Palmer Square Opportunistic Income Fund (PSOIX)

April 2025

Fund Refresher

As a refresher, the Palmer Square Opportunistic Income Fund (“PSOIX” or the “Fund”) seeks to not only capture a high level of current income, but also long-term capital appreciation by investing with a flexible mandate to find the best relative value opportunities across both corporate credit and structured credit.

Performance Summary

The Fund returned +1.26% (net of fees) for the first quarter of 2025.

We remain confident in our positioning in CLO (Collateralized Loan Obligation) Debt, bank loans and high yield bonds as well as believe the total return outlook still remains very attractive. The current yield on the Fund is now 7.48%.*

Fund Performance Net of Fees as of 03/31/2025 (inception 8/29/2014)

	Q1 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014[1]
PSOIX	1.26%	11.50%	18.93%	-4.48%	6.66%	5.92%	7.59%	-0.47%	11.05%	12.10%	-5.32%	-0.76%

	1 Year	3 Years	5 Years	10 Years	Since Inception Annualized[1]
PSOIX	8.48%	8.86%	14.05%	5.97%	5.79%

[1]Inception date is August 29, 2014. Annual Expense Ratio: Gross 2.35%/Net 2.35% with expense waivers that are in effect until December 1, 2025. See expense waiver details in Notes and Disclosures. The performance returns shown above are calculated by comparing the net asset value (NAV) on the first day of the time period to the NAV on the last day of the time period and reflect reinvested dividends and capital gains. Returns less than 1 year are not annualized. **The performance data quoted represents past performance and that past performance does not guarantee future results. Investment return and principal value will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information quoted. To obtain performance information current to the most recent month-end please call 866-933-9033.**

Portfolio Snapshot

Please refer to the table below for a portfolio snapshot by quarter.

	03/31/2024	06/30/2024	09/30/2024	12/31/2024	03/31/2025
Interest Rate Duration	0.40 yrs	0.36 yrs	0.40 yrs	0.40 yrs	0.43 yrs
Spread Duration	2.59 yrs	2.38 yrs	2.35 yrs	2.17 yrs	2.15 yrs
Credit Spread	544	471	443	397	346
Weighted Average Price	$98.5	$99.4	$99.5	$99.8	$99.3
Yield to Expected Call	9.65%	9.10%	7.91%	7.77%	7.06%
Yield to Maturity	9.34%	8.94%	7.84%	8.02%	7.15%
Current Yield	10.13%	9.79%	9.37%	8.29%	7.48%

Past performance does not guarantee future results.

Allocation / Attribution Summary

Select Portfolio Attribution and Characteristic Dashboard

Allocation	03/31/2025 Allocation	Q1 2025 Gross Attribution	Average Price	Yield to Expected Call*
CLO Debt	71%	1.07%	$100.0	7.24%
Bank Loans	17%	0.07%	$98.2	7.77%
High Yield Bonds	9%	0.02%	$96.5	7.04%
Sub Notes	2%	0.11%	n/a	20.10%
ABS/MBS/CMBS	1%	0.04%	$83.5	11.68%

Asset-backed Securities (ABS), Mortgage-backed Securities (MBS), Commercial Mortgage-backed Securities (CMBS).

*Please see Notes and Disclosures for definitions.

Historic Positioning Detail by Asset Type:

	03/31/2024 Allocation	06/30/2024 Allocation	09/30/2024 Allocation	12/31/2024 Allocation	03/31/2025 Allocation	Q1 2025 Gross Attribution
CLO Debt	72%	74%	72%	74%	71%	1.07%
Bank Loans	18%	17%	18%	17%	17%	0.07%
High Yield Bonds	5%	5%	6%	6%	9%	0.02%
Sub Notes	4%	3%	3%	2%	2%	0.11%
ABS/MBS/CMBS	1%	1%	1%	1%	1%	0.04%

Please note the allocation above is on a gross exposure basis as a percent of NAV and does not include cash. Gross attribution does not include hedges, expenses and fees if applicable. Investment return and principal value will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information quoted. Attribution refers to the process of measuring returns generated by various sources.

- **Performance and Attribution: The Fund returned +1.26% (net of fees) for the first quarter of 2025.** The positive absolute performance was driven by a broad-based rally in credit spreads to start the year and high coupons, particularly within our CLO exposure. Also, as Fed interest rate cuts have slowly been priced out over the course of the year, technicals for floating rate products have been favorable. The Fund's exposure to CLO debt and sub notes provided the largest contribution at +1.19%, followed by bank loans at +0.07% and HY (High Yield) bonds at +0.04%. There were no meaningful detractors during the quarter. Below is a summary of major benchmark performance for comparison.

