



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## FUND INVESTMENT OBJECTIVE

The Donoghue Forlines Tactical High Yield ETF (the "Fund") seeks to provide investment results that closely correspond, before fees and expenses, to the performance of the FCF Tactical High Yield Index (the "Underlying Index").

### Why invest in DFHY?

Income investors are currently challenged with historically low interest rates.

**DFHY** seeks to **participate in the high yield bond market which offers generally high coupon rates to potentially provide a high level of current income.** DFHY aims to capture the majority of the upside and more importantly avoid the majority of the downside of the high yield asset class during a full credit market cycle.

The strategy utilizes proprietary defensive "Tactical" indicators to attempt to mitigate downside volatility and preserve capital by shifting primarily towards intermediate term treasury exposure during market declines.

High Yield bonds have typically been less interest rate sensitive than higher quality fixed income asset classes and not as volatile as dividend paying stocks.

DFHY seeks consistent returns for investors seeking income distribution.

**We believe that combining High Yield with Tactical Defensive Risk Management is a differentiator in Index and ETF construction.**

**High Yield bonds generally fall between higher quality bonds and stocks on the risk/return spectrum.**

### Trailing Returns

As of Date: 9/30/2024

	5 Years	10 Years
Bloomberg Intermediate Treasury	0.82	1.50
High Yield	7.38	7.30
S&P 500 TR	15.98	13.38

### Standard Deviation

As of Date: 9/30/2024

	5 Years	10 Years
Bloomberg Intermediate Treasury	3.87	3.20
High Yield	0.47	0.37
S&P 500 TR	18.04	15.25

### Returns

As of Date: 9/30/2024

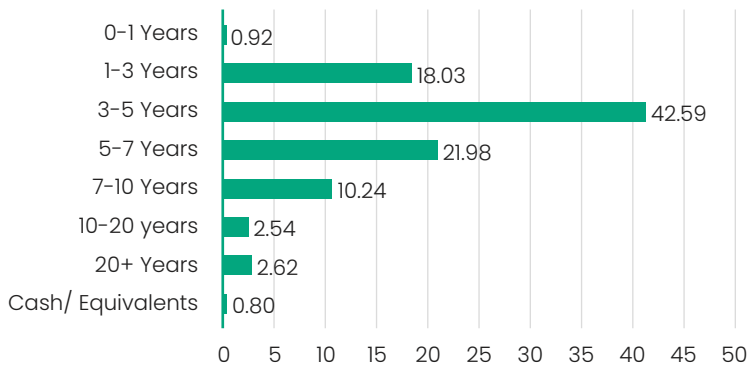
	1M	3M	YTD	1Y	2Y	3Y	Since Inception 12/7/2020
Donoghue Forlines Tactical HY ETF	1.51	5.32	6.77	12.92	7.07	-0.55	0.20
Donoghue Forlines Tactical HY ETF NAV	1.51	5.31	6.82	12.92	7.05	-0.54	0.19
Bloomberg US Aggregate Bond Index	1.34	5.20	4.45	11.57	5.97	-1.39	-1.39

### DFHY: A Tactical Strategy

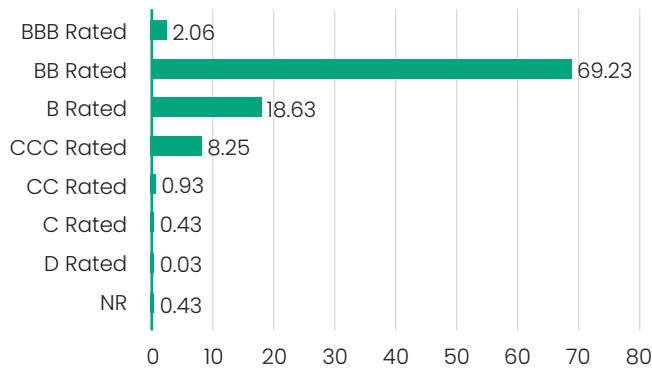
By following the Index, DFHY seeks to identify intermediate term trends and be invested in the high yield asset class for the majority of an uptrend and more importantly to move into a defensive position to avoid the majority of a downtrend.

