THE FULL SPECTRUM

Spectrum Financial, Inc.
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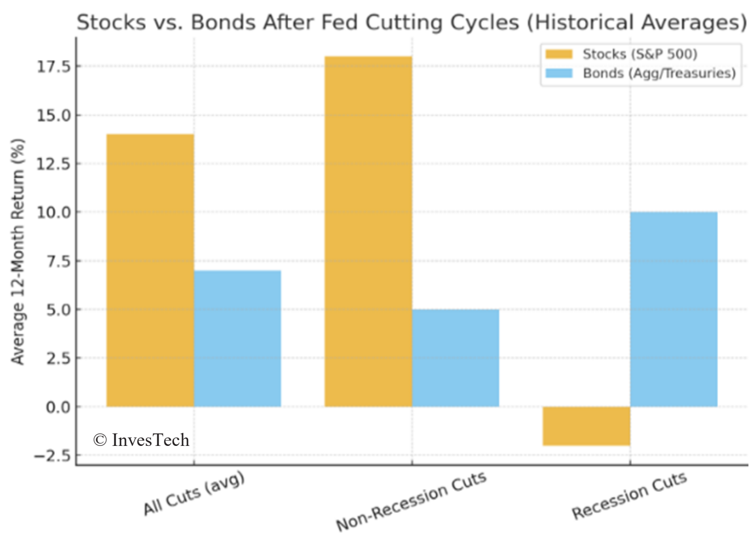
GENERAL MARKET COMMENTARY

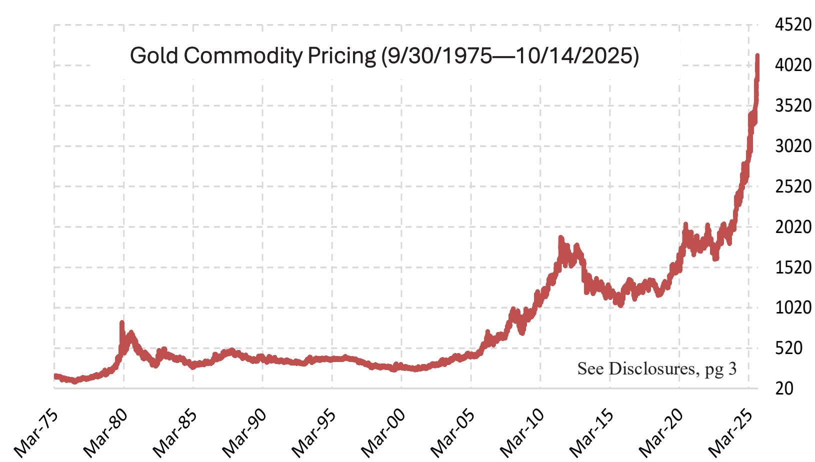
In the third quarter of 2025, nearly all major asset classes delivered positive returns as investor sentiment improved, economic data stayed resilient, and expectations for central bank easing gained traction. Large cap stocks rose with the S&P 500 up 8.12% for the quarter, and small cap stocks did even better, with a gain in the Russell 2000 of 12.39%. The tech heavy Nasdaq climbed 11.41%, with AI, information technology and communication services leading the pack. Emerging Markets were also up an impressive 10.95%. Bonds had a constructive quarter with the U.S. Aggregate Bond Index up 2.03%, municipal bonds gained 2.85%, and high yield bonds up 2.27%.



Markets priced in a 25 basis point cut from the Fed, while stronger than expected earnings helped high yield bond returns as credit spreads eased. The Fed is expected to keep cutting rates the rest of the year. What does history say about performance of additional rate cuts? If the Fed trims rates several times into year-end how will stocks compare with bond returns for the remainder of the year? History suggests that stocks may outperform bonds over the next 6 months when rate cuts are not caused by recession concern. Bonds of intermediate duration should do well also, but if growth begins to roll over bonds should significantly outperform stocks. With yield spreads narrow, the high quality bonds yield nearly as much as junk bonds, so we have almost no exposure to riskier credit at this time.

WHAT IS GOING ON WITH GOLD?