Selected Indices*	Q1 2025 Performance	YTD 2024 Performance
Bloomberg U.S. Treasury Index	+2.92% (Yield -0.35%)	+0.58% (+0.37%)
Bloomberg U.S. Aggregate Bond Index	+2.78% (spread +1bps)	+1.25% (-8bps)
Bloomberg U.S. Corporate Index	+2.31% (spread +13bps)	+2.13% (-19bps)
Bloomberg 1-3 Year U.S. Corporate Index	+1.62% (spread +5bps)	+5.28% (-15bps)
Bloomberg U.S. High Yield Index	+1.00% (spread +58bps)	+8.19% (-36bps)
iBoxx Liquid Leveraged Loan Index	-0.10% (DM +30bps)	+8.50% (-61bps)
Palmer Square CLO Senior Debt Index	+1.28% (DM +14bps)	+7.41% (-33bps)
Palmer Square CLO Debt Index	+1.53% (DM +28bps)	+13.22% (-135bps)
S&P 500 Index	-4.28%	+25.00%
STOXX 600 Index	+5.94%	+9.62%

Source: Bloomberg as of 03/31/2025. Bps = basis points or 0.01%

Macro Takeaways and Outlook

- **Trump Tariffs Broader, Higher and More Permanent Than Feared:** President Trump's tariff announcement on April 2nd led to a significant market selloff, with the S&P 500 dropping by 10%+ and credit markets exhibiting increased volatility. While the tariffs were probably the most well flagged risk, what caught the market offsides was the breadth (e.g. the voluminous list of countries), magnitude (e.g. 90% tariff on Vietnam), and the implied permanence (e.g. formulaic targeting of trade deficits generically rather than simple reciprocity) of the overall tariff policy. But perhaps the most concerning element of this current episode has been the aggressive widening out of Treasury yields and acute weakening of the U.S. Dollar. Rather than benefitting from their traditional safe-haven status, long-end treasury bonds have sold off along with risky assets defying conventional wisdom. This has certainly caught the eye of key market participants as well as the Fed, and importantly, the President himself. We think the decision to delay the reciprocal tariffs was a direct consequence of treasury yield widening. As such, the Trump Put likely exists not in the equity market, but in the bond market. And the put strike might just be 4.50%.

- **Damage Control and "Transitional Costs":** Even if the tariffs were to be rescinded today, there has already been some amount of economic damage. The uncertainty around trade policy has almost hurt confidence and led to both consumers and corporates delaying big purchases. Projects and hiring will be paused. M&A activity is likely to slow to a halt, and credit issuance markets have gone quiet. As of April 9, the Fed GDPNOW forecast for Q2 growth stood at -1.5% on an adjusted basis. And most economists have slashed growth forecasts to be around zero +/- 1%. Regardless of how the tariff policy eventually plays out, what is clear is there will be a near-term negative impact on growth. We think the administration is willing to live with some "transitional costs" but also know politicians' desire to be re-elected generally can outweigh all other motivations.
- **Corporate Fundamentals Mixed, But Directionally Negative:** A lower growth environment is objectively worse for Corporate America, but no other economy is capable of adjusting faster than America's. And it has become more clear in recent days that the Trump Administration is willing to be more flexible on timing, to allow companies to adjust business models to mitigate the impact of tariffs. It's too early to assess this now, but by the end of the Q1 reporting cycle, we anticipate the vast majority of companies will have a mitigation plan in place. Nonetheless, we foresee certain industries and business models to be significantly impacted by the new trade policy regime, with smaller companies probably faring worse than larger companies. But given the idiosyncratic nature of supply chains, it will have an incredibly mixed impact. Even companies in the same industry could see drastically different outcomes depending on sourcing strategy, production footprint, pricing power, etc. Understanding these important nuances is what our analysts have been and will continue to examine in the coming months. This presents both risks and opportunities, with credit selection being as important as it's ever been.
- **Tariff Uncertainty Creates a Better Entry into Credit:** Palmer Square has been defensively positioned for the past 12 months on a generally tight credit spread environment. While we do not wish for market volatility, we have been waiting for a better entry point into credit to deploy our ample dry powder. This is true across all our strategies: Short Duration, Income Plus, Multi-Asset and Opportunistic Credit. We have begun to deploy capital in the post tariff world, but do so judiciously as there remains considerable uncertainty on the eventual economic impact of the new trade policy regime and the actual impact on individual companies. This is when having an experienced team of senior analysts is paramount and gives us confidence in the forward return profile.
- **Rate Volatility Here to Stay:** The beginning of the year has shown us that rate volatility is here to stay as the market faces a number of key issues – inflation has yet to be fully vanquished, the path of rate cuts remains very uncertain, and myriad policy questions are still left outstanding (more deficit spending? tariffs? tax cuts?). We anticipate the U.S. 10-Year Treasury Bond to trade in the broad range of 3.50-5.00% in 2025 as we believe short term rates will end up near 4.00% (1 Fed Funds Rate cut) and the upward sloping shape of the curve will reestablish. Within this range, we anticipate rate volatility to remain elevated and the potential for the market to temporarily overshoot to the up or downside. Rates outside of this range likely bode ill for the market as it likely indicates an unexpected slowdown in the economy or a reacceleration in the rate of inflation. The market is in consensus on the asymmetrical nature of rate cuts (Fed Funds = flat or down); any discussion of rate hikes by the Fed would be highly disruptive to the market.

