



DEAR SHAREHOLDERS AND PARTNERS,

In a welcome change from the pattern of the post-Covid years, the summer months of 2025 proved positive for value investors. Our strategy benefited as value stocks, international equities, and gold all rose during the third quarter.

Several factors underpinned this strength. Recent economic data revisions suggest the post-Covid rebound has been much weaker than previously assumed, giving the Federal Reserve scope to reduce interest rates. Inflation, surprisingly, has remained subdued despite the tariffs introduced this year. Meanwhile, though the economy has been softer than expected, it has nonetheless absorbed the challenges and continued to grow. Together, these dynamics — lower interest rates and a stable economy — created conditions favorable for equity markets and risk assets more broadly.

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From a bottom-up perspective, earnings reports have generally met expectations, a notable achievement given the difficulty of forecasting demand and costs amid the ongoing disruptions in global logistics. This has provided fundamental support, on top of the macro support mentioned above, for equity prices. By contrast, certain consumer-facing sectors, such as food and beverage, are still rightsizing their businesses after the Covid-era surge and subsequent pullback in demand. These areas remain laggards.

For Centerstone, these crosscurrents have had little effect on portfolio allocations. Cash levels remain elevated, though not to an extreme that signals either a surplus of or shortage in opportunities. The mix of foreign equities, U.S. equities, gold, and cash is broadly unchanged from the prior quarter.

The one notable absence in the portfolio over the past several years has been fixed income. The inflation pulse induced by earlier monetary policy choices has kept us cautious on U.S. Treasuries, while tight corporate spreads have discouraged exposure to high-yield bonds. As a result, we have limited Treasury holdings to maturities under two years and largely avoided corporates.

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However, the scale of inaccuracies in government-reported economic data has been striking, and I believe this may lead markets to reassess the appropriate level of long-term yields. Moreover, compared with the earnings yield of equity indices — particularly at a time when index P/E multiples are near all-time highs — longer-term Treasuries now offer a relative advantage. In many plausible scenarios, locking in a 4% return may prove preferable to remaining exposed to an equity market vulnerable to multiple compression.

Of course, the future remains uncertain and current conditions could persist for some time. Still, after several disappointing years, Treasuries may finally be regaining their appeal. Perhaps now is the right time to consider joining the “bondwagon.”

From all of us at Centerstone Investors, we wish you the very best for the upcoming holidays. Peace be with you all.

Sincerely,

Abhay Deshpande, CFA
CHIEF INVESTMENT OFFICER



Investors should carefully consider the investment objectives, risks, charges and expenses of the Centerstone Funds. This and other important information about the Funds are contained in the prospectus, which can be obtained by calling 877.314.9006. The prospectus should be read carefully before investing. For further information about the Centerstone Funds, please call 877.314.9006. The Centerstone Funds are distributed by Northern Lights Distributors, LLC, Member FINRA/SIPC.

Important Risk Information and Disclosure:

The commentary represents the opinion of Centerstone Investors as of June 2025 and is subject to change based on market and other conditions. These opinions are not intended to be a forecast of future events, a guarantee of future results or investment advice. Any statistics contained here have been obtained from sources believed to be reliable, but the accuracy of this information cannot be guaranteed. The views expressed herein may change at any time subsequent to the date of issue hereof. The information provided is not to be construed as a recommendation or an offer to buy or sell or the solicitation of an offer to buy or sell any fund or security.

An investment in the Funds entails risk including possible loss of principal. There can be no assurance that the Funds will achieve their investment objective. Past performance is no guarantee of future results.

The value of the Funds portfolio holdings may fluctuate in response to events specific to the companies or markets in which the Funds invest, as well as economic, political, or social events in the United States or abroad. The impact of the coronavirus (COVID-19), and other epidemics and pandemics that may arise in the future, could affect the economies of many nations, individual companies and the market in general in ways that cannot necessarily be foreseen at the present time.

Value investing involves buying stocks that are out of favor and/or undervalued in comparison to their peers or their prospects for growth. Our value strategy may not meet its investment objective and you could lose money by investing in the Centerstone Funds. Value investing involves the risk that such securities may not reach their expected market value, causing the Funds to underperform other equity funds that use different investing styles.

Investments in foreign securities could subject the Funds to greater risks including currency fluctuation, economic conditions, and different governmental and accounting standards. Foreign common stocks and currency strategies will subject the Funds to currency trading risks that include market risk, credit risk and country risk. There can be no assurance that the Funds' hedging strategy will reduce risk or that hedging transactions will be either available or cost effective. The Funds use of derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

Domestic economic growth and market conditions, interest rate levels, and political events are among the factors affecting the securities markets in which the Funds invest.

Investing in the commodities markets through commodity-linked ETFs, ETNs and mutual funds will subject the Funds to potentially greater volatility than traditional securities.

Large-cap company risk is the risk that established companies may be unable to respond quickly to new competitive challenges such as changes in consumer tastes or innovative smaller competitors. Investments in lesser-known, small and medium capitalization companies may be more vulnerable than larger, more established organizations. Securities in small and mid-cap companies may be more volatile and less liquid than the securities of companies with larger market capitalizations.