

## CPIEX is Now 5-Star Morningstar Rated for 3 and 5-Year Returns

**San Diego, California – January 16, 2025** – Counterpoint Funds, a quantitative mutual fund and exchange-traded-fund (ETF) provider specializing in diversifier strategies, today announced that the **Counterpoint Tactical Equity Fund (CPIEX)** is now 5-Star Morningstar Rated for both 3 and 5-year periods out of 102 and 91 funds respectively in the Long-Short Fund category, based on risk adjusted returns.

CPIEX is ranked 10<sup>th</sup> and 7<sup>th</sup> for 3 and 5-year periods in the Long-Short Fund category out of 102 and 91 funds respectively, based on total returns for the period ending December 31, 2024, by Morningstar Inc., a leading provider of independent investment research.

### CPIEX Trailing Returns as of December 31, 2024

Total Return %	3-Month	YTD	1-Year	3-Year	5-Year
Counterpoint Tactical Equity I (CPIEX)	-2.19	37.81	37.81	17.93	12.34
Category	-2.26	13.85	13.85	5.89	7.92
Index	-2.94	24.09	24.09	8.13	13.96
Star Rating	-	-	-	★★★★★	★★★★★
Percentile Rank	-	-	-	7	10
# of Invest. In Cat.	-	-	-	102	91

*Source: Morningstar. USD | Investment return as of Dec 31, 2024 | Category: Long-Short Equity as of Dec 31, 2024 | Index: Morningstar US Market TR USD as of Dec 31, 2024 | Earliest Available Nov 30, 2015 | Time periods greater than 1 year are annualized. Performance disclosures are located on the next page.*

“In November 2023, we made significant improvements to the machine learning models used in CPIEX, which has helped it continue to perform as a strong equity diversifier,” says Joseph Engelberg, Ph.D. Chief Research Officer and co-portfolio manager at Counterpoint Funds.

Developed by Counterpoint Funds, the Counterpoint Tactical Equity Fund (CPIEX) launched Nov., 2015 has \$298 million in net portfolio assets as of December 31, 2024. CPIEX seeks capital appreciation and capital preservation by investing in a global long-short portfolio, designed to be currency and sector neutral, while using a tactical model to adjust stock market exposure. Employing a long history of empirical evidence and academic research, the Fund leverages advanced machine learning and artificial intelligence techniques to dynamically adjust exposure to quantitative factors including momentum, value, sentiment, quality, and long-term reversal, during the stock selection process to seek optimal mispricing opportunities. This is used in combination with a tactical overlay of the US Stock Market, which was designed to provide exposure during periods of market appreciation and reduce market exposure during extended market downswings, to provide a low correlation strategy that makes a great equity diversifier for client portfolios.

“Counterpoint continues to innovate by refining the machine learning models it uses as well as testing new factors that can potentially help drive return. Such innovation is particularly important for CPIEX because, at its core, it’s a long-short fund designed with the aim to make money from relative mispricing and acts as a diversifier for client portfolios,” added Mr. Engelberg. For more information on the Tactical Equity Fund please visit [cpfunds.com/cpiex](https://cpfunds.com/cpiex)

*The performance data displayed here represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. The investment return and principal value of an investment will fluctuate so that investor's shares, when redeemed, may be worth more or less than their original cost. The total annual fund operating expenses are 2.06%, 2.81% and 1.81% for Class A, C and I shares respectively. The Fund's maximum sales charge for Class A shares is 5.75%. The Fund's adviser has contractually agreed to waive its fees and reimburse expenses of the Fund, at least until February 1, 2025 to ensure that Total Annual Fund Operating Expenses After Fee Waiver and Reimbursement (excluding (i) any front-end or contingent deferred loads; (ii) brokerage fees and commissions; (iii) acquired fund fees and expenses; (iii) borrowing costs (such as interest and dividend expense on securities sold short); (iv) taxes; and (v) extraordinary expenses, such as litigation expenses (which may include indemnification of Fund officers and Trustees, contractual indemnification of Fund service providers (other than the Fund's adviser))) do not exceed 2.00%, 2.75% and 1.75% of average daily net assets attributable to Class A, Class C, and Class I shares, respectively. Without the fee waiver, total annual fund operating expenses would be, 2.06%, 2.81% and 1.81% for Class A, C and I shares, respectively. For performance information current to the most recent month-end, please call toll-free 844-273-8637.*