- **<u>Floating Rate Continues to be an Attractive Relative Value Play:</u>** We continue to view floating rate credit as the most attractive place to invest in credit due to a number of factors including: (i) current income advantage over similarly rated fixed rate credit, (ii) expectations for continued rate volatility, (iii) strong demand technicals, and (iv) our higher-for-longer rate view. While recent Fed Fund rate cuts and a steeper yield curve have eroded some of the coupon advantage, floating rate assets continue to offer a higher current yield given the spread premium offered by CLOs and Loans. This is a crucial point of differentiation as current income tends to be the primary driver of excess return in a tight spread environment. Lastly, exposure to floating rate allows investors to avoid much of the interest rate-induced volatility that we anticipate in 2025.

Relative Value and Current Upside Potential

- **We see value in CLO debt at current levels, as spreads are still wide compared to other areas of corporate credit.** If CLO debt levels return to their tight post crisis spreads, total return potential is still attractive. We currently favor newer vintage issue CLO deals with cleaner portfolios. Please see the table of indices below highlighting current price and spreads as well as potential upside from current levels (The data is as of April 14 given significant move wider in spreads since quarter end.) Yield to Expected (YTE) illustrates the yields if spreads were to stay the same and the bonds pull to par by maturity. The Average 1-yr Upside represents an opportunity for the 1 year total return if spreads return to their 10 year average levels, and the Tight 1yr Upside represents the an opportunity for the 1 year total return if spreads return to their 10 year tight levels.1,2

PALMER SQUARE CLO INDEX LEVELS AND 1YR UPSIDE TO AVERAGE/TIGHTS

Rating	Current Average Price	Discount Margin	Yield to Expected	Average 1yr Upside[1]	Tight 1yr Upside[2]
CLO AAA	$99.60	145	5.19%	6.21%	6.58%
CLO AA	$99.08	196	5.73%	7.22%	7.60%
CLO A	$98.77	238	6.16%	7.94%	8.32%
CLO BBB	$98.04	359	7.40%	9.22%	11.77%
CLO BB	$93.97	780	11.67%	16.13%	19.86%
CLO B	$69.95	1191	15.92%	24.97%	32.11%

Source: JPM / Intex / Palmer Square. As of 04/14/2025. Below investment grade ratings are subject to higher risks. Figures shown are not indicative of the performance of the Fund. [1]Refers to the potential increase in value of the investment in one year if spreads return to 10-year average levels. [2]Refers to the potential increase in value of the investment in one year if spreads return to 10-year tight levels. The potential increase in value is calculated by determining the return resulting from the positive or negative difference between the current price of the securities and the price of the securities at the respective spread levels noted in the above performance (i.e., spread levels at 10-year averages) plus the income from anticipated coupon payments over the next 12 months. For purposes of this analysis, anticipated coupon payments incorporate the forward LIBOR/SOFR curve. The presented performance does not reflect the impact of material economic and market factors on decision making, any changes to the Fund over time, and was prepared with the benefit of hindsight. Please see Notes and Disclosures for definitions.

