1Q17 Commentary

Long/Short Commodities Strategy Fund

March 31, 2017

First Quarter Commentary

Market Commentary

Commodity markets were mixed during the first quarter of 2017 with the S&P GSCI declining -5.05%. In Energy markets, unseasonably warm weather and an unexpected supply injection in late February contributed to a sharp decline in natural gas prices during the quarter. West Texas Intermediate ("WTI") crude, a proxy for oil, fell below $50 per barrel during the quarter on surging U.S. shale production and record U.S. supplies. Oil prices were generally trendless for much of the quarter but plunged in early March before reversing course and rallying towards the end of the month.

Metals commodities, both precious and base, moved higher during the quarter. With global tension and political uncertainty coupled with a weaker U.S. dollar, precious metals (including gold) were strong. Base metals were also strong, including sizable moves by lead, aluminum, and copper, buoyed by hopes for Trump's ambitious infrastructure program, improvement in the outlook for Chinese and global growth, and declining inventory levels. A worker's strike at the world's largest copper mine, owned by BHP Billiton in Chile, disrupted production and contributed to the metal's gains.

Agricultural commodities were mixed during the quarter with wheat and corn advancing slightly while soybean prices fell. Soft commodities also declined with prices moving lower for sugar and cocoa, while cotton was higher. Sugar was particularly weak due to higher production and weakness in the currency of one of the major producers, Brazil. Livestock prices were mixed during the quarter.

Performance Overview

LoCorr Long/Short Commodities Strategy Fund Class I share (the

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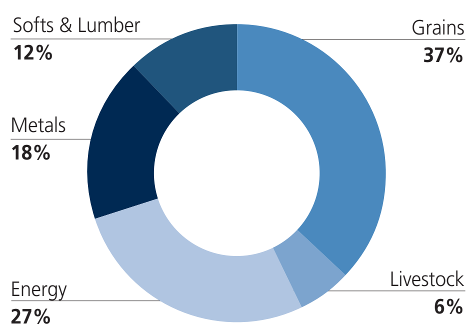
Average Annual Total Returns

As of March 31, 2017

	1Q17	YTD	1 Year	3 Year	5 Year	Since Inc*
Class A - LCSAX without Load	1.31%	1.31%	-6.43%	11.19%	2.54%	2.28%
Class A - LCSAX with Load	-4.52%	-4.52%	-11.79%	9.01%	1.33%	1.14%
Class C - LCSCX without Load	1.12%	1.12%	-7.03%	10.37%	1.79%	1.47%
Class C - LCSCX with Load	0.12%	0.12%	-7.03%	10.37%	1.79%	1.47%
Class I - LCSIX	1.41%	1.41%	-6.10%	4.47%	2.80%	2.53%
S&P 500 Index	6.07%	6.07%	17.17%	10.37%	13.30%	15.19%
Morningstar L/S Comm Index	-7.70%	-7.70%	-11.82%	-5.16%	-5.57%	-4.91%

Commodity Futures Sector Diversification

As of March 31, 2017 (Subject To Change)[1]



**As of January 1, 2012 (the Fund commenced operations on January 3, 2012). The Fund's gross expense ratio is 2.73% for Class A; 3.48% for Class C; and 2.48% for Class I. The Fund's total annual fund operation expenses after fee waiver is 2.71% for Class A; 3.46% for Class C; and 2.46% for Class I. The Fund's expense ratio (exclusive of any Rule 12b-1 distribution and/or servicing fees, taxes, interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, indirect expenses, expenses of other investment companies in which the Fund may invest, or extraordinary expenses such as litigation and inclusive of organizational cost incurred prior to the commencement of operations) is 2.20% for Class A; 2.95% for Class C; and 1.95% for Class I, net of contractual fee waiver through April 30, 2018. Net expense ratios are as of a Fund's most recent prospectus and were applicable to investors.*

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 of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 952.513.8195. The Fund imposes a 1.00% redemption fee on shares sold within 30 days. Investment performance reflects fee waivers in effect. In the absence of such waivers, total return would be reduced. Performance data shown with load for Class A shares reflects a 5.75% sales load and for Class C shares reflects a 1.00% CDSC. Performance data shown without the load does not reflect the current maximum sales charges for Class A shares (up to 5.75% front-end) and Class C shares (1.00% CDSC). Had the sales charge been included, the Fund's returns would be lower.

Commentary continued.

