



Zeo Strategic Income Fund

	NAV	1M	3M	6M	YTD	1Y	2Y	3Y	5Y	10Y	Since Inception (31-May-2011)
<i>Month End (31-Mar-2012)</i>											
Zeo Strategic Income Fund	10.07	0.50%	1.92%	2.59%	1.92%	n/a	n/a	n/a	n/a	n/a	1.77%
Barclays Aggregate Bond Index	1775.14	-0.55%	0.30%	1.43%	0.30%	7.71%	6.41%	6.83%	6.25%	5.80%	4.99%
Total Fund Net Assets: \$32.8m											
<i>Last Quarter End (31-Jan-2012)</i>											
Zeo Strategic Income Fund	9.94	0.61%	0.87%	0.66%	0.61%	n/a	n/a	n/a	n/a	n/a	0.46%
Barclays Aggregate Bond Index	1785.33	0.88%	1.90%	4.25%	0.88%	8.66%	6.85%	7.40%	6.70%	5.78%	5.60%

ZEOIX – Total Annual Operating Expense Ratio: 2.16%

The performance data quoted here represents past performance. Current performance may be lower or higher than the performance data quoted above. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Past performance is no guarantee of future results. The Fund’s investment adviser has contractually agreed to reduce its fees and/or absorb expenses of the fund, at least until August 31, 2012, to ensure that the net annual fund operating expenses will not exceed 1.50% for the Fund, subject to possible recoupment from the Fund in future years. Please review the Fund’s prospectus for more detail on the expense waiver. Results shown reflect the waiver, without which the results could have been lower. A Fund’s performance, especially for very short periods of time, should not be the sole factor in making your investment decisions. For performance information current to the most recent month-end, please call toll-free 855-936-3863.

The Barclays Capital U.S. Aggregate Bond Index: covers the USD-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The index includes bonds from the Treasury, Government-Related, Corporate, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS, and CMBS sectors. The U.S. Aggregate Index is a component of the U.S. Universal Index in its entirety. Unmanaged index returns do not reflect any fees, expenses or sales charges.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Zeo Strategic Income Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 855-936-3863. The prospectus should be read carefully before investing. The Zeo Strategic Income Fund is distributed by Northern Lights Distributors, LLC member FINRA.

Zeo Capital Advisors, LLC and Northern Lights Distributors, LLC are not affiliated.

Mutual Funds involve risk including possible loss of principal.

The Fund will invest a percentage of its assets in derivatives, such as futures and options contracts. The use of such derivatives may expose the Fund to additional risks that it would not be subject to if it invested directly in the securities and commodities underlying those derivatives. The Fund may experience losses that exceed losses experienced by funds that do not use futures contracts and options.

Typically, a rise in interest rates causes a decline in the value of fixed income securities. Overall fixed income market risk may affect the value of individual instruments in which the Fund invests. Lower-quality fixed income securities, known as “high yield” or “junk” bonds, present greater risk than bonds of higher quality, including an increased risk of default. As a non-diversified fund, the Fund may invest more than 5% of its total assets in the securities of one or more issuers. The Fund’s performance may be more sensitive to any single economic, business, political or regulatory occurrence than the value of shares of a diversified investment company. Securities of small and medium capitalization companies may be subject to more abrupt or erratic market movements than those of larger, more established companies or the market averages in general. Market risk results from adverse changes in exchange rates in foreign currency denominated securities. Investing in securities of foreign issuers involves risks not typically associated with U.S. investments, including adverse fluctuations in foreign currency exchange rates, adverse political, social and economic developments, less liquidity, greater volatility, less developed or less efficient trading markets, political instability and differing auditing and legal standards.