- **<u>CLO Allocation/Opportunity to Capture Income and Total Return:</u>** As of quarter-end, CLO Debt and Sub Notes accounted for 73% of the portfolio, down slightly from last quarter. CLO BBBs are currently trading on average at a spread of 370bps and CLO BBs are at a spread of 754bps for higher quality portfolios. Given the move wider after quarter end, we have slowly been adding to BBB/BB at discount prices. *We continue to add to CLO portfolios that are higher quality and more liquid as we believe they will continue to outperform portfolios with more risky collateral.*
- CLO BBs remain a significant allocation in the portfolio and at current valuations offer a lot of potential value on an absolute and relative basis. As compared to HY opportunities, CLO BBs on a historical basis still look very cheap. CLO BBs currently pick up 371bps of spread versus HY, which looking back to 2012 is a 65th percentile reading (meaning CLO BBs have been relatively cheaper only 35% of the time). The median spread differential over the same time period is 304bps, which means CLO BBs need to tighten* about 64bps just to get back to historical average levels vs HY.

CLO BB vs HY Spreads

Source: Bloomberg as of 4/14/2025. Current performance is not a guarantee of future performance of the Fund. LF980AS is the Bloomberg U.S. Corporate High Yield Option-Adjusted Index. PSBBDMSF is the Palmer Square CLO BB Discount Margin Index. *Please see Notes and Disclosure for definitions.

- **<u>Bank Loan Allocation:</u>** As of quarter-end, bank loan exposure was 16.5% of the portfolio, roughly unchanged from last quarter. Primary activity in the quarter was a continuation of the repricing wave experienced during Q4, with few new money opportunities. We remained disciplined in this environment, exiting a few names where the reduced spread didn't merit holding the risk. We recycled these paydowns into select discounted opportunities. While the opportunity set was limited during the quarter, April's volatility has created a substantially more interesting investing environment. *We continue to view the asset class as attractive given the combination of high current income and low interest rate duration (particularly given the uncertainty in rates). We plan to focus our efforts on seeking high quality/lower risk credits at now improved entry points.*
- **<u>High Yield Bond Allocation:</u>** As of quarter-end, HY corporate bond exposure was 9.2% of the portfolio, up from 6.2% the end of 2024. Spread valuations remained challenged during the quarter, but we did selectively add exposure to shorter duration, discounted BB bonds. In light of challenging valuations across credit, these bonds were added to provide relative price stability while also adding some potential upside convexity to the portfolio through early refinancings or M&A-driven takeouts. Since quarter end, HY corporate bond spreads have widened by more than 50bps, while dispersion across sectors and ratings has increased. This has expanded the scope of potential idiosyncratic opportunities in HY corporate bonds, which we will seek to capitalize on within the portfolio. The *HY corporate bond allocation is likely to remain at or near current levels with a focus on rotating into more attractive opportunities.*

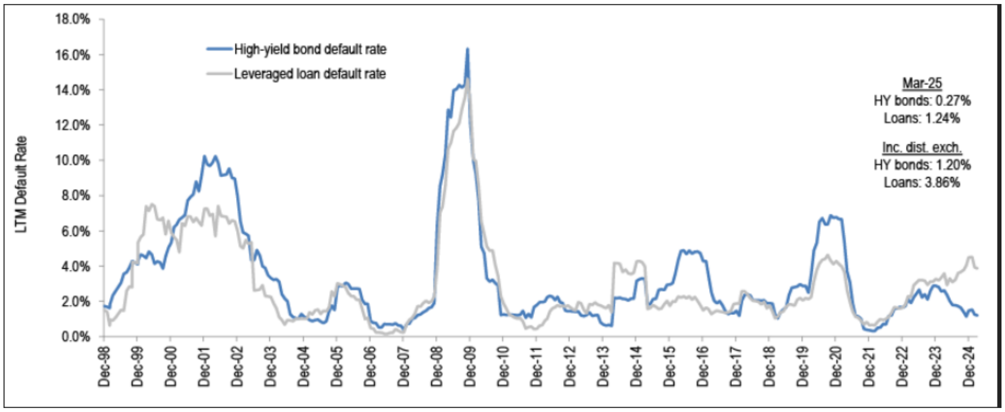
Outlook / Focus on CLO Relative Value

- **<u>CLO Issuance Forecast and Outlook:</u>** CLO issuance set a new record in 2024 at $201bn, up about 73% from 2023 levels. Reset/refi activity has also exploded higher with $306bn priced in 2024. The size of the CLO market continues to grow in the U.S. and has surpassed $1 trillion and $1.4 trillion globally, which is now the largest credit sector within securitized products. Demand continued in 2025 with $37B in new issue and $85B in refi/resets.

