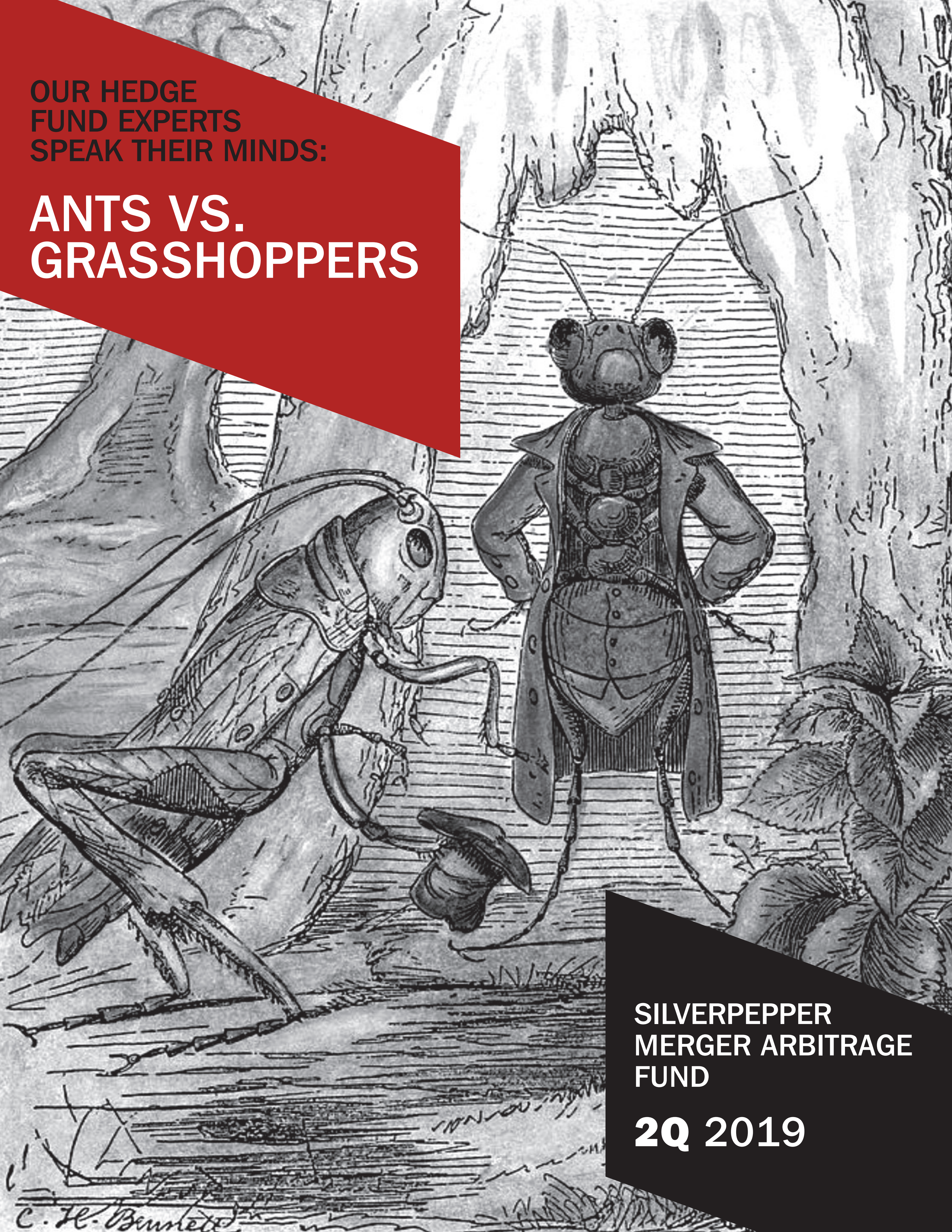
OUR HEDGE
FUND EXPERTS
SPEAK THEIR MINDS:

ANTS VS. GRASSHOPPERS



SILVERPEPPER
MERGER ARBITRAGE
FUND

2Q 2019

Markets Gonna Party Like It's 1999

2019 has been rockin' the house, for almost every asset class. Everyone is giddy, with the S&P 500 Index up 18.5% so far this year. Bonds joined the party — maybe even started it, as investors became convinced the Fed was done raising rates, and that their next move would be a cut. The Barclays U.S. Aggregate Bond Index has even gained 6.1% in 2019.

So investors may barely remember a lackluster 2018. The Barclays U.S. Aggregate Bond Index was flat. And for stocks, the S&P 500 Index lost 4.38%, and ended 2018 with the worst December since the Great Depression.

But here at the SilverPepper Merger Arbitrage Fund, we're not dancing on the bar with a lampshade on our head. We remember all too well the market hangover of 2018, and the near-death drop of 2008-2009.

Instead, like Aesop's diligent Ants, we keep steadily storing up tasty morsels for winter — like this year's 1.8%* gain so far — while the Grasshoppers make music and party-hardy, all summer long.

Now 1.8% (which is right around our historical average for a six-month period) doesn't give you the same bragging rights that 18.5% does. But, as they say, "Safety Is No Accident." In fact, it's no accident that Merger Arbitrage investing is designed to help us accomplish our #1 goal: Don't lose your hard-earned dollars!

And by earning you another 1.8%, with much less risk than the overall market, we've accomplished our #1 goal once again. We continued to generate consistent returns, with low volatility. We call our strategy "Dime after Dime, Time after Time," and in 2019 so far, just like the last 5 years — it's working.

*** *The returns represent past performance. Past performance does not guarantee future results. Investment returns 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 may be lower or higher than the performance data quoted. Call 855-554-5540 for current to most recent month-end performance.***

SilverPepper

And over the long-term, we've done even better. We are happy to report that our five-year annualized return clocked in at 3.68%. That puts our Fund more than 80 basis points higher than our next closest competitor, among funds that primarily follow a merger arbitrage strategy. **

Moreover, our five-year gains dwarf that of the average fund in the Morningstar Market Neutral category, by more than 350 basis points. That makes our return, since our inception, the third best out of the 70 funds in the Market Neutral category, all while having the fifth lowest risk. High return and low risk — that's good.

SILVERPEPPER MERGER ARBITRAGE FUND INSTITUTIONAL MONTHLY RETURNS (%)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2013											0.10	1.00	1.10
2014	-0.10	0.10	0.10	- 1.48	1.40	0.69	0.79	0.68	-0.77	-0.10	1.37	-0.23	2.44
2015	0.60	0.99	0.10	0.29	0.78	0.10	0.48	0.77	0.19	2.47	0.19	1.25	8.49
2016	1.13	0.37	0.00	0.37	0.37	0.18	0.64	-0.27	0.46	-0.18	-0.09	1.25	4.30
2017	-0.18	0.00	0.36	0.36	0.18	0.54	-0.54	0.36	0.90	0.00	0.00	0.57	1.76
2018	-0.18	0.45	-0.36	0.00	0.45	0.18	0.72	0.44	-1.15	0.09	0.63	-0.81	0.44
2019	1.28	0.00	0.90	-0.36	0.09	-0.09							1.83
							One-Year Return as of 06/30/2019						1.73
							Five-Year Annualized Return as of 06/30/2019						3.68
							Total Annualized Return Since Inception, (11/1 /2013)						3.57

The returns represent past performance. Past performance does not guarantee future results. Investment returns 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 may be lower or higher than the performance data quoted. Call 855-554-5540 for current to most recent month-end performance.