0456-NLD-4/3/2012



Commentary

The Zeo Strategic Income Fund generated a total return of 0.50% in March compared to -0.55% for the Barclays Capital U.S. Aggregate Bond Index. The broad markets this month were mixed, with equity markets performing well and fixed income markets lagging behind. On closer inspection, two offsetting factors were at play in fixed income: higher interest rates and tighter credit spreads (though the latter was mainly limited to higher quality bonds). The significant interest rate sensitivity of longer duration portfolios, including that of the benchmark index, was largely responsible for their declines. Meanwhile, our portfolio, which consists of much shorter durations and selective fundamental investments, avoided a material impact from rising interest rates and benefited from both tighter credit spreads and company-specific fundamental events unrelated to broad market movements.

Though we can attribute much of the Fund's performance in March to the factors discussed above, we find the unusual behavior of the overall high yield markets notable. Unlike investment grade bonds, high yield as a whole missed out on the credit spread tightening we observed. This runs counter to a number of widely-held assumptions. Some investors expect a secular increase in demand for income to benefit high yield more than investment grade in an extreme low interest rate environment. Others argue that high yield spreads should tighten if investors are bullish on economic and company fundamentals, as they must have been to stage the equity market rally we observed. But to us, another effect stood out this month: it is very possible that we are seeing a partial reversal of a substitution from other asset classes into high yield by new market participants. As we have suggested before, we believe it is only a matter of time before many of those investors return to the asset classes in which they are most comfortable, whether out of fear or opportunity. It seems to us that, should the equity markets choose to move with conviction in either direction, such a return to familiarity augurs poorly for high yield. Our reaction is to err on the side of caution; focus on fundamentals; and maintain liquidity for more attractive opportunities on the horizon.

There is no guarantee that any investment will achieve its objectives, goals, generate positive returns, or avoid losses.



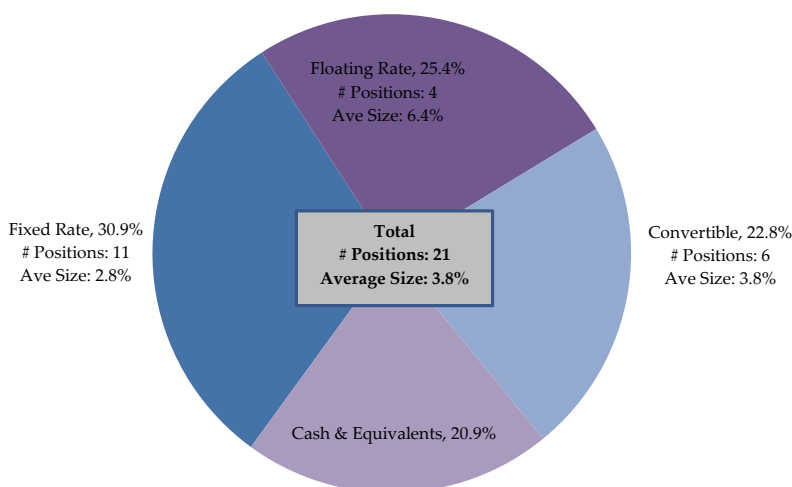
Portfolio Snapshot

Issuer	Instrument	Yield ¹	Maturity (yrs)	% of Portfolio
JetBlue Airways B-1 Spare Parts Pass Through Trust	JBLU 0 1/2/14	6.6%	1.76	10.7%
General Cable Corp	BGC 0 4/1/15	5.4%	3.00	5.2%
Expedia Inc	EXPE 7.456 18	5.0%	6.38	5.1%
Iconix Brand Group Inc	ICON 1.875 12	2.4%	0.25	4.9%
Continental Airlines 2006-1 Class G Pass Through Trust	UAL 0 6/2/13	4.4%	1.17	4.9%
Live Nation Inc	LYV 2.875 27	4.9%	2.29	4.9%
L-1 Identity Solutions Inc	ID 3.75 27	3.7%	0.13	4.7%
Hanesbrands Inc	HBI 0 12/15/14	4.2%	0.08	4.6%
PEP Boys-Manny Moe & Jack	PBY 7.5 14	3.9%	0.08	4.1%
Alcatel-Lucent USA Inc	ALUFP 2.75 25	4.4%	1.21	3.9%
JC Penney Corp Inc	JCP 7.95 17	5.6%	5.00	3.9%
Lions Gate Entertainment Corp	LGF 10.25 16	6.7%	1.59	3.5%
MGM Resorts International	MGM 6.75 12	1.8%	0.42	3.2%
Clean Harbors Inc	CLH 7.625 16	2.5%	0.38	2.8%
Nash Finch Co	NAFC 1.6314 35	3.5%	0.96	2.6%
United Air Lines Inc	UAL 12.75 12	2.9%	0.29	2.4%
Collective Brands Inc	PSS 8.25 13	-2.1%	0.08	2.4%
Dillard's Inc	DDS 7.85 12	2.4%	0.50	2.2%
Euronet Worldwide Inc	EEFT 3.5 25	2.8%	0.56	1.7%
Levi Strauss & Co	LEVI 8.875 16	-0.3%	0.08	1.4%
Washington Mutual Inc	WM 0 09	0.0%	0.50	0.0%
Cash & Equivalents	CASH & EQUIVALENTS	0.0%	0.00	20.9%