Fundamentals

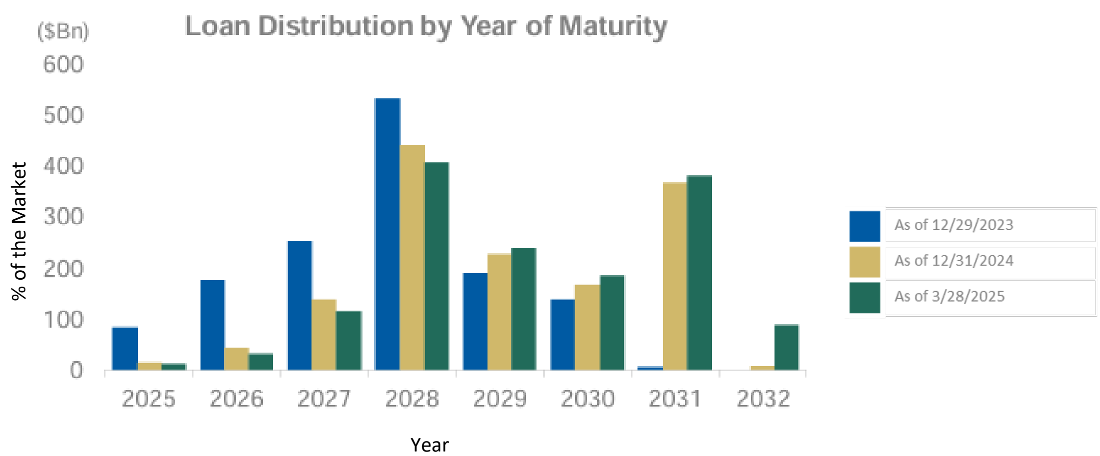
- Loan defaults including restructurings are above long-term averages at 3.86% (down from 4.49% last quarter), however current defaults in CLO portfolios are lower at 0.45%. We foresee defaults to settle in during the year and remain in the 2-3% range, closer to long-term averages. The percentage of underlying CLO collateral trading at distressed levels (under $80) is currently around 3.41%, which is typically a good barometer of future defaults (Palmer Square deals are much lower in the 1-3% range). Also, loans with maturities before 2026 represent a small portion of the loan market at about 3%, meaning refinancing risk is low. The current CCC% in CLO portfolios is 5% (Palmer Square deals are lower in the 3-4% range) and still have ample cushion to withstand an uptick in downgrades.

Exhibit 1: Loan default rates below recent highs



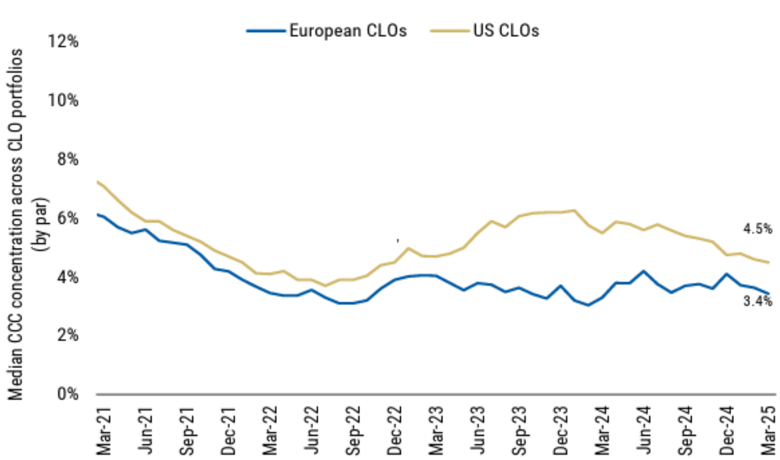
Source: J.P. Morgan; PitchBook Data, Inc; Bloomberg Finance L.P.; S&P/IHSMark; Data as of 3/31/2025

Exhibit 2: Loan maturities by YE 2026 came down by $215bn (79%) in 2024 and continue to decline