Total gross/net annual fund annual operating expenses are 2.81%/2.68% for Institutional and 2.96%/2.93% for the Advisor shares. The Advisor has contractually agreed to waive its fees and/or pay for expenses to ensure that total fund operating expenses (excluding, as applicable taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses (as determined in accordance with Form N-1A), incurred in connection with any merger or reorganization, or any extraordinary expenses such as litigation expenses) do not exceed 1.99% for the Institutional class and 2.24% for the Advisor class. This agreement is in effect until October 31, 2028.

Inception dates for both share classes is October 31, 2013. Performance and risk measures greater than one year are annualized.

Regulators Gone Wild

But giving you high return and low risk is never easy. Regulators got in the way in the first half of 2019, and that hampered your returns, which could've otherwise been better. Across the country, politicians of all stripes are becoming antitrust regulators. Public Utility Commissions, State Attorneys General, and Governors have all started using their positions to implement their personal, and seemingly political, antitrust policies.

The highest profile example of this involves the Sprint/T-Mobile merger deal. It looks like the Federal Trade Commission and Federal Communications Commission support the deal, but the Justice Department has expressed reservations. And a bunch of State Attorney Generals have already filed suit to block the deal. I am not sure that this has ever happened before.

Fortunately, we are not involved in the Sprint deal, because we could smell the regulatory risks a mile away. However, our investors have suffered from regulatory delay in another deal — the Roche acquisition of Spark Therapeutics. We bought into this deal because it was a well-funded, strategic priority for Roche. And we saw no antitrust issues, since Spark is mainly in the development stage with its drugs. However, this deal has been delayed five times now, and might take as long as April 2020 to close. The delays have resulted from repeated requests for additional information from regulators in both the United States and the United Kingdom.

We've been in the deal since it was announced. By the end of the second quarter, it had cost us around 60 basis points of loss for the Fund, including a 45-basis-point hit for the Fund on June 10th. However, we anticipate that the deal will eventually close, and that we'll eventually recoup those losses and close the position with a small gain. Sadly, any gain will be much delayed, and therefore much smaller than what we anticipated. Nonetheless, we are sticking with the deal.

Everybody's a Critic

Two of our other deals have run into opposition from activist investors. Both the Bristol-Myers Squibb purchase of Celgene, and Occidental Petroleum's deal for Anadarko Petroleum, have met resistance from activist investors, who believe the buyers are overpaying, or muddying their companies' business strategies. However, to date their opposition has proven ineffectual. Apparently, activist investors are not as scary to market participants as are Attorneys General! And since we're still making money on those deals, we currently plan to hold them to completion.

But we're closely monitoring them, just in case things turn ugly. We've always said we're after low risk — we don't want you to take a big hit to your principal. Because when a merger doesn't close, it makes for a bad event. The stock of the company being acquired can drop 30%, in an instant. And if that stock was 7% of your fund, that's a loss of 2% in a single day.

We try to control risk by being picky about the types of deals we invest in. Generally, we prefer: 1) well-financed acquirers; 2) purchasing for strategic objectives, rather than for purely financial perspectives (like a private equity firm might prefer); and 3) mergers between smaller companies, which are more likely to go under the radar screen of stickler regulators and nosy politicians.

The Outlook for Mergers in 2019

Big deals in the U.S. are at an all-time record peak. Led by the $86 billion merger between Raytheon and United Technologies, and a handful of other $10 billion plus deals, M&A volume jumped 20% in the U.S. during the first half of the year — to a record $1.17 trillion.

But our preferred smaller deals have been tougher to find. Caution is evident in deals worth less than $10 billion. The first half of 2019 "…has seen a decline in deals between $1bn to $10bn, which made up only 32.0% of the total volume — the lowest volume on record." [1] Nonetheless, smaller-cap deals (which typically have less regulatory risk) still account for the largest number of our holdings.

We anticipate that the overall merger environment will remain positive. And we are leaning into the opportunities the market is providing. Currently, we have 30 active deals in the portfolio, across a diverse range of industries. And since the beginning of the year, we've added eight deals to the Fund that are over $10 billion in market capitalization. We've also raised our gross exposure to merger deals to 171% of assets, close to the highest it's ever been, as we think the proliferation of deals has created plenty of opportunities to put money to work.

[1] ***Dealogic, "M&A Highlights: H12019." Deallogic M&A Research. Data as of July 1, 2019. https://www.dealogic.com/insight/ma-highlights-h1-2019/***

Remember, Winter is coming, Grasshopper.

You know, the S&P 500 Index has been ripping upward for years, causing most of us to forget what a bear market feels like. The December 2018 decline provided a hint of the threat, but it never fomented an investor panic. And right now, there's an inverted yield curve, where short-term bonds pay a higher rate of interest than long-term bonds. In the past, an inverted yield curve has often been a warning sign that a recession is coming.

So why not make hay while the sun shines? After an 18% gain for stocks in 2019's first half, here's one idea you might consider — take some risk off the table. Take some of those gains out of your stock portfolio, and put the profits somewhere safer…

The SilverPepper Merger Arbitrage Fund may play a role in providing safety (less downside risk and total volatility) in your portfolio. We do this exactly by being so very different from many of the other funds you may own.

You see, because the successful completion of a merger has so little to do with stock-market risk, our Fund has very low correlation to stocks — just 0.24, since the Fund's inception. That makes our Fund an especially good candidate to diversify your portfolio, both against the risks to global economic growth embedded in stocks, and the interest-rate risk that infects bond prices. Remember, our correlation to the Barclays U.S. Bond Aggregate is also low — it's only 0.10.

SilverPepper Sells Diversification.

So, Grasshopper, prepare for the music and dancing to end. Consider rebalancing into the SilverPepper Merger Arbitrage Fund, which has earned 3.57% per year since its inception more than five years ago, with volatility of just 2.15%. Compare that with the volatility of the S&P 500, at 11.63%.

Better risk control may lead to better returns, since not losing money is another way to make money. For example, let's say you had a typical portfolio of 60% S&P 500 and 40% Barclays Aggregate Bond. Historically, by substituting in 10% of our Fund for bonds, your portfolio would have performed better since the inception of our Fund — with little additional risk.

We believe our low-correlation strategy, combined with our conservative approach to money management, adds up to a desirable tradeoff between risk and return. We hope that's why you're an investor, because that's what we do best — and we believe it will be an enduring advantage for the SilverPepper Merger Arbitrage Fund.

Finally, thank you to our investors, whom we believe have invested with us over the years for the steady returns we try to provide, regardless of the market climate.