Gold just closed above $4,000 per ounce at the time of this publishing. You could carry around a million dollars of gold in one hand with a 4.6-inch cube weighing a little more than 15 pounds. What is going on? Gold has had an irregular pattern as an investment for the past century. After being shunned by investors for a long time, gold broke through $2,000 an ounce in the pandemic, gained momentum when Ukraine was invaded, then was pushed up 27% in 2024 by Chinese investors, and upon Trump's return to the White House rose past $3,000 in March 2025. A weakening of the dollar, the U.S. government shutdown and new inflation reports revealing government spending debates brought investors reason to put their money somewhere more secure than in the U.S. dollar.



Last month, gold also eclipsed its inflation-adjusted peak set more than 45 years ago when prices topped out at $850 under president Jimmy Carter. The move above $4,000 is not simply a function of rate expectations or a weaker dollar. Rather, it reflects a deeper shift in investor psychology and global capital flows. Sanctions, asset seizures, and concerns about fiscal sustainability have nudged investors—both institutional and sovereign—toward tangible assets that sit outside the financial system. For perspective, the long-term price of gold adjusted for inflation is only slightly better than the Consumer Price Index. Gold produces no income, needs a place to be stored, and can be stolen or lost. This chart shows the price history of an ounce of gold for the past 50 years. Two significant observations show that it moves quickly for substantial gains, then rests for long periods of time. The other fact shows that after the big moves, it has a big correction: 56% loss in 1980-85, a 45% loss in 2011-15 and a 22% loss in 2020-24. Buckle up gold bugs!

AssetMaxx℠—Actively Managed Mutual Fund Performance Review

The Spectrum Funds

Spectrum Low Volatility Fund - SVARX			Annualized				
As of 9/30/2025	Quarter	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception[1]
SVARX	0.95%	4.07%	2.56%	5.80%	4.43%	7.02%	6.28%
Morningstar LSTA US Lev Loan TR[5]	2.03%	5.31%	7.93%	10.36%	6.61%	5.37%	4.60%
50/50 iBoxx USD Liquid HY Index/Morningstar LSTA US Lev Loan 100 TR Index[7]	2.15%	6.28%	7.67%	10.62%	5.92%	5.53%	4.65%

Portfolio Composition	6/30/2025	9/30/2025
High Yield	66.92%	21.61%
HY Credit Default Swaps	0.00%	0.00%
Floating Rate	25.15%	15.40%
Municipal	9.93%	10.17%
Government	0.00%	0.00%
Mortgage-Backed	53.83%	52.56%
Bond - Other	33.28%	55.87%
Preferred	15.04%	26.17%
	204.15%	181.78%

[1]Inception date: 12/16/2013

Expense Ratio: 2.81%

Spectrum Active Advantage - SAPEX				Annualized			
As of 9/30/2025	Quarter	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception[2]
SAPEX	5.90%	11.52%	8.74%	7.91%	3.66%	6.83%	5.86%
S&P 500 TR[4]	8.12%	14.83%	17.60%	24.91%	16.46%	15.29%	13.79%
New York Stock Composite TR Index (NYSE)[8]	6.08%	14.79%	12.87%	19.66%	13.71%	10.83%	9.27%

Portfolio Composition	6/30/2025	9/30/2025
S&P 500 Index Exposure	50.46%	46.63%
NASDAQ 100 Index Exposure	0.00%	0.00%
Russell 2000 Index Exposure	0.00%	0.00%
Equity Other	74.03%	97.45%
Cash Management	0.00%	0.00%
	124.49%	144.08%

Expense Ratio: 1.99%

[2]Inception date: 6/1/2015. The Fund changed from the Spectrum Advisors Preferred Fund on April 14, 2022.