Source: ICE, Pitchbook LCD, Morgan Stanley Research as of 3/31/2025

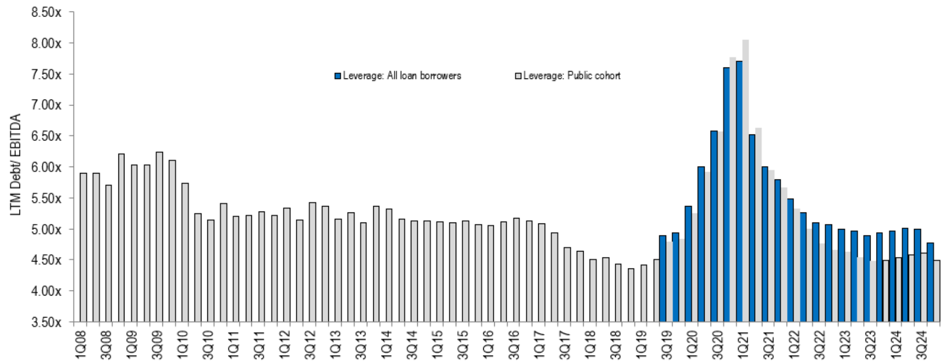
Exhibit 3: Median CCC assets in CLO portfolios



Source: Morgan Stanley Research, Intex. Data as of 3/31/2025

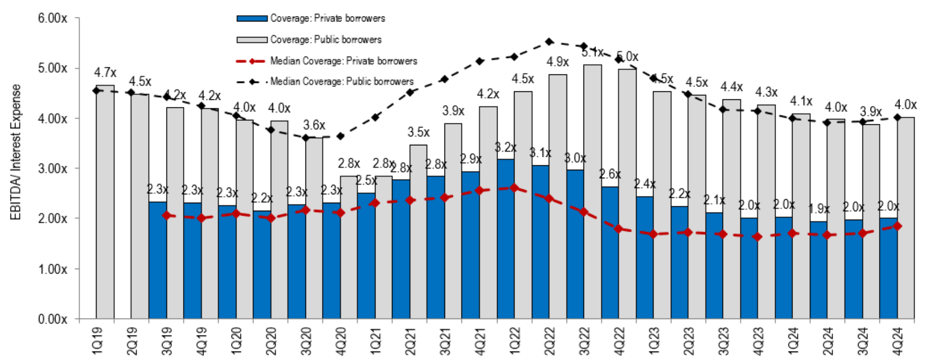
Exhibit 4: Loan gross leverage still near multi year low, trending lower

Bank Loan Net Leverage (TM)



Source: J.P. Morgan, Capital IQ; Bixby Research and Analytics, Inc.

Exhibit 5: Interest coverage ratios in line with historical averages, larger companies outperform



Source: J.P. Morgan, Capital IQ; Bixby Research and Analytics, Inc.

Notes and Disclosures

This overview is for informational and comparative purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any interests in the Palmer Square Opportunistic Income Fund, the ("Fund"), and/ or any other securities, or to provide any other advisory services. Any offer to invest in the funds will be made pursuant to the Fund's prospectus, which will contain material information not contained herein and to which prospective investors are directed. Before investing, you should carefully read such materials in their entirety.

This overview is not intended to replace such materials, and any information herein should not be relied upon for the purposes of investing in the Funds or for any other purpose. This overview is a summary and does not purport to be complete.

The Palmer Square Opportunistic Income Fund is a closed-end interval fund. You should not expect to be able to sell your Shares other than through the Fund's repurchase policy, regardless of how the Fund performs.

The Fund's advisor has contractually agreed to waive or reduce its management fees and/ or reimburse expenses of the Fund to ensure that total annual Fund operating expenses (excluding taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses, expenses incurred in connection with any merger or reorganization, and extraordinary expenses such as litigation expenses) do not exceed 1.50% of the Fund's average daily net assets. This agreement is in effect until December 1, 2025, and it may be terminated before that date only by the Fund's Board of Trustees. The Fund's advisor is permitted to seek reimbursement from the Fund, subject to certain limitations, of fees waived or payments made to the Fund for a period of three years from the date of the waiver or payment.