With respect,

Steve Gerbel

Portfolio Manager

SilverPepper Merger Arbitrage Fund

***About Merger Arbitrage Peer Group Methodology: To create a peer group of funds that specialize in merger arbitrage, we initiated the following screening and classification process. Using Morningstar's mutual-fund database, we screened for: 1). U.S. Domiciled Open-End Funds, with 2). Default Category: "Market Neutral," (146 funds) with category start date on or before 11/1/2013 (70 funds) for funds with 3). Unique Share Class and Institutional (lowest-fee) Share Class (30 funds), for funds whose 4). Primary Investment Strategy Description was Merger Arbitrage, by initiating an automated screening for the word "merger" in either the Fund's name, its investment strategy description or Morningstar Fund Analysis (4 funds), and screening out those funds whose investment strategy descriptions fell outside of 5). HFRI Event Driven: Merger Arbitrage Index, definitional requirements, excluding those funds whose investment process is not primarily focused on equity and equity related instruments, or strategies that specifically limit post-announced mergers to less than 75% of assets over a given market cycle (4 funds).*

Risk Rankings: Morningstar rankings are assigned based on the monthly standard deviation of returns. The rankings include all funds within the Morningstar category "Market Neutral." SilverPepper Merger Arbitrage Fund Institutional Share class (SPAIX) was ranked 17 out of 138 funds for the one-year period ending 6/30/2019 and 7 out of 96 funds for the five-year period ending 6/30/2019, and 5 out of 70 funds for the since inception time period (10/31/2013-6/30/2019). Source Morningstar Direct. Past performance is not indicative of future performance.

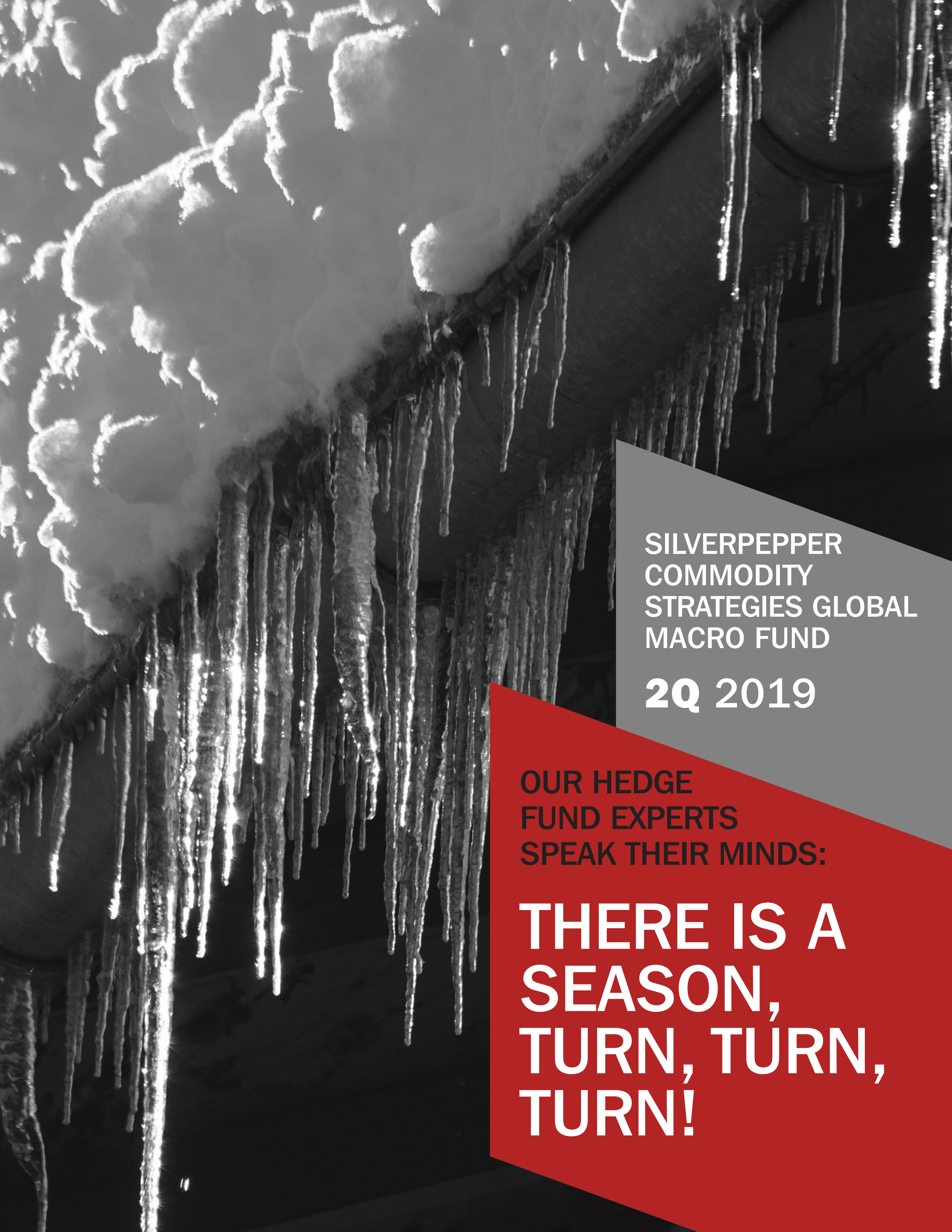
Performance Rankings: Morningstar rankings are assigned based on total return. The rankings include all funds within the Morningstar category "Market Neutral." The SilverPepper Merger Arbitrage Fund Institutional Share class (SPAIX) was ranked 5 out of 90 funds for the five-year period ending 06/30/2019 and 59 out of 136 funds for the trailing 1-year period ending 06/30/2019. Source: Morningstar Direct. Past performance is not indicative of future performance.

Since Inception time period is 10/31/2013 to 06/30/2019. Includes all funds within Morningstar category, "Market Neutral," as of 10/31/2013. The SilverPepper Merger Arbitrage Fund Institutional Share class (SPAIX) was 3 out of 70 funds for the since inception period.

Investors should carefully consider the Fund's investment objectives, risks, charges and expenses. Please see the prospectus for a complete discussion of the risks of investing in this Fund. To obtain a prospectus, please call 855-554-5540 or visit silverpepperfunds.com. The prospectus is boring but should be read carefully before investing.

All investing involves risk including the possible loss of principal. There can be no assurance that the Fund will achieve its investment objective. For the Merger Arbitrage Fund, the primary risk is event risk, which revolves around the successful or unsuccessful completion of an announced merger or acquisition. If a merger doesn't close as expected, the fund could lose money. Other risks include smaller companies risk, foreign investment risk, derivatives risk and non-diversification risk.

IMST Distributors, LLC



SILVERPEPPER COMMODITY STRATEGIES GLOBAL MACRO FUND

2Q 2019

OUR HEDGE FUND EXPERTS SPEAK THEIR MINDS:

THERE IS A SEASON, TURN, TURN, TURN!

TO EVERY THING, TURN, TURN, TURN…

What was the top performing asset class from 1970 to 2004? Commodities. It was a Commodities Super-Cycle.

But just like the seasons turn, turn, turn, so certain asset classes experience their Winter. And having been born and raised in Minnesota, I can tell you, there are times when you think, *this Winter will never end…* you think you will never cycle back to Spring, let alone the warmth of Summer, or the bounteous harvests of the Fall.

It has been Winter for Commodities as an asset class since 2013. But over the past two to three-years, we have seen a bottoming in commodity prices.

And, at the same time, we are also in the midst of a major turn in the market. In the first half of the year, as snowpack started to melt, the SilverPepper Commodity Strategies Global Macro Fund posted a gain of 3.6%.* Signs of Spring?

Although our return trailed the Bloomberg Commodity Index Total Return (BCOM) by 146 basis points for the six-month trailing period, over the longer trailing 12-month period, we have outperformed the BCOM by more than 370 bps. And, importantly, since inception, based on total return, the Fund remains the #1 Performing Fund in its Morningstar Category, Commodities Broad Basket (1 out of 71). It is also important to note that we have also delivered these better returns all the while keeping the Fund's risk to less than half of the Index.

