USAFIRST
Invest America with Atlas Capital Team

Atlas America Fund 2025 Review & 2026 Outlook

January 2026

Fund Overview

Designed by Atlas Capital Team, the Atlas America Fund (USAF) is an ETF built on assets that underpin the American economy – offering diversified exposure to U.S. Treasuries, real estate, gold, agricultural commodities and defense company equities. The fund seeks stable returns across various economic and financial market conditions, focusing on resilience, and long-term growth.

Ticker	USAF
Exchange	NASDAQ
CUSIP	900934407
Inception	11/19/2024
Advisory Fee	0.75%
Gross Expense Ratio	0.86%

Gross Expense Ratio includes Management Fees, Acquired Fund Fees and Expenses

Overview

The past year marked the transition of Atlas America Fund from concept to operating reality. We launched USAF with a clear view that the prevailing investment environment would be shaped less by smooth cycles and more by persistent inflation above target, geopolitical realignment, and episodic market stress. Our objective was not to predict these forces, but to build a portfolio capable of compounding despite them. Since inception, USAF has delivered steady performance with materially lower volatility than traditional equity and fixed income benchmarks. While markets oscillated between growth optimism on the one hand and concerns over tariffs, inflation and geopolitical escalation on the other, the Fund remained anchored in its mandate of resilience, liquidity, and capital preservation. The fund performance exhibited this property of resilience and stability throughout the period of review.

Year 2025 and Since-Inception Performance Overview, as of 12/31/2025

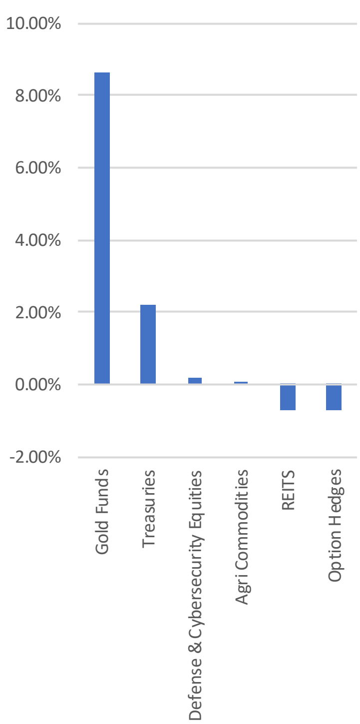
Year 2025: 12/31/2024 - 12/31/2025	USAF NAV	USAF Price	S&P500	US10Y Treasuries
Returns	9.01%	9.08%	17.72%	8.40%
Volatility	4.90%	5.20%	19.48%	5.58%
Sharpe	1.00	0.96	0.70	0.77

Inception to date: 11/19/2024 - 12/31/2025	USAF NAV	USAF Price	S&P500	US10Y Treasuries
Returns	9.62%	9.63%	17.26%	7.59%
Volatility	4.82%	5.10%	18.90%	5.64%
Sharpe	0.93	0.88	0.60	0.47

The 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 may be lower or higher than the performance data quoted. Performance data current to the most recent month-end may be obtained by calling (855) 511-0520. 10Y Treasuries: Bloomberg 7-10 Year Total Return Index LT09TRUU. S&P 500: Sp500 Total Index Return.

Year 2025 Performance Review

Year 2025 Contribution by Asset Class



Drivers of Fund Returns in 2025

The 16-States-of-the-World allocation framework proprietary to the Atlas Capital team, together with the discretionary oversight of the Atlas Investment Committee, has maintained an overweight allocation to Gold throughout 2025. This was driven by a confluence of factors: 1/ Geopolitical conflict escalation as witnessed in the Middle East and Russia/Ukraine; 2/ reducing interest rates in the US; 3/ Inflation above the 2% target, albeit relatively trending lower; 4/continued structural shifts towards Gold by global central banks and reserve managers. These factors, together with the increased retail investor participation in Gold helped deliver a 65% rally in 2025, and was the largest contributor for USAF.

In 2025, our largest average allocation was to US Treasuries – both in short dated nominal bonds as well as in TIPS. Additionally, we held a short exposure on the back end of the yield curve, effectively giving us a steepener position. This allocation worked well given the declining front end yields and steepening of the curve. The back-end oscillated between higher and lower yields through the year and ended at about at the same level they started 2025. However, it was valuable of have the short backend Treasury position because of the decorrelation it brought to the portfolio with risk-off sentiment in equity markets – such as just after Liberation Day.

Our portfolio maintained a position in a basket of Agricultural and food commodities reflects our long-term priority to global food security. During 2025, easing supply pressures in grains and oilseeds were offset by tight supply of coffee and cocoa resulted in a net flat performance of our Agricultural commodity allocation.

During the year, we initiated a position in stocks in the Defense and Cybersecurity industry. During our investment period, the positive performance of defense companies was offset by negative returns in cybersecurity technology companies, resulting in close to flat returns.

Our allocations to US Real Estate Investment Trusts (REITs) resulted in a lag to overall performance. Real estate overall had a difficult year given then heightened rate volatility, and despite optimism in rate cuts, the persistently elevated 10-30Y yields. Additionally valuations continued to discount slower growth and headwinds in sectors such as office and retail.

