

# Macro Strategies Fund

September 30, 2025

## Third Quarter Commentary

### Market Commentary

The third quarter was marked by the beginning of the Federal Reserve Board's ("Fed") rate cutting cycle. Weak labor data and seemingly cooling inflation prompted the Fed to cut rates by 25 basis points in its September meeting and announced its intention of future rate cuts going forward dependent on further inflation and labor data. Artificial intelligence ("AI") optimism propelled tech-heavy U.S. equity indexes higher throughout the quarter as the S&P 500 Index posted gains in all three months of third quarter, pushing its year-to-date return to +14.83%.

The U.S. jobs market weakened in the quarter. Nonfarm payrolls increased by 73,000 jobs in July, below the 100,000 forecasted, and June and May numbers were revised significantly lower. Nonfarm payrolls increased 22,000 in August versus the 75,000 forecasted. The unemployment rate rose to 4.3%, up from 4.1% in the previous quarter. While inflation has fallen dramatically from its peak, it still remains stubbornly above the Fed's 2% target. CPI rose +2.9% year-over-year in August, increasing +0.4% from July. The Fed's preferred inflation index, the Personal Consumption Expenditures Index ("PCE") rose +2.7% in August, increasing +0.1% from July.

The bond market rose as the Bloomberg U.S. Aggregate Bond Index finished the quarter with a +2.03% gain as the Fed easing cycle began. However, inflationary pressure from tariff announcements and potential trade war fallout with the U.S. government has still seemingly limited the rally in U.S. debt. The 10-year Treasury yield fell approximately -26 bps, finishing the quarter at 4.12%. Globally, the story was different as the 10-year German Bund and the 10-year Japanese Government Bond yields rose approximately +14 and +25 bps, respectively.

U.S. equities rallied in third quarter, with the S&P 500 Index up +8.12%. The CBOE Volatility Index, commonly referred to as the market's fear gauge, stayed below 20 for most of the quarter as market volatility continued to cool following April's "Liberation Day". The market-cap skew that has been present in recent years reversed somewhat this quarter as the Russell 2000 Index outperformed large cap stocks by +4.27%. The S&P 500 Equal Weight Index was up +4.84% in third quarter, underperforming the cap-weighted S&P 500 Index by -3.28%. International stocks also underperformed the S&P 500 Index as the MSCI EAFE Index gained just +4.77%.

Continued on reverse side ...

## Performance Summary

As of September 30, 2025

	3Q25	YTD	1 Year	5 Year	10 Year	Since Inc.
Class A - LFMAX	2.38%	1.31%	1.86%	3.48%	3.66%	2.34% <sup>1</sup>
Class A - LFMAX (Load)	-3.49%	-4.56%	-4.03%	2.25%	3.05%	1.93% <sup>1</sup>
Class C - LFMCX	2.12%	0.70%	0.99%	2.69%	2.89%	1.58% <sup>1</sup>
Class C - LFMCX (Load)	1.12%	-0.30%	0.99%	2.69%	2.89%	1.58% <sup>1</sup>
Class I - LFMIX	2.46%	1.41%	1.98%	3.73%	3.92%	2.60% <sup>1</sup>
Barclays CTA Index	2.34%	-0.69%	-0.75%	3.63%	2.05%	1.47% <sup>2</sup>
ICE BofA ML 3M T-Bill Idx	1.07%	3.20%	4.40%	2.98%	2.10%	1.47% <sup>2</sup>
Mstar Systematic Trend Cat	5.82%	-0.11%	-1.54%	4.16%	1.29%	0.43% <sup>2</sup>

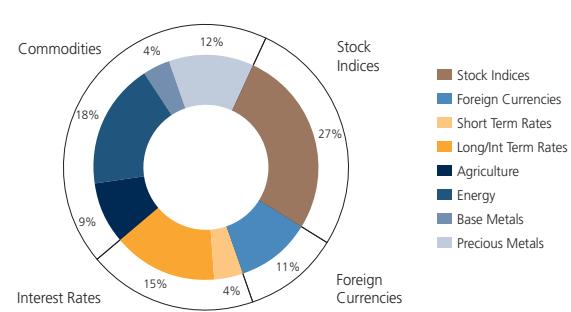
<sup>1</sup>As of March 24, 2011 (Class A Shares commenced operations on 3/22/11, Class C & I Shares commenced operations on 3/24/11) but did not trade its Managed Futures strategy until April 2011. <sup>2</sup>As of April 1, 2011. The Fund's total annual fund operating expenses are 2.13% for Class A; 2.88% for Class C; and 1.88% for Class I.

<sup>3</sup>The Fund also holds cash, cash equivalents and fixed income securities, which are excluded from sector chart shown above. Performance data for the Class A Shares does not reflect the CDSC of up to 1%, 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 888.628.2887. Investment performance reflects contractual 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.

## Macro Strategies Sector Diversification

As of September 30, 2025 (Subject to Change)<sup>3</sup>



*Commentary continued.*

The Bloomberg Commodity Index rose in the quarter, up +3.65%, largely driven by gold reaching another all-time high as investors continued to flock to the safe-haven asset. The precious metal was up +16.40% in the quarter, as measured by the Bloomberg Gold Subindex. Crude oil, as measured by the Bloomberg WTI Crude Oil Subindex, remained rangebound and choppy, but ultimately rose by +0.83% in third quarter. Agricultural commodities detracted as negative performance in grains offset gains in livestock.