A time to lose — and a time to get.

Commodity prices have not fully recovered from the Winter of 2013 and 2014. Since that time, however, SIX different factors have begun to set the stage for a turn in the commodities market.

The returns represent past performance. Past performance does not guarantee future results. Investment returns 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 may be lower or higher than the performance data quoted. Call 855-554-5540 for current to most recent month-end performance.

SilverPepper

Six Factors in the Turn:

First, many commodities are trading below their costs of production — an unsustainable situation that the market forces of supply and demand will undoubtedly correct over time.

Second, U.S. economic growth is strong. We have started to see the growth benefits of the Trump Tax Cuts that took effect in 2018, along with the reduction in regulatory red-tape that the Trump Administration has achieved.

Third, there are pockets of strength in global growth, such as India — the world's second most populous nation, with 1.2 billion people — that could bode well for rising commodity demand.

Fourth, China's economy is slowing, but their commitment to their massive infrastructure program, "One Belt, One Road" appears rock solid.

Fifth, there are growing expectations that the Federal Reserve will make a U-turn in its interest-rate policy, moving from raising rates to cutting rates. This has caused the U.S. dollar to weaken. And, with most commodities priced in U.S. dollars, a weaker dollar is associated with rising commodity prices, as foreign buyers use their more powerful currency to buy more commodities. **And, last but not least…**

Sixth, commodities look very attractive relative to either stocks or bonds. The last time we saw commodity prices this cheap relative to stock prices was back in the 1970s, which preceded the huge, decades-long, bull-market Super-Cycle in commodity prices I mentioned before. And with low or even negative interest rates across the globe, the risk-return profile for sovereign and corporate debt is problematic. So, given the choice of investing today in either stocks, or bonds, or commodities, I really like the catalysts and outlook for commodities and believe we could see another Super-Cycle, where commodities outperform for an extended period. **Simply: "Buy low, sell high" never goes out of style.**

A Time to Plant, a Time to Reap

I didn't learn to invest in commodities sitting behind my trading screen. I learned about commodities, about supply and demand, and trading futures by growing up on a farm. I learned from the ground up. So, for most of June, I left my trading desk and I walked the fields at GRAD (Galtere Research and Development Center), our 600-acre proprietary research and development center in southeastern Minnesota. It's in the rolling fields at GRAD that we plant corn, soybeans and switchgrass. We meet with hog farmers, talk with crop insurance underwriters, and sit down with ethanol producers. It's the essential "tire-kicking" we do there that provides us with the key insights that feed into our supply and demand views, across much of the agriculture- and energy-commodity complex.

When You Plant in the Mud, the Crop is a Dud

At GRAD, problems with the corn crop are highly visible. To see it, I only had to look at my boots, covered in mud. It was one of the wettest springs in 25 years as the continuing impact of El Nino caused buckets of rain to fall across the Midwest. Flooding began in early spring across the corn belt, when rain began bouncing off the frozen soil and snowpack. The heavy and persistent rains from April to early July soaked the soil and caused the Mighty Mississippi to crest its banks, all the way from Minnesota to Louisiana. The rains also caused other catastrophes, such as the busting of the Spencer Dam along the Niobrara River in Nebraska.

Rain is good, but too much is a problem. First, you can't plant in mud. The seeds won't germinate. So, the amount of acreage planted in 2019 will be down, either because of the mud or because what's known as "prevented plant," which is acreage that farmers decide not to plant, and instead seek guaranteed insurance reimbursements.

Last year, there were about 100 million acres planted in the U.S., and 90 million harvested. In contrast, the most recent WASDE Report (World Agriculture Supply & Demand Estimates) projects about an 8% reduction in acres planted and harvested. Beyond reduced acreage, quality is also a concern. At this time last year, the Report rated 71% of the corn crop as "good to excellent." This year, that number is only 56%.

Bad Harvest? Or Big Opportunity?

In addition, the rain delayed planting. Although most off the crop was planted by the end of June, it was planted late in the normal growing cycle. Corn needs 80 to 100 days of maturation before it's ready for harvest. With the planting delayed, corn won't be ready to harvest until late in the year. And as you go longer into the season you get a big threat — frost. Frost damages the crop and cuts yields.

In the second quarter of the year, corn was the most profitable agricultural-commodity position in the Fund. At the end of June, the Fund held about a 7% position in corn futures, a slight overweight versus the Bloomberg Commodity Index. In the first half of the year, "New Crop" corn prices (December-delivery futures contracts) increased from about $3.63 to about $4.50 per bushel. Despite the run up, we continue to hold our position and like the risk-reward going forward. Why?

I think WASDE is overly optimistic on both acreage and yield. WASDE's estimates can be off because the USDA doesn't perform spot checks on the fields until their August crop report. But, I'm in the fields now. If we get a lack of Heating Degree Days (HDD), or if the late start to planting increases the crops exposure to frost, yields could be markedly lower. So, this is how I see the risk v. reward of corn going forward:

Let's say we get a 15% reduction in acreage due to "Prevent Plant," or yields fall below WASDE's estimate of 166 bushels per acre, then we project new-crop corn-futures prices rallying to $5.50 to $6.00 per bushel.

But, let's say we get some hot weather, and maybe yields climb to 172 bushel per acre. If that's the case, maybe we have 20 to 40 cents of downside. Given the risk/reward of 20 to 40 cents of downside, and $1.00 to $1.50 of upside, we like corn's prospects from now until harvest. Right now, we see corn trading in a range of $4.00 to $5.00 until we get to pollination and the revised acreage report comes out in August. We have purchased put options in effort to protect our profits until then. Thereafter, we will be watching the weather, revisiting the fields and re-sizing our position as the crop moves along in its development and our research uncovers new insights.

A Time to Dance, A Time to Mourn

Oil! The biggest money-maker for the Fund in the first half of 2019 was oil, both West Texas Intermediate (WTI) Crude, and Brent Crude Oil. But, much of the price appreciation may be attributed to a rebound from the precipitous drop in oil prices that took place at the end of 2018. During that period, WTI fell from about $75 per barrel in the third quarter of 2018, to about $45 at year's end.

Much of the ups and downs in oil prices since the beginning of the year can be attributed to political tensions, and the potential impact those tensions may have on the health of the global economy.

Trade issues, specifically the U.S. and China trade tariffs, have depressed oil prices. China, the most populous nation on earth, is the largest importer of oil, importing 20% of the total dollar value of crude oil during 2018. Although Presidents Trump and Xi are continuing trade talks, it's not clear a quick resolution is in sight. The tariffs are weighing on the Chinese economy, but it wouldn't surprise me to see Xi use delay tactics in negotiating a resolution. With U.S. elections about 19 months away, Xi may think he can get a better deal if Trump fails to be re-elected. Face-saving is important in China, and Xi has no interest in capitulating to the U.S. and Trump. Nevertheless, we believe any trade deal would be bullish for oil, and for almost all commodities.

A Time of War, A Time of Peace

Although tariff challenges have weighed on oil prices, actions with Iran have tended to lift prices. Iran, long a geopolitical challenge in the Middle East, has come under increasing pressure from the U.S. The U.S. has hit the Iranian economy hard with its sanctions and oil embargo, taking supply out of the market. The cut in supply from the embargo, along with the belligerent actions of Iran, like mining the Straits of Hormuz, and seizing oil tankers, will likely continue to cause price spikes.