The Hundredfold Select Alternative Fund

Hundredfold Select Alternative Fund				Annualized				
As of 9/30/2025	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	15 Years	Since Inception[3]
SFHYX	2.77%	7.75%	6.35%	6.27%	5.97%	7.34%	6.62%	6.35%
S&P 500 TR[4]	8.12%	14.83%	17.60%	24.91%	16.46%	15.29%	14.63%	11.03%
Bloomberg Agg Bond TR Index[6]	2.03%	6.13%	2.88%	4.92%	-0.45%	1.84%	2.25%	3.21%

Portfolio Composition	6/30/2025	9/30/2025
High Yield	74.25%	16.81%
Floating Rate	9.99%	9.95%
Bond Other	57.58%	98.20%
Managed Futures (net)	4.04%	6.03%
Alternative	35.42%	51.69%
Equity	20.95%	10.30%
	202.22%	192.97%

Expense Ratio: SFHYX 2.64%

[3]Inception date: 9/1/2004, fund name changed from Spectrum High Yield Plus on June 11, 2008. Additionally, the Fund was reorganized on October 3, 2011 from a predecessor fund (the "Select Alternative Predecessor Fund") to a series of Northern Lights Fund Trust II, a Delaware statutory trust (the "Reorganization"). The Fund is a continuation of the Select Alternative Predecessor Fund and, therefore, the performance information includes performance of the Select Alternative Predecessor Fund.

maturity, minimum amount outstanding of USD 400 mil. Bond types include fixed-coupon, step-up, bonds with sinking funds, medium term notes, callable and puttable bonds.

T-Bill (3-month): rates are comprised of Generic United States on-the-run government bill/note/bond indices. These yields are based on the ask side of the market and are updated intraday. The curve is comprised of US dollar denominated US Treasury active securities. The 1 month, 3-month, 6 month and 1-year maturities are the most recently auctioned 4 week, 8 week, 13 week, 26 week and 1 year US Treasury bills. The 2-year, 3-year, 5-year, 7 year and the 10-year maturities are the most recently auctioned US Treasury notes. The 30 Year maturity is the most recently auctioned 20-year US Treasury bond. The curve is updated on each auction day with effective data of the next market day.

S&P 500 TR Index is a capitalization weighted index of 500 stocks representing all major domestic industry groups and assumes the reinvestment of dividends and capital gains. It is not possible to directly invest in any index.

S&P 500 Equal Weight TR Index measures the performance of the 500 companies in the S&P 500 Index, each assigned equal weighting at quarterly rebalancing. The Total Return version of the index assumes that dividends are reinvested, providing a more complete picture of investor return.

Morningstar LSTA U.S. Leveraged Loan 100 Index: This benchmark is designed to reflect the performance of the largest facilities in the U.S. dollar leveraged loan market.

Bloomberg U.S. AGG Bond Index: The Bloomberg U.S. Aggregate Bond Index measures performance of the total U.S. investment grade bond market. It is a market value-weighted index that tracks the daily price, coupon, pay-downs, and total return performance of fixed-rate, publicly placed, dollar-denominated, and non-convertible investment grade debt issues with at least $250 million par amount outstanding and with at least one year to final maturity.

50/50 "iBoxx USD Liquid HY Bond TR Index/Morningstar LSTA US Lev Loan 100 TR Index": 50/50 iBoxx USD Liquid High Yield Bond TR Index/Morningstar LSTA U.S. Leveraged Loan 100 TR Index: This benchmark gives 50% weight to the iBoxx USD Liquid High Yield Bond TR Index and 50% weight to the Morningstar LSTA U.S. Leveraged Loan 100 TR Index. The iBoxx USD Liquid High Yield TR Index: is market-value weighted with an issuer cap of 3% and consists of liquid USD high yield bonds, selected to provide a balanced representation of the high yield corporate bond universe. Morningstar LSTA U.S. Leveraged Loan 100 TR Index is designed to reflect the performance of the largest facilities in the leveraged loan market.

New York Stock Composite Index (NYSE): The NYSE Composite Index (NYATR) measures the performance of all stocks listed on the New York Stock Exchange. It includes more than 1,900 stocks, of which over 1,500 are U.S. companies. Its breadth therefore makes it a much better indicator of market performance than narrow indexes that have far fewer components. The weights of the index constituents are calculated on the basis of their free-float market capitalization. The index itself is calculated on the basis of price return and total return, which includes dividends.

Gold Futures: The gold futures commodity is reflective of the continuous contract of 1-ounce futures contract traded on the CME group's COMEX. The price of GC1 is determined by the current market conditions, reflecting the value of gold as a safe-haven asset.

