

Macro Strategies Fund

Formerly the LoCorr Managed Futures Strategy Fund

September 30, 2018

Third Quarter Commentary

Market Commentary

On the back of a booming domestic economy, it was another strong quarter for U.S. equities. The S&P 500 Index ended the quarter up +7.71%, while hitting a new high of \$2,940.91 during the month of September. Elsewhere across the globe, equities were mixed. With the exception of Japan, most Asian equities traded down on fears of a continued escalation of the trade dispute between China and the U.S. In Europe, equities are fighting against Brexit uncertainty as well as a return of Italian political and debt concerns. Emerging Market equities slid, as countries with large dollar-denominated debt struggle. The Fed continues to hike interest rates and the U.S. dollar continues to strengthen.

Similar to the first two quarters of the year, the Federal Reserve decided to raise rates at their September meeting on continued positive U.S. economic data. Treasuries drifted higher, with the 10-year ending the quarter at 3.05% after ending the prior quarter at 2.85%. Investment Grade bonds were fairly flat on the quarter, while High Yield and Emerging Market Debt posted the largest gains.

In commodities markets, crude oil prices remained steady, with a

small drop in West Texas Intermediate prices while Brent moved higher. During the quarter, the United States became the largest global crude oil producer in the world, having surpassed Saudi Arabia in February and Russia in August. This is the first time since February 1999 that the United States has passed Russia in crude oil production. After a huge 2nd quarter rally, lean hogs lost close to a quarter of their value on a lack of demand from China, the world's largest consumer of the meat. Base metals also moved lower across the board, due to the commodity being ground zero for trade war disputes between China and the U.S.

The U.S. Dollar Index continued its move higher over the period, propped up by "safe-haven" flows going away from emerging markets as well as tighter monetary policy by the Federal Reserve. The Euro has remained weak on the European Central Bank's continued loose monetary policy, as well as worries with Brexit and Italian Budget issues.

Performance Overview

LoCorr Macro Strategies Fund Class I share (the Fund) gained

Continued on reverse side ...

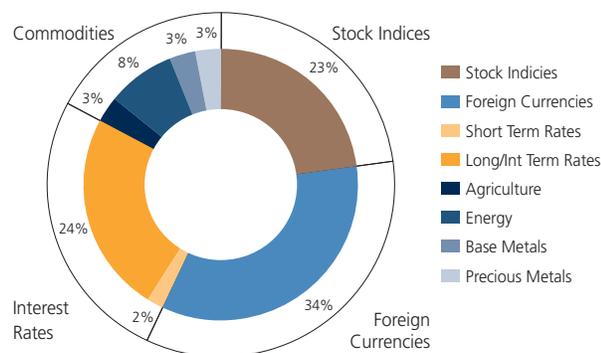
Average Annual Total Returns

As of September 30, 2018

	3Q18	YTD	1 Year	3 Year	5 Year	Since Inc. ¹
Class A - LFMAX	2.44%	-2.89%	1.50%	2.40%	5.40%	0.63%
Class A - LFMAX (Load)	-3.45%	-8.51%	-4.29%	0.40%	4.16%	-0.16%
Class C - LFMCMX	2.17%	-3.39%	0.82%	1.66%	4.63%	-0.11%
Class C - LFMCMX (Load)	1.17%	-4.35%	0.82%	1.66%	4.63%	-0.11%
Class I - LFMIX	2.40%	-2.74%	1.72%	2.65%	5.67%	0.89%
ML 3M T-Bill Index	0.51%	1.35%	1.62%	0.84%	0.52%	0.38%
Barclays CTA Index	0.75%	-1.45%	1.05%	-0.85%	1.18%	-0.37%
S&P 500 Index	7.71%	10.56%	17.91%	17.30%	13.95%	13.58%
MStar MF Category	1.56%	-2.49%	2.01%	-1.53%	1.48%	-1.44%

Macro Strategies Sector Diversification

As of September 30, 2018 (Subject To Change)²



¹As of April 1, 2011 (the Fund commenced operations on March 22, 2011, but did not trade its Managed Futures strategy until April). The Fund's total annual fund operating expenses are 2.31% for Class A; 3.06% for Class C; and 2.06% for Class I.