Interest Rate Duration measures a portfolio's sensitivity to changes in interest rates. Spread Duration measures the sensitivity of a bond price based on basis point changes of more than 100. Yield To Call is the yield of a bond or note if you were to buy and hold the security until the call date. Yield To Maturity is the rate of return anticipated on a bond if held until the end of its lifetime. Current Yield Yield is a weighted calculation of the annual coupon rate divided by the price of each individual security within the portfolio and represents the return an investor would expect if the securities were held for a year and the price did not change. Beta describes an investment's volatility in relation to that of the stock or bond market as a whole. For example, the S&P 500 is typically considered to be "the equity market" and it has a beta of 1.0. Yield to Expected Call is a Yield to Call metric that assumes callable bonds are not called on their call date, but at some later date prior to maturity. Yield to Expected Call considers contractual terms in a bond's indenture or other similar governing document. A bond may be called before or after this date, which has the potential to increase or decrease the Yield to Expected Call calculation. All else equal, when a bond's price is below par, Yield to Expected Call is a more conservative yield metric than Yield to Call. If a bond is not callable, Yield to Expected Call calculates the bond's Yield to Maturity. Credit Spreads are often a good barometer of economic health - wide or widening (bearish sentiment) and narrowing/tight or tightening (bullish sentiment). The option-adjusted spread (OAS) is the measurement of the spread of a fixed-income security rate and the risk-free rate of return, which is then adjusted to take into account an embedded option. Typically, an analyst uses Treasury yields for the risk-free rate. The original issue discount (OID) is the difference between the original face value amount and the discounted price paid for a bond. The option-adjusted spread (OAS) is the measurement of the spread of a fixed-income security rate and the risk-free rate of return. Basis points (BPS) refers to a common unit of measure for interest rates and other percentages in finance. The relationship between percentage changes and basis points can be summarized as follows: 1% change = 100 basis points and 0.01% = 1 basis point.

The Bloomberg U.S. Aggregate Bond Index is an unmanaged index of publicly issued investment grade corporate, US Treasury and government agency securities with remaining maturities of one to three years. The Bloomberg 1-3 Year US Corporate Index measures the performance of investment grade, US dollar-denominated, fixed-rate, taxable corporate and government-related debt with 1 to 2.9999 years to maturity. It is composed of a corporate and a non-corporate component that includes non-US agencies, sovereigns, supranationals and local authorities. S&P 500 Index is a market-capitalization- weighted index of 500 leading publicly traded companies in the U.S. U.S. Treasury index is an index based on recent auctions of U.S. Treasury bills and is commonly used as a benchmark when determining interest rates, such as mortgage rates. Bloomberg U.S. Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. Bloomberg U.S. High Yield Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Bloomberg U.S. HY BB Corporates Index tracks the performance of USD-denominated below investment grade rated corporate debt publicly issued in the U.S. domestic market. Credit Suisse Leveraged Loan Index tracks the investable market of the U.S. dollar denominated leveraged loan market. The STOXX 600 Index seeks to offer broader exposure to European companies. Thus, it's often cited as a close European alternative to Standard & Poor's 500 Index (S&P 500). Palmer Square CLO Senior Debt Index (CLOSE) seeks to reflect the investable universe for U.S. dollar denominated CLOs. CLOSE is comprised of original rated AAA and AA debt issued after January 1, 2009 subject to certain inclusion criteria. Palmer Square CLO Debt Index (CLODI) seeks to reflect the investable universe for U.S. dollar denominated CLOs. CLODI is comprised of original rated A, BBB, and BB debt issued after January 1, 2009 subject to certain inclusion criteria. Palmer Square CLO BB TR Index (PCLOBBTR) seeks to reflect the investable universe for U.S. dollar denominated CLOs. The index is comprised of original rated BB debt issued after January 1, 2009 subject to certain inclusion criteria. LIBOR (London Interbank Offered Rate) is the benchmark interest rate at which major global banks lend to one another. As of January 1, 2022, many banks are no longer required to submit the data needed to calculate the LIBOR rate. A Reference Rate is an interest rate benchmark used to set other interest rates. Various types of transactions use different reference rate benchmarks, but the most common include the Fed Funds Rate, LIBOR, the prime rate, and the rate on benchmark U.S. Treasury securities. Unlike mutual funds, indices are not managed and do not incur fees or expenses. It is not possible to invest directly in an index.

The allocation and credit quality distribution figures shown are used for illustrative purposes only. Palmer Square does not guarantee to execute that allocation and credit quality distribution. Allocation and exposures information, as well as other referenced categorizations, reflect classifications determined by Palmer Square as well as certain Palmer Square assumptions based on estimated portfolio characteristic information. Allocation and credit quality distribution figures may not sum to 100%. Ratings listed herein are assigned by Standard & Poor's (S&P) and Moody's Investor Service (Moody's). Credit quality ratings are measured on a scale with S&P's credit quality ratings ranging from AAA (highest) to D (lowest) and Moody's credit quality ratings ranging from Aaa (highest) to C (lowest). We use the higher of the two ratings. Credit ratings listed are subject to change. Please contact Palmer Square for more information.