Currently, based on factors such as supply and demand, we think crude bottomed out in mid-May, around $50 per barrel. And although we don't expect oil to break out to new highs, we are looking for WTI Crude to trade within a range of $55 to $62 per barrel. Given the political uncertainty, we want to protect against the downside, however.

Our plan, therefore, is to maintain about a 15% total position in both WTI and Brent (the BCOM total allocation to both WTI and Brent is about 17%). We would use both options and dollar stops (a standing order to buy or sell a security at a specified price in the future) to get "overweight oil" at prices below $55, and we would lighten up at prices above $62. Moreover, with Brent trading at about an $8 premium to WTI, we will overweight the cheaper WTI, as it should spur buying of U.S. produced oil for export.

A Time to Keep, And A Time to Cast Away

We've been rethinking our Natural Gas position. Natural gas has played a big role in the Fund's portfolio for the last 18 to 24 months. After taking large profits on our position at the end of 2018, we significantly restructured our position coming into 2019.

First, for much of 2018, we held about 45% of the Fund's assets in natural gas calendar strips, meaning we owned natural gas for every calendar month of the year, going all the way out into 2021. We structured the position this way to reflect our view that the demand for natural gas was going to increase in future years faster than supply, as more energy producers, such as power plants, converted from coal to cheaper and cleaner natural gas.

After taking profits in late 2018, we reduced our position from 45% of the portfolio's assets to about 25% at the beginning of this year. Moreover, we structured the position such that the Fund held zero "front month" natural-gas contracts, which is what most funds/indexes hold. These front-month contracts tend to be the more volatile futures contracts because they are subject to changes in near-term weather events. As such, they don't fit as neatly with our investment thesis about long-term supply and demand.

As of the end of June, we had reduced our position in natural gas to about 14% of assets, but it wasn't enough. Natural gas prices fell in the first half of the year for two reasons:

One, we had relatively cool weather at the beginning of summer. **And two,** the amount of natural gas in storage increased, due to increased injections into storage tanks. As a consequence, the price of the benchmark front-month natural gas futures contract fell about 24%. Unfortunately, our 2019 natural gas calendar strips couldn't avoid the fallout.

But despite our overweight position (14% vs. the BCOM 6.3%), the structure of our position kept our loss in line with the BCOM Index. Nonetheless, natural gas was the worst performing position for the Fund in the first half of the year.

Despite the decline in prices, natural gas remains a strategic position in the Fund. Natural gas storage, even with the increase in injections in the first half of 2019, still remains well below the 5-year average levels of storage. Moreover, with current futures prices of about $2.40 per Billion Cubic Feet, natural gas is trading below its cost of production. When commodities are trading below their costs of production, we see opportunity ahead.

Additionally, with future demand still looking robust (it has been hampered, however, by the slow development of pipelines to get the gas efficiently to consumers), we continue to like our position and how it is structured. Like most of our commodities positions, we want to focus our assets on where we see good risk and return tradeoffs. Right now, we see about 20 cents of downside price risk, with upside of $1 or more as we enter the back-half of the 2019.

SILVERPEPPER COMMODITY STRATEGIES GLOBAL MACRO FUND INSTITUTIONAL MONTHLY RETURNS (%)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2013											0.10	0.00	0.10
2014	-0.30	0.00	0.50	0.00	0.10	0.70	- 0.69	0.00	- 1.59	- 0.61	- 1.43	- 3.41	- 6.59
2015	-0.43	-1.72	-1.42	1.11	-0.11	0.33	-2.52	-0.67	-1.13	-0.23	-0.57	0.00	-7.17
2016	-0.46	-0.23	1.51	0.69	-1.48	3.00	-0.22	-1.57	1.17	0.45	0.78	1.11	5.30
2017	0.33	-1.31	-1.66	-1.69	-2.06	-0.70	1.99	0.81	0.80	1.25	-0.67	0.86	- 2.12
2018	2.35	-3.29	-1.13	1.72	2.25	-3.74	-1.83	-1.28	0.35	-1.65	2.03	-4.11	- 8.30
2019	5.41	0.98	-0.85	-1.59	-1.61	1.39							3.60

One-Year Return as of 06/30/2019	- 3.04
Five-Year Annualized Return as of 06/30/2019	-3.41
Total Annualized Return Since Inception, (11/1/2013)	- 2.83

The returns represent past performance. Past performance does not guarantee future results. Investment returns 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 may be lower or higher than the performance data quoted. Call 855-554-5540 for current to the most recent month-end performance.

Total, gross and net annual fund operating expenses are 2.05%/1.99% for Institutional, and 2.03%/2.03% for the Advisor class shares. The Advisor has contractually agreed to waive its fees and/or pay for expenses to ensure that total fund operating expenses (excluding, as applicable taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses (as determined in accordance with Form N-1A), incurred in connection with any merger or reorganization, or any extraordinary expenses such as litigation expenses) do not exceed 1.99% for the Institutional class and 2.24% for the Advisor class.

This agreement is in effect until October 31, 2028. Inception dates for both share classes is October 31, 2013. Performance and risk measures greater than one year are annualized.

A Time to Weep, And A Time to Laugh

If you can believe it, in May, 2019, Duluth, Minnesota got over 10 inches of snow in a single storm. Snow in May! So just because there's been a turn towards spring in the commodity markets, doesn't mean a turn like this is never without bumps and snags. Indeed, we saw commodity markets take off in the first quarter of 2019, only to get hung up in the second quarter of the year, as trade and growth worries resurfaced, with much of those worries stemming from the ongoing trade dispute which has hit some commodities, like soybeans, particularly hard.

With tariff talks and geopolitical threats burdening markets, we have our eyes wide open. For more than 30 years, I have been investing in the commodities markets, sifting through supply and demand data, to find the most favorable risk and reward tradeoffs, for the 20-plus individual commodities we follow.

With most commodities trading below their costs of production, we see some interesting opportunities ahead for commodity investors. Therefore, as we begin to make the turn in the commodities market, we will continue to do our research — walking the corn, coffee, and oil fields — all in an effort to uncover favorable risk and reward tradeoffs.

And we'll keep reminding ourselves, that to every thing, turn, turn, turn, there is a season, turn, turn, turn.

Respectfully yours,

Renee Haugerud

Portfolio Manager

SilverPepper Commodity Strategies Global Macro Fund

Investors should carefully consider the Fund's investment objectives, risks, charges and expenses. Please see the prospectus for a complete discussion of the risks of investing in this Fund. To obtain a prospectus, please call 855-554-5540 or visit silverpepperfunds.com. The prospectus is boring but should be read carefully before investing.

Performance Rankings: Morningstar rankings are assigned based on total return. The ranking Includes all funds within the Morningstar category "Commodity Broad Basket." SilverPepper Commodity Strategies Global Macro Fund Share class (SPCIX) was ranked 1 out of 82 funds for the five-year period ending 06/30/2019 and 1 out of 105 funds for the trailing 1-year period ending 06/30/2019. Source: Morningstar Direct. Past performance is not indicative of future performance.