"Fund") gained +1.41% in the first quarter, trailing the S&P 500 Index but well ahead of the long-only broader commodity complex as represented by the S&P GSCI Index which fell -5.05%. During the quarter, the portfolios for both underlying managers, J E Moody and Millburn Ridgefield Corporation, generated positive returns for the Fund. Overall, directional trading in commodities generated slightly negative returns which was more than offset by gains from relative value trading in calendar spreads.

The largest contribution to return came from trading in Softs. Short positions in sugar were profitable, particularly late in the quarter as an early rally in sugar prices ran out of steam due to higher supply and weaker demand. These gains were offset by losses from long positions in crude palm oil as increasing production negatively impacted prices. Spread trading was a sizable contributor to performance during the quarter, with significant gains from trading in sugar among other calendar spreads.

Trading in Energy was slightly positive during the quarter as gains from calendar spread trading offset losses from directional positions. March was particularly difficult for directional trading in Energy as oil prices moved sharply lower at the beginning of the month before reversing course sharply toward the end of March. This reversal proved difficult to navigate and resulted in significant losses from trading in Brent and West Texas Intermediate Crude during March.

Livestock trading was also profitable during the quarter due to gains from spread trading, particularly in lean hogs. Long positions in metals showed gains early in the quarter as aluminum, palladium, zinc, and copper prices rallied. Spread trading in metals also contributed positively.

Trading in Grains was slightly unprofitable during the quarter. Long positions in soybeans were notable detractors as prices softened on expectations regarding the potential for higher soybean acreage (increased production). Spread trading in Grains was marginally profitable, but was not a significant driver of return.

Fund holdings and sector allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Opinions expressed are subject to change at any time, are not guaranteed, and should not be considered investment advise.

S&P 500 Total Return Index is a capitalization-weighted unmanaged benchmark index that includes the stocks of 500 large capitalization companies in major industries. This total return index includes net dividends and is calculated by adding an indexed dividend return to the index price change for a given period. **Morningstar Long/Short Commodity Index** is a fully collateralized commodity futures index that uses the momentum rule to determine if each commodity is held long, short, or flat. One cannot invest directly in an index. **S&P GSCI Commodity Index** is a composite index of commodity sector returns which represents a broadly diversified, unleveraged, long-only position in commodity futures. Index returns as of 3/31/17 were -3.61% 1-Year, -15.27% 5-Year, -9.21% 10-Year, -13.55% since Fund inception (1/1/2012). **Calendar Spread** the simultaneous purchase and sale of separate futures contracts for the same commodity for delivery in different months. **Spread Trading** is the simultaneous purchase of one security and sale of a related security, called legs, as a unit.

[1]LoCorr also holds cash, cash equivalents and fixed income securities, which are excluded from the Managed Futures Strategy allocation shown above.

Performance data for the Class A Shares does not reflect the 1.00% CDSC, which only applies to no-load transactions of $1 million or greater.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the Fund and may be obtained by calling 952.513.8195 or by visiting www.LoCorrFunds.com. Read carefully before investing.

Mutual fund investing involves risk. Principal loss is possible. The Fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to an individual investment's volatility than a diversified fund. The Fund invests in foreign investments which involve greater volatility and political, economic and currency risks and differences in accounting methods. The Fund may make short sales of securities, which involves the risk that losses may exceed the original amount invested. Investing in commodities may subject the Fund to greater risks and volatility as commodity prices may be influenced by a variety of factors including unfavorable weather, environmental factors, and changes in government regulations. The Fund will incur a loss as a result of a short position if the price of the short position instrument increases in value between the date of the short position sale and the date on which an offsetting position is purchased. The Fund may invest in derivative securities, which derive their performance from the performance of an underlying asset or index. Derivatives can be volatile and involve various types and degrees of risks, and, depending upon the characteristics of a particular derivative, suddenly can become illiquid. Derivative contracts ordinarily have leverage inherent in their terms which can magnify the Fund's potential for gains or losses through increased long and short position exposure. The Fund may access derivatives via a swap agreement. A risk of a swap agreement is the risk that the counterparty to the agreement will default on its obligation to pay the Fund. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in Asset Backed, Mortgage Backed, and Collateralized Mortgage Backed Securities include additional risks that investors should be aware of such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. The Fund may use leverage which may exaggerate the effect of any increase or decrease in the value of portfolio securities or the Net Asset Value of the fund, and money borrowed will be subject to interest costs.

The LoCorr Long/Short Commodities Strategy Fund is distributed by Quasar Distributors, LLC.

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