## About Counterpoint Funds

Counterpoint Funds is a defensive, systematic and research driven mutual fund and ETF provider with 5 funds and over \$2.6 billion in assets under management. Counterpoint is focused on offering defensive fixed income and equity diversifier strategies designed to drive portfolio performance over the long run. Counterpoint's mutual funds and ETFs employ quantitative investment strategies that base asset allocation and security selection decisions on academic research and statistical analysis. Counterpoint Funds, LLC, is located at: 12760 High Bluff Drive, Suite 280, San Diego, CA 92130. Tel: 844-273-8637

NOT FDIC INSURED - MAY LOSE VALUE - NO BANK GUARANTEE

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**There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses. Important information about the fund is available in their prospectuses, which can be obtained at [counterpointfunds.com](http://counterpointfunds.com) or by calling 844-273-8637. The prospectuses should be read carefully before investing. Investors should carefully consider the investment objectives, risks, charges, and expenses of the funds managed by Counterpoint Mutual Funds. The Counterpoint Mutual Funds fund family is distributed by Northern Lights Distributors, LLC member FINRA/SIPC. Counterpoint Mutual Funds, LLC is not affiliated with Northern Lights Distributors, LLC member [FINRA/SIPC](#).**

## Important Risk Information

Mutual Funds involve risk including the possible loss of principal. The use of leverage by the Fund or an Underlying Fund, such as borrowing money to purchase securities or the use of derivatives, will indirectly cause the Fund to incur additional expenses and magnify the Fund's gains or losses. Derivative instruments involve risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. There is a risk that issuers and counterparties will not make payments on securities and other investments held by the Fund, resulting in losses to the Fund. Past performance is no guarantee of future results. There is no assurance the Fund will meet their stated objectives.

Investments cannot be made in an index. Unmanaged index returns do not reflect any fees, expenses or sales charges. Past performance is no guarantee of future results. There is no guarantee that any investment will achieve its objectives, generate positive returns, or avoid losses. The Adviser's reliance on its strategy and judgments about the attractiveness, value and potential appreciation of particular securities and the tactical allocation among investments may prove to be incorrect and may not produce the desired results. No level of diversification can ensure profits or guarantee against loss.

### Index Definitions

The **Morningstar US Market Total Return Index** measures the performance of the US stock market, including large-, mid-, and small-cap stocks.

The **Morningstar US Long-Short Equity** category is made up of portfolios that take a net long stock position, meaning the total market risk from the long positions is not completely offset by the market risk of the short positions. Long-short equity

funds' total return, therefore, is a combination of the return from market exposure (beta) plus any value-added from stock-picking or market-timing (alpha).

## Factor Definitions

**Sentiment** reflects indicators of outlook such as revisions to analyst estimates of future earnings, share issuance changes, or measures of short interest and demand in the share lending market.

**Momentum** refers to the tendency of winning stocks to continue performing well in the near term. Momentum is categorized as a "persistence" factor i.e., it tends to benefit from continued trends in markets.

**Reversal** measures when the direction of a price trend has changed, from going up to going down, or vice-versa..

**Volatility** (or Stability) measures underlying company risk, such as volatility or beta.

**Quality** measures financial statement quality characteristics, i.e. the Profitability anomaly.

**Value** includes measures of company valuation such as price/sales ratio, and prices/earnings ratio.

## Definitions

**Return** is the percentage change in the value of an investment, and/or cash flows which the investor receives from that investment, such as interest payments, coupons, cash dividends, stock dividends or the payoff from a derivative or structured product, over a specified time-period.

**Standard Deviation (Std Dev)** measures the dispersion of returns relative to its mean to determine the volatility of an investment and is calculated as the square root of the variance by determining the deviation of daily returns relative to the mean.

**Correlation** is a statistic (between or equal to 1 and 0) that measures the degree to which two securities move in relation to each other.

## Morningstar

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The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The Morningstar Rating is for the Institutional, A-share, and C-share class. Morningstar Percentile Rankings are based on the average annual total returns of the funds in the category for the periods stated and do not include any sales charges or redemption fees. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. Rankings for each share class will vary due to different expenses.

Morningstar Category/Morningstar Category % Rank Investments are placed into Morningstar categories based on their compositions and portfolio statistics so that investors can make meaningful comparisons. Morningstar Category % Rank is a fund's total-return percentile rank relative to all funds in the same category. The highest (or most favorable) percentile rank is one and the lowest (or least favorable) percentile rank is 100. The Category % Rank complements the Morningstar Rating, especially for funds in smaller categories because these funds may have received a 3-star rating but could be in the top half of their category performance.