PERSONAL PERSPECTIVE *by Ralph Doudera*

"Hate speech" is an expression often referred to in our current society. Critics of hate speech argue that not only does it cause psychological harm to its victims—and physical harm when it incites violence—but that it also undermines the victims' social equality. But is all hate speech the same? Motive is important here- you can hate someone with your speech, or you can hate the speech that someone expresses, which may in fact be truth, and you just don't want to hear it. We have seen this before when Jesus expressed truth to the religious leaders of his day and they did not want to hear it:

- Jesus said to his brothers in *John 7:7 "the world cannot hate you, but it hates Me because I testify of it that its works are evil."*
- And he confronts the religious leaders: *"Yet you are looking for a way to kill me, because you have no room for my word…But now you seek to kill Me, a Man who has told you the truth that I heard from God." (John 8:37,40)*.
- And after raising Lazarus from the dead: *"So from that day on they plotted to take his life." (John 11:53)*.
- John the Baptist was beheaded for confronting Herod with his adultery.
- Stephen was the first Christian martyr stoned for preaching.
- Almost all of Jesus' disciples met the same violent death.

The New Testament gives several reasons why people caught in sin deny their behavior, defend it vigorously, and often lash out at those who confront them. People deny and defend their sin because they love darkness,

- *"This is the judgment: the light has come into the world, and people loved the darkness rather than the light because their works were evil. For everyone who does wicked things hates the light and does not come to the light, lest his works should be exposed." (John 3:19)*
- *They have hardened their consciences (1 Timothy 4:2)* (and their defense of sin often includes justifying it in others.).
- They live in hostility toward God *"The mind set on the flesh is hostile to God; it does not submit to God's law; indeed, it cannot (Romans 8:7)*
- They are blinded by Satan: *"The god of this world has blinded the minds of the unbelievers, to keep them from seeing the light of the gospel…" (2 Corinthians 4:4)*, and they hate accountability.
- Paul instructs believers to *"take no part in the unfruitful works of darkness but instead expose them." (Ephesians 5: 11-13).*

When truth threatens pleasure, pride or tradition, people aggressively turn against the truth-bearer. Their aggressive response toward anyone who confronts them is consistent with the pattern scripture shows--truth exposes sin, and unless a heart is softened by God's Spirit, the instinct is to attack the messenger rather than repent.

The assassination of Charlie Kirk was not about politics; it was about truth. His message was based on the teaching of the Bible and he was kind and respectful. But truth cannot be silenced. Efforts to silence truth only leads to greater revelation of truth as people search for it. Christianity has been a stumbling block for many who are offended by its message. Jesus said: *"Then you will be handed over to be persecuted and put to death, and you will be hated by all nations because of me." (Matthew 24:9)*. Kirk's memorial service was likely the most viewed presentation of Jesus' gospel message in the 2000-year history of Christianity. It is a must watch for anyone who has not seen it and is available on YouTube in both full and abbreviated recordings. What should my response to this event be as a person committed to Christianity? It has certainly caused much self-reflection, not only for me, but millions around the globe. It has filled church parking lots. It has defined the lines of good and evil in my life and eliminated some grey areas. I should not be surprised by hostility when speaking the truth. My reference should always be the Bible, which I consider to be my "owners operation manual" for my life. I will not confront adversity with hostility but reject hatred and violence with a gentle loving spirit. *"Do not be overcome by evil but overcome evil with good" (Romans 12:21)*. Jesus said: *"love your enemies, bless those who curse you, do good to those who spitefully use you and persecute you, that you may be sons of your Father in Heaven" (Matthew 5:44)*. I choose to forgive when offended. I will speak truth in love when prompted and worry less about the opinions of others. I will pray for our country that truth will be revealed, for repentance to begin, and for the fire of revival to continue to turn our hearts around toward a God who loves us and wants a relationship with each of us. But Jesus warned us that we shouldn't be surprised when religious persecution begins in earnest, and believers may even be killed by those who believe that they are serving God. *"These things have I spoken to you that you should not lose your faith. You will be thrown out of synagogues. Certainly, the time is coming when people who murder you will think that they are serving God. They will do these things to you because they haven't known the Father or me (John 16 :1).* For more insight on upcoming prophetic events, I recommend continuing reading the Gospel of John.

"Steady plodding brings prosperity; hasty speculation brings poverty" (Proverbs 21:5, LB)