Lower Volatility, Lower Drawdowns – Particularly During Periods of Equities Decline

One of the primary mandates for the Atlas Capital team is to deliver stable returns with low volatility, so investors can feel confident that their investment dollar has low risk of drawdowns relative to equities and bonds. To evaluate this objective, we measure three metrics: Annualized Volatility (a measure of how much the Fund NAV fluctuates up or down, lower the better), Sharpe Ratio (a reflection of Fund returns above and beyond money market returns per unit of risk in the Fund, higher the better), and Maximum Drawdown (a measure of peak-to-trough negative performance during the year, lower the better).

The annualized volatility of USAF for 2025 was 4.9%, compared S&P500 volatility of 19.5% and 10y US Treasuries volatility of 5.6%. The lower volatility of USAF is attributable 1/ the stability that short end treasuries and TIPS bring to the portfolio, 2/ the multi-asset-class nature that brings a diversification benefit, 3/ the controls embedded in the allocation process that does not allow for high concentration in only a few positions, and 4/ the hedges included in the system.

The Sharpe Ratio of USAF for 2025 was 1.00, which was higher than S&P500 at 0.70 and 10y Treasuries which was 0.77.

The maximum drawdown for USAF for 2025 was -2.9%, compared to S&500 at -18.8% and 10y Treasuries at -3.2%.

It is notable to look at performance of USAF during the worst weeks of the S&P500 during 2025, as below:

Average of Worst 3 S&P500 Weeks in 2025	
S&P500 Returns	**USAF Returns**
-4.89%	0.01%

Average of Worst 20 S&P Weeks	
S&P500 Returns	**USAF Returns**
-1.81%	0.15%

Year 2025 exemplified the resilience that USAF is designed to offer to investors.

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Outlook for 2026

The close of 2025 leaves investors facing a global landscape defined less by resolution than by managed tension. Economic outcomes have avoided extremes, but stability has been conditional, purchased through policy intervention, fiscal delay, and selective restraint rather than organic balance. This environment has reinforced a core Atlas belief: capital preservation and adaptability matter more than precision forecasting. The past year was marked by three overlapping dynamics. First, the US economy demonstrated resilience, supported by strong balance sheets, easing financial conditions, and sustained investment tied to artificial intelligence and automation. Second, structural divergence between regions accelerated, particularly between innovation leaders and laggards. Third, select emerging markets offered genuine regime change rather than cyclical relief. Taken together, these forces shaped both our macro-outlook and our portfolio construction decisions.

The US Outlook: Growth Stability with Sticky Inflation

The US economy remains on a constrained path. Growth has moderated without collapsing and inflation has eased without fully normalizing. This outcome reflects a delicate equilibrium rather than a durable resolution. Fiscal tightening has largely been postponed, trade frictions remain a latent risk, and productivity gains from technology are real but unevenly distributed.

We see three possible scenarios for 2026:

In the baseline case, the US will suffer a growth recession (meaning below-trend GDP growth) for a few months, followed by a recovery and a gradual decline in the inflation rate toward the US Federal Reserve's 2% target. We think of this as the Goldilocks scenario – one in which market discipline, good advisers, and a still-independent Fed (notwithstanding President pressures) will maintain a balanced policy stance from the White House.

In the second scenario, the economy experiences a shallow recession for a few quarters, followed by a slower return to growth than in the first scenario.

And the third scenario features a "no-landing" outcome in which growth remains strong but inflation does not fall toward the target rate.

A **growth** recovery in the second half of 2026 may likely be driven by four factors: 1/moderate monetary easing by the Fed; 2/fiscal stimulus that is still in the pipeline (most of the recently legislated spending cuts will not occur until after the 2026 midterm election); 3/strong household and corporate balance sheets and easy financial conditions (owing to high equity prices, low bond yields and credit spreads, and a weaker dollar); and 4/ the strong tailwinds from capital expenditures, relating to AI, energy and defense. On the other hand, this growth may not necessarily come with traditional job growth, with a continuation of a 'low firing, low hiring' economy.

Inflation may peak and then start to fall next year as the base effects of tariffs wane, and as technology-driven productivity gains start to reduce costs and unlock new efficiencies.

Geopolitical factors will remain elevated. Even if there is some resolution with Russia/Ukraine, Iran and China, diplomatic relations will remain strained and markets will remain on edge. A trend of de-dollarization will pick up momentum, and alternatives to USD as a reserve currency will be sought.

Portfolio Implications

While the base case remains continued expansion and contained but above target inflation, the distribution of outcomes is wide. Small policy errors or external shocks could quickly reprice risk. As a result, in terms of investment pillars, we continue to favor exposures that benefit from economic activity without relying on benign financial conditions.