Since Inception time period is 10/31/2013 to 06/30/2019. Includes all funds within Morningstar category, "Commodities Broad Basket," as of 10/31/2013. The SilverPepper Commodity Strategies Global Macro Fund Institutional Share class (SPCIX) was 1 out of 71 funds for the since inception period.

All investing involves risk including the possible loss of principal. There can be no assurance that the Fund will achieve its investment objective. The Fund's specific risks include futures/commodities risk, derivatives risk, Subsidiary risk, high-fee risk, tax risk, foreign investment risk and non-diversification risk. Futures contracts may fluctuate significantly and unpredictably over short time periods and commodities are subject to disruptions and distortions, causing loss of principal. All these risks may increase costs, volatility and lower performance. See the prospectus for a complete discussion of investing in this Fund.

As of June 30, 2019, notional exposure of futures and/or options in Natural Gas were 13.46%; WTI Crude Oil, 9.96%; Brent Crude Oil, 5.35%; Corn, 7.06% of the SilverPepper Commodity Strategies Global Macro Fund's total net assets. Portfolio holdings are subject to change without notice and are not intended as recommendations. Since Inception time period is 10/31/2013 to 12/31/2018. Past performance is not indicative of future performance.

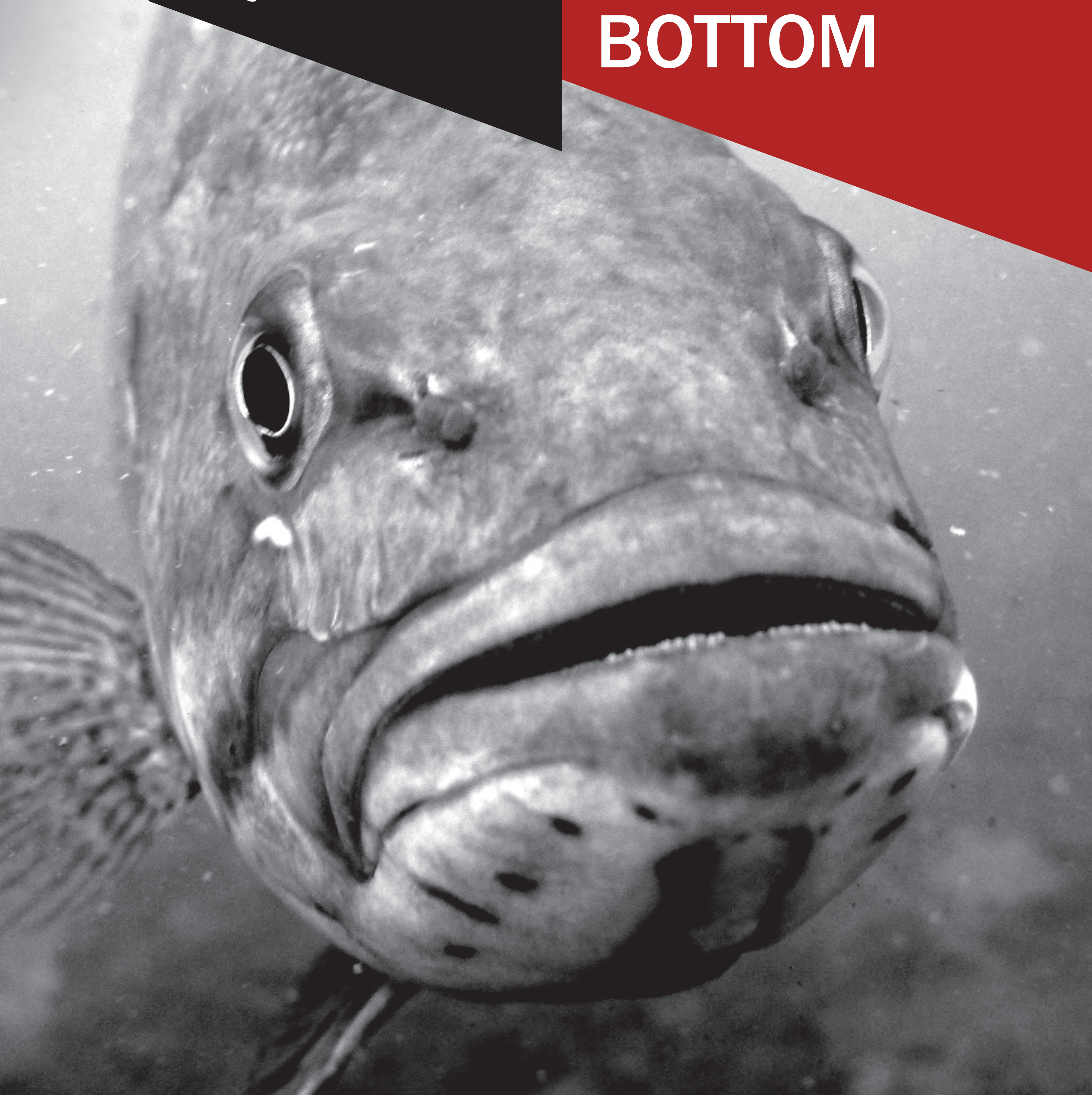
IMST Distributors, LLC

SILVERPEPPER COMMODITY STRATEGIES GLOBAL MACRO FUND

4Q 2018

OUR HEDGE FUND EXPERTS SPEAK THEIR MINDS:

BIG FISH ARE ON THE BOTTOM



The Big Fish Are On The Bottom

Every now and then, when I was a young girl, my father and I would go fishing with Doc Nehring up at Mille Lacs Lake, in my home state of Minnesota. And I remember them speaking quietly, as we fished together from sunrise to sunset. “Renee,” they would say: “To catch the big fish, sometimes you just have to bounce the bait along the bottom for a while — but the big fish are on the bottom.”

We are in the midst of both a two to three-year bottoming for commodities, but also in the midst of a major turn in the market. And in 2018, we bounced along the bottom. It was disappointing, because based on the fundamentals, I believed the big fish should start biting. However, the fourth quarter of 2018, a period in which we sharply outperformed our benchmark, got me thinking that we were suddenly very close to where the big fish are.

Bounce, snag, release, bounce…

Tariffs. A rising U.S. dollar. A weakening Chinese yuan. Brexit negotiations. And elections in Mexico and Brazil. These were just a few of the political and economic factors that caused the markets — both equity and commodity markets — to sink lower in 2018, especially in the second half of the year. Based on the fundamentals — the supply-and-demand of individual commodities, — we had been expecting a banner year in 2018.

Instead, the Bloomberg Commodity Total Return Index sank 11.24% in the second half of the year, dropping an eye-catching 9.41% in fourth quarter alone. By contrast, the SilverPepper Commodity Strategies Global Macro Fund outperformed the Index by more than 480 basis points in the second half, and 560 basis points in the fourth quarter. Both our risk management, and commodity selection, contributed to our strong outperformance in the latter half of year. And yet we also got hung up on the bottom, posting a negative 8.30%* return for the full-year — which still outdistanced the Index by nearly 300 basis points for the full calendar year of 2018.

The returns represent past performance. Past performance does not guarantee future results. Investment returns 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 may be lower or higher than the performance data quoted. Call 855-554-5540 for current to most recent month-end performance.