Market opportunities and/or yields shown are for illustration purposes only and are subject to change without notice. Palmer Square does not represent that these or any other strategy/opportunity will prove to be profitable or that the Fund's investment objective will be met.

Notes and Disclosures (cont'd)

CAPEX refers to capital expenditure or the money a company spends to buy, improve or maintain long-term assets. Magnificent 7 is a common term used to represent seven specific technology companies (Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla). The Atlanta Fed GDPNow model forcast GDP (gross domestic product) growth by aggregating the 13 subcomponents that make up GDP with the chain-weighted methodology used by the U.S. Bureau of Economic Analysis. Core CPI (consumer price index) is a measure of inflation that excludes the price of food and energy. Yield Curve is a graph that plots the yield (or interest rate) across different maturity dates. YTW (yield-to-worst) is a financial metric that calculates the lowest possible return on a bond. Put Strike, also known as the exercise price, is the predetermined price at which the holder of a put option can sell the underlying security or asset.

This material represents an assessment of the market environment at a specific point in time, is subject to change without notice, and should not be relied upon by the reader as research or investment advice. With regard to sources of information, certain of the economic and market information contained herein has been obtained from published sources and/or prepared by third parties. While such sources are believed to be reliable, Palmer Square or their employees or representatives do not assume any responsibility for the accuracy of such information. Palmer Square is under no obligation to verify its accuracy.

The performance presented here is past performance and not indicative of future returns. Different types of investments involve varying degrees of risk and there can be no assurance that any specific investment will be profitable. Please note that the performance of the funds may not be comparable to the performance of any index shown. Palmer Square has not verified, and is under no obligation to verify, the accuracy of these returns. Past performance does not guarantee future results.

Collateralized Loan Obligations Risk – The Fund may invest in CLOs. The Fund is subject to asset manager, legal and regulatory, limited recourse, liquidity, redemption, and reinvestment risks as a result of the structure of CLOs in which the Fund may invest. A CLO's performance is linked to the expertise of the CLO manager and its ability to manage the CLO portfolio. Changes in the regulation of CLOs may adversely affect the value of the CLO investments held by the Fund and the ability of the Fund to execute its investment strategy. CLO debt is payable solely from the proceeds of the CLO's underlying assets and, therefore, if the income from the underlying loans is insufficient to make payments on the CLO debt, no other assets will be available for payment. CLO debt securities may be subject to redemption and the timing of redemptions may adversely affect the returns on CLO debt.

The CLO manager may not find suitable assets in which to invest and the CLO manager's opportunities to invest may be limited. The risks of an investment in a collateralized debt obligation depend largely on the type of the collateral securities and the class of the debt obligation in which the Fund invests. Collateralized debt obligations are generally subject to credit, interest rate, valuation, prepayment and extension risks. These securities are also subject to risk of default on the underlying asset, particularly during periods of economic downturn. Defaults, downgrades, or perceived declines in creditworthiness of an issuer or guarantor of a debt security held by the Fund, or a counterparty to a financial contract with the Fund, can affect the value of the Fund's portfolio. Credit loss can vary depending on subordinated securities and non-subordinated securities.

If interest rates fall, an issuer may exercise its right to prepay their securities. If this happens, the Fund will not benefit from the rise in market price, and will reinvest prepayment proceeds at a later time. The Fund may lose any premium it paid on the security. If interest rates rise, repayments of fixed income securities may occur more slowly than anticipated by the market which may result in driving the prices of these securities down. The Fund is "non-diversified," meaning the Fund may invest a larger percentage of its assets in the securities of a smaller number of issuers than a diversified fund. Investment in securities of a limited number of issuers exposes the Fund to greater market risk and potential losses than if its assets were diversified among the securities of a greater number of issuers.

Foreign investments present additional risk due to currency fluctuations, economic and political factors, government regulations, differences in accounting standards and other factors. Investments in emerging markets involve even greater risks. High yield securities, commonly referred to as "junk bonds," are rated below investment grade by at least one of Moody's, S&P or Fitch (or if unrated, determined by the Fund's advisor to be of comparable credit quality high yield securities).

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Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus, or summary prospectus, that contains this and other information about the Funds, call 866-933-9033 or visit our website at www.palmersquarefunds.com. Please read the prospectus carefully before investing. An investment in the Fund is not designed to be a complete investment program and should be considered speculative. Investing in the Fund entails substantial risk and may result in a loss of some or all of the amount invested. An investment in the Fund is not appropriate for investors with a short-term investing horizon and/or cannot bear the loss of some or all of their investment.