US Bonds: The case for US Treasuries on the short end of the maturity spectrum remains robust albeit, given the ~80 basis points (A basis point is one hundredth of 1 percentage point. Changes of interest rates are often stated in basis points.) decline in 2y yields during 2025, a little less compelling than at the start of last year. Nevertheless, the merits remain clear: the path of the FOMC is still either for rate cuts or for remaining neutral; the current yield of ~3.5% is not negligible by any means; the safe-haven status of short-term US treasuries provides valuable ballast; the volatility dampening properties serve our purpose well. Does the de-dollarization trend expose us to a downside risk? Given the short maturity of our position, and thereby low sensitivity to 10y or longer yields, which is where most of the pressure may be felt, we believe the risk is low. US real rates have also declined during 2025, yet currently place US TIPS as moderately attractive.

Gold: The factors that have driven gold higher in the last 2 years remain in place: Expanded central bank adoption; lower front-end yields; increased retail investor participation; continued geopolitical risks. Whereas the risk of a market correction remains (potentially driven by investors taking profit and/or in an event of a broad market selloff, the need to fund margin calls in other positions as transpired during Liberation Day), but in our view the structural trend in Gold will eventually prevail.

REITS: Declining Fed rates, recently announced policy measures from Washington, and a thawing of the mortgage rates set up a potential revival in the real estate market. We will continue to be vigilant on geographical climate risks impacting home insurance premiums, and affordability factors overall.

Agri Commodities: While we do not attempt to predict weather patterns in the crop growing regions of the world which impacts supply side dynamics, we do have better visibility on the demand side. A pickup in GDP growth globally may increase demand for food, and the potential easing of tariff restrictions– such as exports of US grains and oilseeds to China – may be a lift to commodity prices.

Equities in the Defense and Cybersecurity industry: our conviction on the defense sector remains high – particularly with the security related escalation in Latin America as well as Western Europe.

Important information

Investors should carefully consider the investment objectives, risks, charges, and expenses of the Atlas America Fund before investing. This and other information can be found in the fund's prospectus, which can be obtained by calling (855) 511-0520 or visiting www.actfund.io. Please read the prospectus carefully before investing.

Investing involves risk. Principal loss is possible. Price movements in gold may fluctuate quickly and dramatically, have a historically low correlation with the returns of the stock and bond markets, and may not correlate to price movements in other asset classes. The values of municipal securities held by the Fund may be adversely affected by local political and economic conditions and developments. The Fund may make significant investments in a particular segment of the municipal bond market or in the debt of issuers located in the same state or territory. A derivative instrument often has risks similar to its underlying instrument and may have additional risks, including imperfect correlation between the value of the derivative and the underlying instrument, risks of default by the counterparty to certain derivative transactions, magnification of losses incurred due to changes in the market value of the securities, instruments, indices or interest rates to which the derivative relates, and risks that the derivative instruments may not be liquid.

Investments in government bonds, including sovereign bonds and quasi-sovereign bonds, involve special risks not present in corporate bonds. The small and midcapitalization companies in which the Fund invests may be more vulnerable to adverse business or economic events than larger, more established companies, and may underperform other segments of the market or the equity market as a whole. The Fund is non-diversified, which means that it may invest in the securities of fewer issuers than a diversified Fund. Liquidity risk exists when particular investments are or become difficult or impossible to purchase or sell. The performance of a fund that is less diversified across countries or geographic regions will be closely tied to market, currency, economic, political, environmental, or regulatory conditions and developments in the country or region in which the fund invests and may be more volatile than the performance of a more geographically-diversified fund. The Fund's investments in Private Funds require it to bear a pro rata share of the vehicles' expenses, including management and performance fees.

By investing in the Subsidiary, the Fund is indirectly exposed to the risks associated with the Subsidiary's investments. Because the Fund may invest significantly in real estate related investments, such as through REITs, private real estate investment funds, and directly in real estate, its portfolio will be significantly impacted by the performance of the real estate market and may experience more volatility and be exposed to greater risk than a fund that does not hold real-estate related investments. The Fund's investments in Private Funds require it to bear a pro rata share of the vehicles' expenses, including management and performance fees. Private Funds are not publicly traded. Accordingly, the Adviser may consider information provided by the institutional manager to determine the estimated value of the Fund's investment therein.

ETFs are subject to additional risks that do not apply to conventional mutual funds, including the risks that the market price of an ETF's shares may trade at a premium or discount to its net asset value, an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact an ETF's ability to sell its shares. Shares of any ETF are bought and sold at market price (not NAV) and are not individually redeemed from the ETF. Brokerage commissions will reduce returns.

The Atlas America Fund is distributed by Foreside Fund Services, LLC.

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The Bloomberg U.S. 7-10 Year Treasury Bond Index is a subcomponent of the Bloomberg U.S. Treasury Index, designed to measure the performance of U.S. Treasury securities with remaining maturities between 7 and 10 years. The Total Return version of the index reflects the price performance, interest income (coupon payments), and reinvestment of distributions over time. It is commonly used as a benchmark for intermediate-term U.S. Treasury bond investments.

S&P 500 means the market capitalization–weighted index of 500 large-capitalization U.S. common stocks selected by S&P Dow Jones Indices LLC (or its successor) and designed to measure the performance of the large-cap segment of the U.S. equity market.