SilverPepper

Fundamentals Have Only Gotten Better

Going into 2018, we were bullish on commodities. We had our lines out, and were filled with anticipation, for the rod to bend, and the reel to scream. The factors that promoted our optimism at the outset of 2018 were the big Trump tax cuts, growing global economic growth, and China's massive worldwide infrastructure plan, called "One Belt, One Road." And, with many commodities trading below their costs of production, we thought we were in for a good year.

Instead, what we got were powerful political upheavals and tariffs, the likes of which we haven't seen since the Great Depression, and the enactment of the Smoot Hawley Tariffs in 1930. As a result, our bullish positioning entering 2018 was wrong. Tariffs, Brexit negotiations (and its potential impact on trade), as well as the elections in commodity-driven economies like Mexico and Brazil definitely hurt commodity prices. And yet, they have not markedly changed existing commodity fundamentals. In fact, I would argue that with lower commodity prices, the risk vs. reward for many commodities has only gotten better. And, despite all the concern, we continue to be upbeat about global commodity demand.

SILVERPEPPER COMMODITY STRATEGIES GLOBAL MACRO FUND INSTITUTIONAL MONTHLY RETURNS (%)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2013											0.10	0.00	0.10
2014	-0.30	0.00	0.50	0.00	0.10	0.70	- 0.69	0.00	- 1.59	- 0.61	- 1.43	- 3.41	- 6.59
2015	-0.43	-1.72	-1.42	1.11	-0.11	0.33	-2.52	-0.67	-1.13	-0.23	-0.57	0.00	- 7.17
2016	-0.46	-0.23	1.51	0.69	-1.48	3.00	-0.22	-1.57	1.17	0.45	0.78	1.11	5.30
2017	0.33	-1.31	-1.66	-1.69	-2.06	-0.70	1.99	0.81	0.80	1.25	- 0.67	0.86	- 2.12
2018	2.35	-3.29	-1.13	1.72	2.25	-3.74	-1.83	-1.28	0.35	-1.65	2.03	-4.11	- 8.30

One-Year Return as of 12/31/2018	- 8.30
Total Annualized Return Since Inception (10/31/2013)	- 3.76

The returns represent past performance. Past performance does not guarantee future results. Investment returns 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 may be lower or higher than the performance data quoted. Call 855-554-5540 for current to the most recent month-end performance.

Total, gross annual fund operating expenses are 2.05% for Institutional, and 2.03% for the Advisor class shares. The Advisor has contractually agreed to waive its fees and/or pay for expenses to ensure that total fund operating expenses (excluding, as applicable taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses (as determined in accordance with Form N-1A), incurred in connection with any merger or reorganization, or any extraordinary expenses such as litigation expenses) do not exceed 1.99% for the Institutional class and 2.24% for the Advisor class. This agreement is in effect until October 31, 2028.

Inception dates for both share classes is October 31, 2013. Performance and risk measures greater than one year are annualized.

For example, investors have been outspoken in their fears that tariffs will hurt China's growth, thereby depressing both global growth and commodity prices. But China today isn't the China of old. Ten years ago, 70% of China's GDP was export driven. Today, it's less than 20%. So, yes, as a headline issue, political uncertainty around trade and tariffs have caused both uncertainty and volatility, but we think China will weather the storm. Certainly, the prospect of global growth is cloudier than it was this time last year. And many are starting to question China's political and economic interests behind One Belt, One Road, and how that could impact existing and future infrastructure projects. Nonetheless, China is committed to One Belt, One Road, and will continue to push domestic stimulus to offset the pressure imposed by the U.S. tariffs.

The factors that caused us to bounce and snag along the bottom have kept our lure down deeper and longer than we had hoped. And, we could still bounce along the bottom. But in the fourth quarter, in which we markedly outperformed our Index, it was clear that supply and demand fundamentals still matter, and what goes down below the cost of production, must eventually go up. At some point, the big fish have to eat.

We Were Right On Natural Gas

Our biggest winner on the year was natural gas. It was our biggest position at the beginning of the year, at about 45% of assets. And gas powered our outperformance in the fourth quarter of 2018. Even though we restructured our position, as we took profits in November, natural gas continues to be the Fund's largest position, at 25% of assets.

Why did we like natural gas? Because prices have been sitting on the bottom for a while, and we had confidence there were big fish to be caught, all of which was visible in natural gas' attractive risk/reward tradeoff. With natural gas hovering around $3 per Bcf (Billion cubic feet) entering the year, our research indicated that natural gas prices had two to five times more upside than downside. We thought prices could fall 30 to 40 cents, but, if our research was correct, they could rise between 60 cents and $2.00. The research was backed up by the long-term changes and innovations taking place in the natural gas market.

Since 2010, natural gas production has grown by about 55%. And production in the U.S. just keeps rising, due to innovations in fracking. In the first ten months of 2018, according to the U.S. Energy Information Association, natural gas production in the United States was 11% higher in 2018, compared with the same period in 2017. Growth has been driven by production increases, coming from the Appalachian Basin in the Northeast, to the Permian Basin in western Texas and New Mexico, and all the way to the Haynesville Shale in Texas and Louisiana.

Even though natural gas production has been going through the roof, we have long believed that demand was going to outstrip supply. That's because coal-fired and nuclear power plants are being supplanted by plants using cleaner-burning natural gas. As a result, compared with the same period in 2017, consumption in 2018 was a full 17% higher.

In addition to domestic consumption growth, we are starting to see exports really pop, for both dry and liquefied natural gas (LNG). Recently, state-of-the-art liquefied natural gas export facilities have begun operations, at the Sabine Pass LNG export facility in Louisiana, and the Cove Point facility in Maryland. This makes for growing exports, particularly to Mexico. Those exports are now exceeding about 6 Bcf per day. These two demand factors, exports and plant conversions, have powered our thesis that natural gas prices needed to rise — especially in the future — to incent producers to keep growing supply to meet this burgeoning demand. Yet, with natural gas production continuing its upward growth, and with prices trading to about $2.80 per Bcf in September, we had to double- and triple-check our research, to maintain our conviction in our position.

The other factor working in our favor was storage. For the past year or more, the market has been incredibly complacent about the level of natural gas in storage. The levels of storage have been low by historical measures. As we finished the storage season in 2018, and entered the cold winter months of the 4th quarter, there were 3.25 Trillion cubic feet (Tcf) in storage. That's 500 Bcf below the previous year, which was in turn more than 360 Bcf below the lowest level seen in the previous five years! Despite this storage deficit, as we entered the winter months, in the beginning of October, current-month futures contracts were still only trading a few ticks above $3 per Bcf.

Then, POW! A shot of cold weather in November frightened the market, precisely because of the underlying tightness of gas supplies in storage. Speculators who had been fixated on the never-ending growth in supply, and actually held "short" positions in natural-gas futures contracts, were caught off guard. They scrambled for the exits, and as we hit the high-end of our value zone (a range of prices where we will either enter or exit a position), we took full profit, selling at prices up to $4.69. Our value zones proved pretty spot on, as we sold near the highs reached for the year. So our timing and trade execution were quite good, especially because prices tumbled back towards $3, as December drew to a close. As a result, about 75% of the Fund's profits were attributable to natural gas for the year.