²LoCorr 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.

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. 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.

+2.40% during the third quarter, outperforming the +1.54% median return for the Morningstar Managed Futures category and the +0.77% return for the Barclay's CTA Index. During the period, the Fund benefitted from positive contributions from Graham Capital Management as the environment for trend following improved. Millburn Ridgefield also contributed positively to the Fund's returns while Revolution Capital Management had losses. Profitable trading in Equities was the largest contributor to the Fund, followed by gains in Energy and Metals. Trading in Fixed Income markets was unprofitable, while Foreign Currency and Agricultural trading was not a significant return driver during the third quarter.

During the period, the target allocation to each sub-adviser remained unchanged versus the prior quarter:

- Millburn Ridgefield: 40%
- Graham Capital Management: 40%
- Revolution Capital Management: 20%

In Equities, positioning was long across the U.S., Europe, and Asia for most of the quarter. These long positions were consistently profitable during the quarter as stock prices, particularly in the U.S., moved higher. While ending the quarter long, positions were significantly smaller than early in the year.

In the Commodities markets, after sliding in July and the first half of August, global oil prices (Brent) moved sharply higher during the second half of the quarter. Brent oil prices moved past \$80 per barrel, a four-year high, during September as oil supply remained

constrained by steady OPEC production, Iran sanctions, and significant production declines in Venezuela. These bullish supply dynamics are coupled with strong global demand. Long positions, particularly during August and September, benefited from the strong upward move in oil. Precious metals, including gold, silver, and platinum, moved lower during the quarter on higher interest rates, while base metal prices, such as zinc, nickel, and copper, fell on continued escalation in the U.S./China trade dispute. Trading in Metals was profitable overall during the quarter as short positions benefitted from the downward move in prices.

Trading in Fixed Income markets was unprofitable during the quarter as positioning diverged significantly between U.S. and European fixed income markets. European fixed income positions were long in varying degrees throughout the quarter. U.S. exposure remained slightly short until late in the quarter, when short positions grew larger as U.S. rates began pushing higher. In European markets, UK rates moved higher on the potential for a no-deal Brexit.

Trading in Foreign Currency markets did not have a significant impact on performance overall during the quarter. Positioning remained long U.S. dollar against most major currencies, including the Euro, British Pound, and Japanese Yen. With the U.S. dollar weakening in July, these long U.S. dollar positions were unprofitable; but this was offset by gains in August and September as the greenback rallied on strong domestic economic data, higher interest rates, and additional U.S. tariffs on Chinese goods.

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 advice.

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. **Barclays CTA Index** is an unweighted index which attempts to measure the performance of the Commodity Trading Advisor (CTA) industry. The Index measures the combined performance of all CTAs reporting to Barclays Trading Group who have more than four years past performance. Fees and transaction costs are reflected. One cannot invest directly in an index. **Morningstar Managed Futures Category** - these funds typically take long and short positions in futures options, swaps, and foreign exchange contracts, both listed and over-the-counter, based on market trends or momentum. A majority of these funds follow trend-following, price-momentum strategies. **Basis Points (bps)** - A unit that is equal to 1/100th of 1%, and is used to denote the change in a financial instrument. The basis point is commonly used for calculating changes in interest rates, equity indexes and the yield of a fixed-income security. **Investment Grade Bonds** are bonds that have a rating of Baa or higher from Moody's Investors Service, a rating of BBB or higher from Standard & Poor's, or both. Bonds with lower ratings - or no ratings at all - are termed speculative grade. **U.S. Dollar Index (USDX)** is a measure of the value of the U.S. dollar relative to the value of a basket of currencies of the majority of the U.S.'s most significant trading partners. This index is similar to other trade-weighted indexes, which also use the exchange rates from the same major currencies.

Diversification does not assure a profit nor protect against loss in a declining market.

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 invests in foreign investments and foreign currencies 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 may invest in derivative securities, which derive their performance from the performance of an underlying asset, index, interest rate or currency exchange rate. 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 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. 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.

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