Limited-Term Bond Fund Commentary

March 31, 2023

AT A GLANCE

Managers: Dolores Bamford, CFA; David Dirk, CFA

Effective 04/01/2023, Chris Grogan, CFA will serve as Portfolio Manager for the Fund. Ms. Bamford will no longer serve as Senior Portfolio Manager

Fund Objective: Seeks to provide income.

About the Fund: An income fund investing in short- and medium-duration bonds.

Benchmarks: Bloomberg 1-5 Year Government/Credit Index, Bloomberg U.S. Intermediate Aggregate Bond Index

Morningstar Category: US Fund Short-Term Bond

Lipper Category: Flexible Income

Net Assets: $141 million

Inception Date: July 28, 2010

Eventide Asset Management, LLC
One International Place, Suite 4210
Boston, MA 02110
877-771-EVEN (3836)
WWW.EVENTIDEFUNDS.COM

Class A: ETABX | Class C: ETCBX | Class I: ETIBX | Class N: ETNBX

Review

The Eventide Limited Term Bond Fund (Class I) posted a total return of 1.52% for the first quarter of 2023, compared with the Bloomberg 1-5 Year Government/Credit Index of 1.82% and the Bloomberg U.S. Intermediate Aggregate Bond Index total return of 2.39%. The Fund (Class I) posted a total return of -0.81% for the 12 months ending 03/31/2023 compared to the Bloomberg 1-5 Year Government/Credit Index of -0.33% and the Bloomberg U.S. Intermediate Aggregate Bond Index of -2.80%.

Contribution to Return by Security Type[1] (%) Q1 2023

	Average Weight	*Total Return[2]*	*Contribution to Fund Return*
ABS	7.62	2.30	0.14
Agency CMOs	0.04	2.48	0.00
Cash	2.06	0.00	0.00
Corporate Bonds	57.60	1.94	0.90
Pass-Throughs	1.92	2.40	0.04
Sovereign Agency Debt	24.18	1.78	0.33
U.S. Tax-Exempt Municipals	0.69	0.86	0.00
U.S. Taxable Municipals	5.89	2.07	0.10

Macro Commentary and Outlook

The first quarter of 2023 featured much debate around a soft versus a hard landing scenario for the U.S. economy as the Federal Reserve tries to thread the needle with monetary policy while economic growth slowed, and inflation remained uncomfortably high. By the end of the first quarter, sentiment appeared to shift toward our view of a bumpy landing. A primary driver of this shift in sentiment was the failure of two large domestic banks in March, Silicon Valley Bank and Signature Bank, which will likely impact the economic and monetary policy outlooks in the months ahead.

Our expectation for a slowdown in growth this year has increased as banks will likely continue to tighten credit standards and reduce the availability of credit broadly. This, coupled with higher interest rates, elevated labor and input costs, declining order growth, and softening backlogs, has raised the odds of a recession in 2023. Despite making progress, the Fed continues to battle elevated inflation levels and a strong labor market that still reflects a significant imbalance between the supply of and demand for labor.

Considering the recent bank failures, the FOMC is in an even more difficult position now as the financial stability of banks and resiliency of markets is tested. The latest FOMC 'dot plot' projections indicate that the majority of committee members believe an additional twenty-five basis point hike to a target rate of 5.00% – 5.25% is their base case, while current median projections for year-end 2024 have the federal funds rate dropping to the low 4% range.

While the debate surrounding monetary policy and the economic outlook will remain lively, the incoming data will determine the ultimate path of policy, requiring patience on the part of investors. We expect the FOMC to finish the fight against inflation given their strong messaging. However, if the economy continues to slow and/or more problems emerge in the banking sector, we expect the Fed will respond accordingly and pivot from their current policy stance. As such, we believe the probability of a bumpy landing has increased and remain cautious as the impact of interest rate hikes make their way through the rest of the economy.

Return Breakdown

- The sharp decline in interest rates resulted in positive total returns across the fixed income landscape.
- Interest rates experienced a significant amount of volatility during the quarter with short-term rates rising as the Fed continued to raise rates, while rates of longer maturities moved lower as growth concerns materialized.
- The yield curve as measured by the 3-month 10-year relationship inverted further.
- Within the corporate sector, industrials were the best performer, while financials underperformed as the banking crisis unfolded.
- From a quality standpoint, lower quality generally outperformed higher quality, while shorter duration credit underperformed longer duration credit.
- The securitized sectors had mixed results as agency MBS, and CMBS underperformed Treasuries, while ABS posted positive excess returns.

Performance is historical and does not guarantee future results.

Trailing Returns[3] (%) 31 Mar 2023

Eventide Limited-Term Bond Fund	*YTD*	*3-mos*	*1-year*	*3-year[4]*	*5-year[4]*	*10-year[4]*	*Since Inception[4]*	*Inception Date[4]*
Class I	1.52	1.52	-0.81	-0.52	1.01	0.91	1.60	07/28/2010
Class A without load	1.49	1.49	-1.08	-0.81	0.74	1.05	1.90	07/28/2010
Class A with 5.75% load[5]	-4.36	-4.36	-6.77	-2.76	-0.44	0.45	1.43	07/28/2010
Class C[6]	1.30	1.30	-1.81	-1.54	—	—	0.14	12/14/2018
Class N	1.51	1.51	-1.03	-0.76	—	—	0.93	12/14/2018
Benchmarks								
Bloomberg 1-5 Year Government/Credit Index[7]	1.82	1.82	-0.33	-0.79	1.32	1.13	1.38	07/28/2010
Bloomberg U.S. Intermediate Aggregate Bond Index[7]	2.39	2.39	-2.80	-1.96	1.00	1.22	1.76	07/28/2010

Performance is historical and does not guarantee future results. Investment return and principal value will fluctuate with changing market conditions so that when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the data quoted. Investors cannot directly invest in an index, and unmanaged index returns do not reflect any fees, expenses, or sales charges. The volatility of an index may be materially different than that of the Fund, and investors should not expect the Fund to achieve the same results as a listed index. Performance data current to the most recent month-end may be obtained by calling 1-877-771-EVEN (3836).