¹ Before fees and expenses

Portfolio holdings are subject to change at any time and should not be considered investment advice. Yields presented are those of portfolio holdings and do not represent that of the Fund.

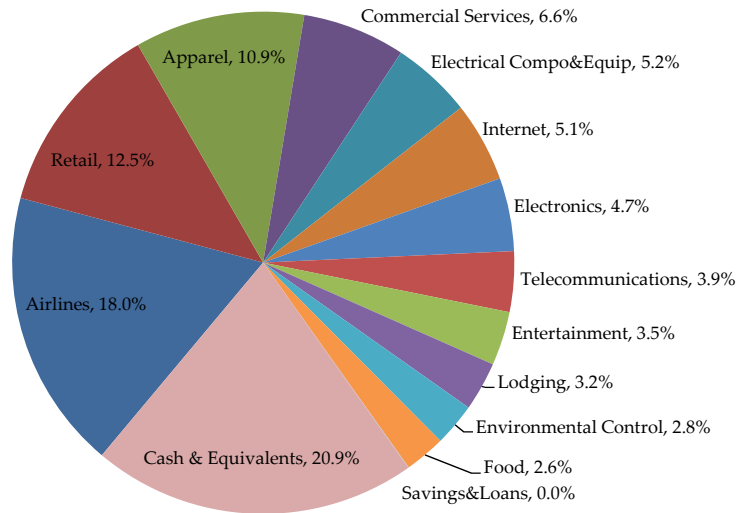
By Asset Class



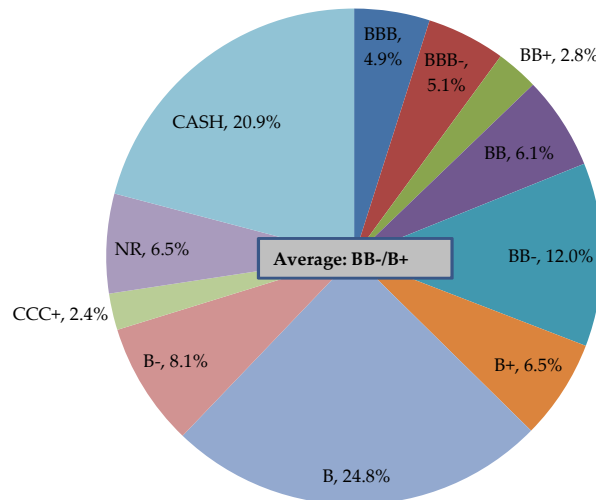
Each of these asset classes has its own set of investment characteristics and risks and investors should consider these risks carefully prior to making any investments.



By Sector



By Credit Rating²



² Rating source: Standard & Poor's; see **credit rating** definition below for more information.

A **credit rating** is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to its debt obligations. Standard & Poor's ratings are measured on a scale that ranges from AAA (highest) to D (lowest), with ratings of BBB- and above considered investment grade; ratings are subject to change without notice. "NR", or Not Rated, indicates the issuer or specific security has not been rated and does not necessarily indicate low credit quality.