

Class A	Class C	Class I
LEQAX	LEQCX	LEQIX

Dynamic Equity Fund - Monthly Commentary

May 2018 Commentary – LoCorr Dynamic Equity Fund *(formerly the LoCorr Long/Short Equity Fund)*

Market Commentary

Equities moved higher in May, despite market volatility arising from geopolitical turmoil sparked by uncertainty in the Italian election and the “on-again, off-again” U.S.-North Korea summit. Continued threats of U.S.-imposed tariffs and possible trade retaliation dominated market headlines, shaking investor sentiment throughout the month. However, positive U.S. corporate earnings and a strong jobs report combined to lift the S&P 500 Index, which posted a gain of +2.41%, extending the year-to-date return to +2.02%. Continued market volatility is anticipated, as range-bound trading and the proposed U.S. - North Korea meeting continues to oscillate, likely impacting financial markets; but U.S. economic growth could outweigh the negative sentiment as political risks settle. The S&P 500 Index was supported by strong performance from the Information Technology sector which posted a strong month in May, up +7.13% and continues its run up +10.60% YTD.

Portfolio Update

The LoCorr Dynamic Equity Fund Class I share (“the Fund”) declined -3.15% in May, lagging the +0.86% return for the Morningstar long-short equity fund category as well as the S&P 500 Index +2.41%. For May, both managers finished the month negative as both the long and short books were detractors for the Fund.

The largest contributions from the Fund’s long book came from holdings in the Consumer Cyclical, Financial Services, and Healthcare sectors. In the Consumer Cyclical sector, a position in an automotive parts accessories retailer was a positive contributor for the Fund. The company has continued to improve margins, and analysts have shifted to a “buy” recommendation on the stock as stronger profits have triggered positive coverage from the street. Within the Financial Services sector, a position in a consumer auto finance company moved higher in May, along with a position in a Healthcare company

Continued on reverse side ...

May 2018 Performance

LoCorr Dynamic Equity Fund (LEQIX)	S&P 500 Index	MStar L/S Equity Category	LEQIX Excess Return vs. S&P 500 Index	LEQIX Excess Return vs. MStar L/S Eq Cat.
-3.15%	2.41%	0.87%	-5.56%	-4.02%

Average Annual Total Returns

As of May 31, 2018

As of March 31, 2018

	Monthly	YTD	1-Year	3-Year	5-Year	Since Inception ¹	1-Year	Since Inception ¹
Class A - LEQAX	-3.19%	-5.08%	0.09%	4.53%	3.68%	3.27%	1.71%	3.89%
Class A - LEQAX with Load	-8.78%	-10.53%	-5.64%	2.48%	2.46%	2.07%	-4.14%	2.64%
Class C - LEQCX	-3.23%	-5.36%	-0.63%	3.75%	2.91%	2.49%	0.97%	3.10%
Class C - LEQCX with Load	-4.20%	-6.30%	-0.63%	3.75%	2.91%	2.49%	0.97%	3.10%
Class I - LEQIX	-3.15%	-4.93%	0.34%	4.78%	3.95%	3.53%	1.95%	4.15%
S&P 500 Index	2.41%	2.02%	14.38%	10.97%	12.98%	12.81%	13.99%	12.64%
MStar L/S Equity Category	0.87%	-0.23%	6.55%	2.60%	4.03%	3.99%	6.69%	3.95%
Russell 2000 Index	6.07%	6.90%	20.76%	10.97%	12.19%	12.46%	11.79%	11.16%

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 888.628.2887. 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 or CDSC been included, the Fund's returns would be lower. The Fund's gross expense ratio is 3.46% for Class A; 4.21% for Class C; and 3.21% for Class I.

¹The Fund commenced operations on May 10, 2013.

Commentary continued.

which rose on growth expectations. Offsetting these gains were losses from positions in the Communication Services and Industrials sectors. A large position in a company that provides commercial broadband connectivity and wireless entertainment significantly underperformed in May. The stock sold off on negative news surrounding the company's operational execution issues, causing a drop in stock price. A position in an airline company also detracted from the long book, based on concerns over rising fuel costs, negative outlook and troubling earning projections.

In the short book, positions in the Consumer Defensive and Healthcare sectors were positive contributors for May. In the

Consumer Defensive sector, a position in a food company benefitted the Fund. The company's stock price dropped on missing quarterly earnings expectations, stemming from inflationary pressures felt throughout the industry. A short position in a Healthcare company which provides health care products and services to dental practitioners, labs, and medical practitioners was profitable for the Fund as the company has hit secular headwinds and shifting industry dynamics. Positions in the Consumer Cyclical sector and the Technology sectors were the largest detractors for the month.

As of the most recent prospectus the Fund's total annual fund operating expenses after fee waiver is 3.39% for Class A; 4.14% for Class C; and 3.14% for Class I; and were applicable to investors. The Fund's expense cap (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, short selling 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 2.90% for all share classes, net of contractual fee waiver through April 30, 2019.

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 Equity Category** is an average monthly return of all funds in the Morningstar Long-Short Equity Category. The category contains a universe of funds with similar investment objectives and investment style, as defined by Morningstar. Performance of the indices and Morningstar Category Average is generated on the first business day of the month. **Russell 2000 Index** measures the performance of approximately 2,000 small-cap companies in the Russell 3000 Index, which is made up of 3,000 of the biggest U.S. stocks. The Russell 2000 serves as a benchmark for small-cap stocks in the United States. One cannot invest directly in an index. Opinions expressed are subject to change at any time, are not guaranteed and should not be considered investment advice.

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 individual stock volatility than a diversified fund. The Fund invests in foreign investments and foreign currencies which involve political, economic and currency risks, greater volatility and differences in accounting methods. This risk is increased for emerging markets. The Fund may make short sales of securities, which involves the risk that losses may exceed the original amount invested. The Fund may invest in illiquid securities which involve the risk that the securities will not be able to be sold at the time or prices desired by the fund, particularly during times of market turmoil. Investments in Real Estate Investment Trusts (REITs) involve additional risks such as declines in the value of real estate and increased susceptibility to adverse economic or regulatory developments. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer term debt securities. Investing in ETFs are subject to additional risks that do not apply to conventional mutual funds, including the risks that the market price of the shares may trade at a discount to its net asset value ("NAV"), 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 a Funds ability to sell its shares. The Fund can invest in small- and medium-capitalization companies, which tend to have limited liquidity and greater price volatility than large-capitalization companies. Investment by the Fund in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities.

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