*Past performance does not guarantee future results. Index performance is not illustrative of Fund performance. One cannot invest directly in an index. Fund performance may be obtained by calling 800-617-0004. Source: Morningstar Direct*

## Maturity Breakdown %



## Credit Ratings Breakdown %



The holding weighted distribution of the portfolio by credit rating level. The breakdown levels are aggregated at a rating symbol level which combines ratings with modifiers such as "+" or "-". Credit quality ratings on underlying securities of the fund are received from S&P, Moody's and Fitch. Unrated securities do not necessarily indicate low quality. Below investment-grade is represented by a rating of BB and below. Ratings and portfolio credit quality may change over time.

## The Potential Benefits of High Yield:

High Yield bonds have exhibited negative or low correlations to Treasuries over the past 20 years.

Attractive risk adjusted returns.

Lower sensitivity to interest rates than Treasuries.

*The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained by calling 18006170004. Read it carefully before investing.*

**There is no guarantee that DFHY will achieve its investment objective. Investing involves risk, including the possible loss of principal. Because the Fund is an ETF (rather than a mutual fund), shares are bought and sold at market price (not NAV), may trade at a discount or premium to NAV, and are not individually redeemable. Owners of the shares may acquire those shares from the Fund and tender those shares for redemption to the Fund in Creation Unit aggregations only, consisting of 25,000 shares. Brokerage commissions will reduce returns. Investments in the Fund include risks associated with small and midcap securities, which involve limited liquidity and greater volatility than large cap securities. Because the Fund invests in ETFs, an investor will indirectly bear the principal risks of the underlying funds, including illiquidity, and an investment in the Fund will entail more costs and expenses than a direct investment in the Underlying ETFs. IndexBased Strategy Risk. Passive funds that seek to track an index may hold the component securities of the underlying index regardless of the current or projected performance of a specific security or relevant market as a whole, which could cause the Fund returns to be lower than if the Fund employed an active strategy. The performance of the Fund may diverge from that of its Index. The Fund may participate in futures markets, which are highly volatile, and the use of futures may increase the volatility of the Fund's NAV. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longerterm debt securities. Investments by the Fund in high yield securities and unrated securities of similar credit quality are considered to be speculative and are generally subject to a greater risk of loss of principal and interest than investment grade securities. Investment in a fund that utilizes a tactical overlay that seeks to minimize risk may not be appropriate for every investor seeking a particular risk profile. Active and frequent trading of portfolio securities may result in increased transaction costs to the Fund, and may also result in higher taxes if Shares are held in a taxable account.**

The inclusion of the S&P 500 Index, ICE BofA US High Yield Index, and Bloomberg Barclays Intermediate Treasury Index are for comparison purposes only. The S&P 500 Index is a market capitalization weighted index of 500 widely held stock soften used as a proxy for the stock market. Standard and Poor's chooses the member companies based upon market size, liquidity, and industry group representation. The ICE BofA US High Yield Index measures the performance of shortterm US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. The Bloomberg Barclays Intermediate Treasury Index measures the performance of public obligations of the U.S. Treasury with maturities of 10 years, including securities roll up to the U.S. Aggregate, U.S. Universal, and Global Aggregate Indices. It is not possible to invest directly in an index.

The Donoghue Forlines Tactical High Yield ETF is distributed by Quasar Distributors, LLC.

Free Cash Flow (FCF) represents the cash that a company is able to generate after accounting for capital expenditures.

Market Price: The current price at which shares are bought and sold. Market returns are based upon the last trade price. NAV: The dollar value of a single share, based on the value of the underlying assets of the fund minus its liabilities, divided by the number of shares outstanding. Calculated at the end of each business day.