

Why Commodities?

Commodities play a crucial role in both the global economy and in constructing a well-diversified portfolio. Commodity markets are generally large and liquid, and have grown substantially in recent decades. Commodities can play an important role in an investment portfolio by offering diversification and growth potential.

1 Access to Additional Markets

Commodity strategies offer access to vast markets. Historically, they have provided a potential hedge against inflation, and have been used as an investment to help participate in global economic growth. As these markets fluctuate, a diversified commodities portfolio with the ability to go **long or short** can provide the potential for profits in both rising and falling commodity markets.



2 Diversification

Long/short commodity strategies have historically provided strong returns, and their performance has generally not moved in tandem with stocks or bonds. Adding investment strategies such as long/short commodities, which exhibit a low correlation to other asset classes, provides the potential to reduce risk and improve returns in traditional investment portfolios.

Correlation - January 1, 2008 - June 30, 2024

	Long/Short Commodities	U.S. Stocks	Bonds
Long/Short Commodities	1.00		
U.S. Stocks	0.21	1.00	
Bonds	-0.01	0.26	1.00

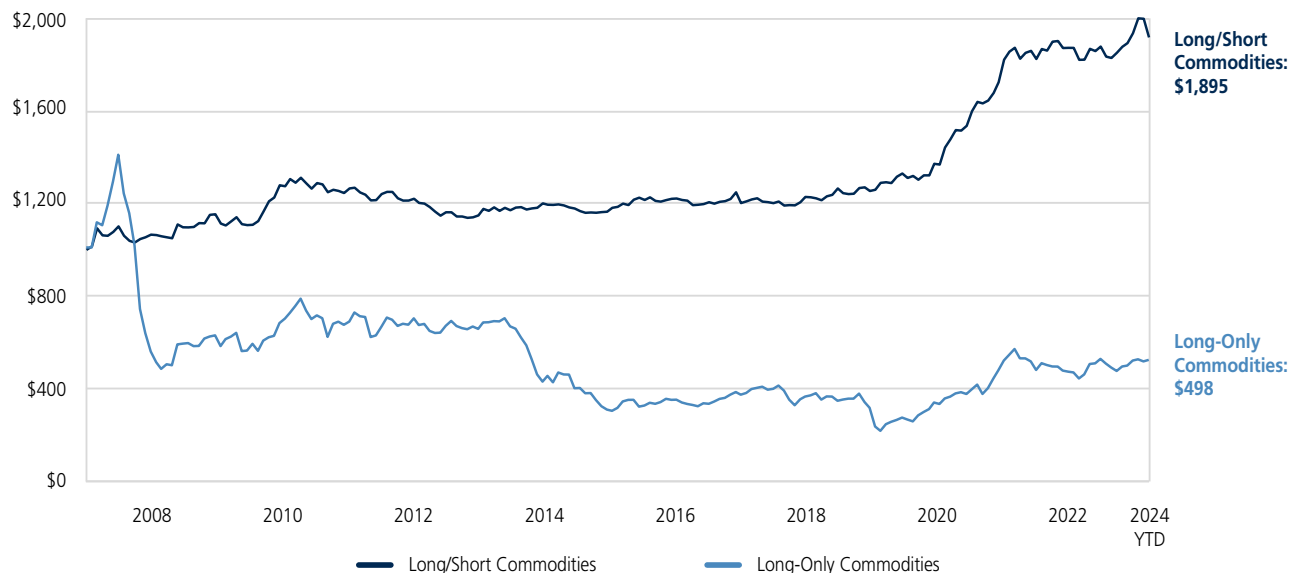
Past performance is not a guarantee of future results. Fund performance may be obtained by calling 1.855.LCFUNDS (1.855.523.8637). Long/Short Commodities refers to HFRI Macro Commodity Index; U.S. Stocks refers to S&P 500 Total Return Index; Bonds refers to Bloomberg U.S. Aggregate Bond Index. The referenced indices are shown for general market comparisons and are not meant to represent the Fund. One cannot invest directly in an index. Source: LoCorr Funds.

3 Potential to Enhance Returns

While commodities can be an important asset class in a well-diversified portfolio, historically, the majority of commodity investments have been long-only. Long-only commodity investments can be highly volatile and subject to significant drawdowns when prices decline, as seen in the graph below. Adding a long/short commodities strategy to a portfolio provides the potential to generate higher returns, reduce risk, and achieve better capital preservation than with a long-only commodities investment.

Growth of Investment

Growth of a hypothetical \$1,000 investment on January 1, 2008 - June 30, 2024



	Average Annual Returns	Volatility	Max Drawdown
Long/Short Commodities	3.95%	5.79%	-12.96%
Long-Only Commodities	-4.14%	23.29%	-87.22%

Past Performance is not a guarantee of future results. The referenced indices are shown for general market comparisons and are not meant to represent the Fund. Long/Short Commodities represented by HFRI Macro Commodity Index; Long-Only Commodities represented by S&P GSCI Commodity Index. Source: LoCorr Fund Management. Calculated using monthly data.

Index Returns as of June 30, 2024

	1 Year	5 Years	10 Years
HFRI Macro Commodity Index	5.21%	9.11%	4.88%
S&P 500 Index	24.56%	15.05%	12.86%
BBg U.S. Aggregate Bond Index	2.63%	-0.23%	1.35%
S&P GSCI Commodity Index	15.01%	8.28%	-3.12%

HFRI Macro Commodity Index consists of Investment Managers which trade both systematic and discretionary commodity strategies. Systematic commodity strategies typically have investment processes that employ mathematical, algorithmic and technical models, with little or no influence of individuals over the portfolio positioning. Discretionary commodity strategies typically have investment processes that are reliant on the fundamental evaluation of market data, relationships and influences as they pertain to commodity markets. **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. **Bloomberg U.S. Aggregate Bond Index** is a broad-based bond index comprised of government, corporate, mortgage and asset-back issues rated investment grade or higher. **S&P GSCI Commodity Index** is a total return index currently comprised of 24 basic commodities. The performance statistics presented for the index do not reflect any trading or administrative costs of investing in the index.

Diversification does not assure a profit nor protect against loss in a declining market. Drawdown refers to a peak-to-trough decline for a specific recorded period. Correlation measures how much the returns of two investments move together over time.

Stocks, bonds, and commodities are not guaranteed. Investments in equity securities involve risks such as volatility and the potential for loss of principal. Bonds traditionally experience less volatility than stocks and typically decrease in value when interest rates rise. Investments in commodities markets may have greater volatility than investments in traditional securities.

Commodity prices may be influenced by unfavorable weather, animal and plant disease, geologic and environmental factors as well as changes to government regulation such as tariffs, embargoes or burdensome production rules and restrictions.

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 investment company, and it may be obtained by calling 1.855.LCFUNDS, or visiting www.LoCorrFunds.com. Read it carefully before investing.

Mutual fund investing involves risk. Principal loss is possible. The Funds are non-diversified, meaning they may concentrate their assets in fewer individual holdings than a diversified fund. Therefore, the Funds are more exposed to individual stock volatility than a diversified fund. The Funds invest in foreign investments and foreign currencies which involve greater volatility and political, economic and currency risks and differences in accounting methods. The Funds may make short sales of securities, which involves the risk that losses may exceed the original amount invested. Investing in commodities may subject the Funds 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 Funds 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. 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.

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