In currency markets, the U.S. Dollar rose slightly against a basket of major currencies, up +0.93%, bringing its YTD decline to -9.87%.

### Performance Overview

The LoCorr Macro Strategies Fund, Class I share (the "Fund") was up +2.46% in the quarter versus a +5.82% gain for the US Fund Systematic Trend Morningstar Category. Overall, the Fund's positive return during the quarter was attributable to its trend following sub-adviser, Graham, and to one of its short-term trading managers, Revolution. Partially offsetting these gains were losses from the Fund's other short-term manager, R.G. Niederhoffer, and its systematic macro manager, Millburn. The Fund provided beneficial portfolio diversification, as gains in equities, metals, and agricultural commodities were somewhat offset by losses in interest rates and currencies. Performance in energy was negligible.

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

- Millburn Corporation: 37.5%
- Graham Capital Management: 37.5%
- Revolution Capital Management: 15.0%
- R.G. Niederhoffer Capital Management: 10.0%

Trading in equity indices was a positive contributor to the Fund in 3Q25. The strong rally in U.S. equities throughout the quarter benefited long positions, specifically in the S&P 500 and NASDAQ 100 indexes. Asian and European equities also rallied, providing a tailwind for long positions, specifically in the Hang Seng and FTSE 100 indexes. The Fund ended the period with long positions in the U.S., Asia, and Europe.

Commodity trading was another positive contributor in the quarter, with gains coming primarily from precious metals. The Fund capitalized on the persistent uptrend in gold and silver with long positions in both metals. The Fund also posted gains in agricultural commodities where short positions in soybeans, wheat, and corn were profitable. Trading in energy and industrial metals was negligible. The Fund ended the period with a short position in agricultural commodities, while energy, precious metals, and base metals were long.

The Fund flipped from long to short FX during the period, resulting in a slight loss. The largest currency losses came from long Euro and short Japanese Yen positions which were somewhat offset by gains in short positions in the Mexican Peso and Canadian Dollar. The Fund ended the period with a short position in foreign currencies and a long U.S. Dollar position.

The rally in fixed income was a headwind for the Fund as short exposure in European fixed income was unprofitable, particularly the Euro Bund and the Euro Bobl. Short exposure in Japanese Government Bonds was a positive contributor. The Fund flipped from short to long fixed income during the quarter and ended the period long in the U.S. and short in Europe and Asia.

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.

**Hang Seng Index (HSI)** is a freefloat-adjusted market capitalization-weighted stock market index in Hong Kong. It is used to record and monitor daily changes of the largest companies of the Hong Kong stock market and is the main indicator of the overall market performance in Hong Kong. **Consumer Price Index (CPI)** measures inflation by tracking the changes in prices paid by consumers for a basket of goods and services over time. **EURO STOXX 50 Index** is a blue-chip index designed to represent the 50 largest companies in the eurozone. **Russell 2000 Index** measures the performance of approximately 2000 small-cap companies in the Russell 3000 Index, which is made up of 3000 of the biggest U.S. stocks. It serves as a benchmark for small-cap stocks in the United States. **Barclays CTA Index** is an equal weighted index which attempts to measure the performance of the Commodity Trading Advisor industry. The Index measures the combined performance of all CTAs reporting to Barclay Trading Group who have more than 4 years past performance. Fees and transaction costs are reflected. **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 500 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. **U.S. 10-Year Treasury** is a debt obligation issued by the United States government that matures in 10 years. **Bloomberg Commodity Index** is a broadly diversified commodity price index distributed by Bloomberg Indexes. The index was originally launched in 1998 as the Dow Jones-AIG Commodity Index and renamed to Dow Jones-UBS Commodity Index in 2009, when UBS acquired the index from AIG. **Core Personal Consumption Index (PCE)** measures the changes in the price of goods and services purchased by consumers for the purpose of consumption, excluding food and energy. Prices are weighted according to total expenditure per item. The **S&P 500 Equal Weight Index (EWI)** is the equal-weight version of the widely-used S&P 500. The index includes the same constituents as the capitalization weighted S&P 500, but each company in the S&P 500 EWI is allocated a fixed weight - or 0.2% of the index total at each quarterly rebalance. **Morningstar Systematic Trend Category** is an average monthly return of all funds in the Morningstar Systematic Trend 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. **CB&E Volatility Index** is the Chicago Board Options Exchange Volatility Index, which shows the market's expectation of 30-day volatility. It is constructed using the implied volatilities of a wide range of S&P 500 Index options. This volatility is meant to be forward looking, is calculated from both calls and puts, and is a widely used measure of market risk, often referred to as the "investor fear gauge." **MSCI World Index** is a market capitalization weighted index designed to provide a broad measure of equity-market performance throughout the world. **NASDAQ 100 Index (NDX®)** represents 100 of the largest, most dynamic non-financial companies listed on the Nasdaq Stock Market and some of the most innovative companies in the world. These companies are selected based on market capitalization and are renowned for their innovation, market leadership, and growth potential. NDX includes major players across various sectors such as technology, healthcare, consumer goods, and industrials, making it a comprehensive benchmark for growth-focused investors. **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.

*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 888.628.2887 or by visiting [www.LoCorrFunds.com](http://www.LoCorrFunds.com). Read carefully before investing.*

Mutual fund investing involves risk. Principal loss is possible. The Fund invests in foreign investments which involve greater volatility and political, economic and currency risks and differences in accounting methods. 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. 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. 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. 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. Underlying Funds are subject to management and other expenses, which will be indirectly paid by the Fund.

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