Having taken those profits, we have since restructured and reduced our position in natural gas, from 45% of the portfolio to about 25%. Nonetheless, it still remains our largest position. Moreover, our position continues to be unique among commodity funds. Unlike index-based commodity funds that only own the current-month futures contract, our current natural gas position is spread out evenly across every contract month of 2019, with additional exposure to 2020. We bought these contracts because they were much cheaper than the front-month contract. They also allow us to more precisely structure our position to capture our well-researched thesis that natural gas prices must rise in the future to incent future production to meet the growing demand from both domestic and export markets.

Dr. Copper's Bitter Medicine

Although natural gas was our biggest and best performing position, it was our positions in industrial metals that rusted a hole in the portfolio. About 75% of the portfolio's losses stemmed from investments in industrial metals, ranging from aluminum to zinc. And copper was the biggest stinker of the bunch. Copper prices are aligned with global growth. In fact, that's why it's often called "Dr. Copper" — it can be used to diagnose and predict turning points in global economic growth. Yet, the attractive supply and demand characteristics of the copper market just couldn't avoid the rain clouds precipitated by the Trump tariffs, which have depressed forecasts for growth, particularly in China.

Copper was the largest metal position in the Fund at year-end, with weighting equal to about 7% of the portfolio's assets. However, we haven't changed our long-term outlook for the metal.

Copper is a versatile metal, with about 19 million tons being mined annually. It has widespread use in the building trades for pipes and roofing and it's used for conducting electricity in appliances, computers and automobiles. But it should also be getting a boost from the electric car market. A car with a combustible engine uses about 55 lbs. of copper. In contrast, an electric car is estimated to use 165 lbs. of copper, or nearly three times as much.

The story for nickel is similar. Its demand, like copper, tends to rise and fall with expectations about growth. That's because about 65% of nickel is used in the production of stainless steel, which has multiple applications for autos and airplanes. And, like copper, nickel should see a boost in demand from the electric car and battery industries, which depend on nickel-containing lithium-ion batteries. In addition, nickel is also used in another form of rechargeable batteries, called NiMH (Nickel-Metal Hydride) batteries. So as the number of electric vehicles grow, nickel demand will also grow. Right now, batteries account for about 3% of total nickel demand, but our market analysis suggests it could jump to 8% within the next four to six years.

Both copper and nickel have been pressured by concerns over global/Chinese growth amid the trade impasse, taking prices below the cost of production, and deep into our value zone. But, if we see the threat of a trade war diminish, the metals, particularly nickel, have all of the storyline elements necessary for a rally, with downside risk of about 10% to 15%, with upside of 30% to 40%.

Everyone Needs A Flu Shot — Even Pigs

Moo Shu Pork. Pork Fried Rice. Twice-Cooked Pork! With all of those delectable dishes, it's no wonder China is both a huge consumer and producer of pork — their primary source of protein. With a population of approximately 700 million pigs, China has about half of the world's swine population. Unfortunately, the African Swine Flu has broken out in Asia.

The African Swine Flu is highly infectious, and almost 100 percent fatal to pigs, killing them in three to five days. What's worse, there is no flu shot to protect against it. The only way to contain the disease is to immediately slaughter the diseased pigs, before they infect others. So, currently, pigs are being slaughtered by the thousands in China.

Fortunately, the disease cannot be spread to humans, even if you eat an infected pig (although I'm not going to test it). As a result of the outbreak, the Chinese have been trying to calm their citizens. An official pronouncement about the disease was placed on the website of the People's Daily, the Communist Party's official paper, touting the safety of pork, and declaring that everyone should be "at ease about eating pork." The Chinese are so used to propaganda, however, they aren't fully buying the proclamation.

As a result, we see the flu causing a substitution effect for protein. Demand will shift from pork to beef. As a result, at the tail-end of 2018, we started to build a position in live cattle, primarily using options. As a low-volatility asset, live cattle options are pretty inexpensive to purchase. Hence, we bought long-dated call options that give us an excellent risk/reward profile. Because of how we have structured the position, as the price of the cattle increases from $1.20 per pound to, let's say $1.28 per pound, our exposure to cattle grows from about 7% of the portfolio to 15%. We think this is a smart way to have structured the trade from a risk and reward perspective.

What About Shorting?

Recently, with commodity markets going lower, I was asked, "Why isn't the Fund making buckets of money on shorts?" It's a good question, since going short on oil and metals would have been prescient in the second half of 2018. But, over the past year, we held very few shorts because, as we said, many commodities have been selling below their costs of production. We don't want to be shorting below the cost of production. Why? Because farmers and miners either stop producing, or go broke selling soybeans or copper for less than what it costs to produce them. Supplies then shrink, until futures prices allow the farmer or miner to make a profit. Moreover, even if we think near-term prices might fall further below the cost of production, the bias is for prices to rise. That means, the odds are, that sooner rather than later, prices will go up. That's why it just gets too risky to short below costs. So, I am happy to short something trading above the cost of production, but not below.

We Have A Line In The Water

We enter 2019 bullish, again. Our eyes are wide open, though, knowing that major market turns can take time. We'll remain nimble, waiting out the prospect of possibly continuing to bounce along the bottom for a bit longer. But we do see a number of catalysts for higher prices.

First, the ratio of commodity prices to the S&P 500 is at its lowest point since the 1970s, suggesting commodities are as cheap as they have been to stocks for four decades. We see that, currently, hard assets are much cheaper than paper assets. Second, the U.S. Federal Reserve seems to be taking a pause (although it may be just that — a pause) in raising short-term rates. This is causing the U.S. dollar to soften, relative to other currencies. Given that commodities are priced in U.S. dollars, when the dollar falls, it makes commodities cheaper for other countries. When commodities are cheaper, we tend to buy more of them. Third, the tariffs have been a buzz kill for markets. An easing of both political and trade tensions would create more economic certainty, supporting better growth expectations and higher commodity prices. Fourth, China seems committed to both economic stimulus and to One Belt, One Road. And finally, if there is one thing that President Trump and the Democrats might — and I say might — agree on in 2019, it's an infrastructure spending bill. Infrastructure's fuel is commodities. All, or any of these factors, could set the hook for rising commodity prices in 2019.

Respectfully yours,

Renee Haugerud

Portfolio Manager

SilverPepper Commodity Strategies Global Macro Fund

Investors should carefully consider the Fund's investment objectives, risks, charges and expenses. Please see the prospectus for a complete discussion of the risks of investing in this Fund. To obtain a prospectus, please call 855-554-5540 or visit silverpepperfunds.com. The prospectus is boring but should be read carefully before investing.

All investing involves risk including the possible loss of principal. There can be no assurance that the Fund will achieve its investment objective. The Fund's specific risks include futures/commodities risk, derivatives risk, Subsidiary risk, high-fee risk, tax risk, foreign investment risk and non-diversification risk. Futures contracts may fluctuate significantly and unpredictably over short time periods and commodities are subject to disruptions and distortions, causing loss of principal. All these risks may increase costs, volatility and lower performance. See the prospectus for a complete discussion of investing in this Fund.

As of December 31, 2018, notional exposure of futures and/or options in Natural Gas were 25%; WTI Crude Oil, 5.5%; Brent Crude Oil, 5.0%; Copper, 7.7%; Nickel, 4.9%, and Cattle, 8.5%, of the SilverPepper Commodity Strategies Global Macro Fund's total net assets. Portfolio holdings are subject to change without notice and are not intended as recommendations. Since Inception time period is 10/31/2013 to 12/31/2018. Past performance is not indicative of future performance.

IMST Distributors, LLC