Eventide Limited-Term Bond Fund expenses: Class I, Gross Expenses 0.64%, Net Expenses 0.55%; Class A, Gross Expenses 0.89%, Net Expenses 0.80%; Class C, Gross Expenses 1.64%, Net Expenses 1.55%; Class N, Gross Expenses 0.84%, Net Expenses 0.75%. The adviser has contractually agreed to waive fees and/or reimburse expenses of the Fund through 10/31/2023. The agreement may only be terminated by the Fund's Board of Trustees on 60 days' written notice.

1. Source: Bloomberg PORT Attribution Report. Allocation percentages are subject to change at any time, and should not be considered investment advice.
2. The total return percentage listed is impacted by the Fund's transactions and transacted price levels of the holding during the quarter.
3. The returns shown do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption of fund shares. Because of ongoing market volatility, fund performance may be subject to substantial short-term changes. The Fund acquired the assets and liabilities of the Epiphany FFV Strategic Income Fund ("Predecessor Fund") on 12/14/2018. The Predecessor Fund's Class A shares were reclassified from Class N shares on 06/01/2015 and its Class I shares were reclassified from Class C shares on 05/30/2017, and the fee structure was different.
4. Performance figures for periods greater than 1 year are annualized. The Fund's share classes have different inception dates. Annualized since inception figures use the Predecessor Fund's inception date of 07/28/2010 unless otherwise noted.
5. In the case of investments at or above the $1 million breakpoint (where you do not pay an initial sales charge), a 1.00% contingent deferred sales charge ("CDSC") may be assessed on shares redeemed within eighteen months of purchase. The CDSC for these Class A shares is based on the NAV at the time of purchase. The holding period for the CDSC begins on the day you buy your shares. Some intermediaries may waive or discount the CDSC under certain circumstances.
6. A 1.00% contingent deferred sales charge ("CDSC") may be assessed on C-shares redeemed within twelve months of purchase.
7. The Bloomberg 1-5 Year Government/Credit Index includes investment-grade, U.S. dollar-denominated, fixed-rate treasuries, government-related and corporate securities that have a remaining maturity of greater than or equal to one year and less than five years. The Bloomberg U.S. Intermediate Aggregate Bond Index is a market capitalization-weighted index, meaning the securities in the index are weighted according to the market size of each bond type. Most U.S.-traded investment-grade bonds are represented. Municipal bonds and Treasury Inflation-Protected Securities are excluded. The index includes Treasury securities, Government agency bonds, mortgage-backed bonds, corporate bonds, and a small amount of foreign bonds traded in the U.S.

The opinions expressed herein are those of the Fund's portfolio management team as of 03/31/2023 and are subject to change. There is no guarantee that such views are correct or that the outlook opinions will come to pass. Security types mentioned are for performance attribution informational purposes only and should not be construed as buy or sell advice. Reliance upon the views expressed herein is at the sole discretion of the reader.

Mutual funds involve risk including the possible loss of principal. Past performance does not guarantee future results. *The Fund's ethical values screening criteria could cause it to under-perform similar funds that do not have such screening criteria. Investors in the Fund should be aware that interest rates may change at any time based on government policy. In general, the price of a fixed income security falls when interest rates rise. A rise in interest rates may result in volatility and increased redemptions, which in turn could result in the Fund being forced to liquidate portfolio securities at disadvantageous prices. Longer term securities may be more sensitive to changes in interest rates. Interest rates are sensitive to changes in inflation, and investing in bonds exposes investors to inflation risk. Bonds may be subject to default, causing loss of invested capital.*

Fixed income investments may be of any maturity or credit quality, but the Fund's weighted average effective portfolio duration will not exceed five years. The Fund may invest, directly or indirectly, in "junk bonds." Such securities are speculative investments that carry greater risks than higher quality debt securities. The Fund can invest in smaller-sized companies which may experience higher failure rates than larger companies and normally have a lower trading volume than larger companies. There are unique risks associated with asset-backed securities, convertible securities, credit, foreign securities, income, interest rates, LIBOR, mortgage-backed securities, municipal bonds, preferred stocks, prepayment, securities, sovereign debt, and U.S. Agency securities that are covered in the Fund's prospectus and SAI.

The Predecessor Fund was advised by Trinity Fiduciary Partners, LLC and had an investment objective and strategies that were, in all material respects, the same as those of the Fund, whose investment adviser is Eventide Asset Management, LLC. However, under normal market conditions, the Fund will invest at least 80% of its net assets (plus borrowings for investment purposes) in bonds.

This information is for use with concurrent or prior delivery of a fund prospectus, which can be obtained at https://www.eventidefunds.com/prospectus or by calling 1-877-771-EVEN (3836). Investors should consider a fund's investment objectives, risks, charges and expenses carefully before investing or sending money. Eventide Mutual Funds are distributed by Northern Lights Distributors, LLC, Member FINRA/SIPC, which is not affiliated with Eventide Asset Management, LLC.