

Manager Review

As of 06/30/2020

Fund Information

Inception Date	9/27/2016
Ticker	TTAC
CUSIP	89628W302
Exchange	CBOE BZX Exchange, Inc.
IOPV Symbol	TTAC.IV
NAV Symbol	TTAC.NV
Expense Ratio	0.59%
AUM	105,263,334
Global Category	US Equity Large Cap Blend

IOPV, or Indicative Optimized Portfolio Value, is a calculation disseminated by the stock exchange that approximates the Fund's NAV every fifteen seconds throughout the trading day.

Quarter End Performance (%) as of 06/30/2020

	1 Year	2 Year	Annualized Since Inception 9/27/16
TTAC Market Price	1.74	3.29	12.04
TTAC NAV	1.62	3.39	12.05
Russell 3000 TR	6.53	7.75	11.77

The 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 sold or redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. Performance current to the most recent month-end can be obtained by calling (toll free 800-617-0004).



A quarterly commentary to familiarize you with our approach to investing.

Janet Flanders Johnston, CFA
Co-Chief Investment Officer
TrimTabs Asset Management

Early in my career, I was fortunate to work for the Wall Street icon, Martin Zweig. Marty was ahead of his time in understanding the influence of Federal Reserve Policy on markets having personally coined the common investment phrase, "Don't Fight the Fed".

In his classic investment book, "Winning on Wall Street", Marty wrote, "Monetary conditions exert an enormous influence on stock prices. Indeed, the monetary climate – primarily the trend in interest rates and Federal Reserve Policy – is the dominant factor in determining the stock market's major direction." This was cutting edge theory when the book was originally published in 1986.

After a precipitous decline in the US stock market of nearly 35% represented by the S&P 500 Index, from February 19th to March 23rd, due to the forced shutdown of the US economy, the US stock market had its best quarter in twenty years. The market recovery was propelled by massive and historic monetary and fiscal stimulus. Marty's words of wisdom continue to pass the test of time.

The TrimTabs All Cap US Free Cash Flow ETF (TTAC) was up 22.22% (NAV) for the quarter, and down 4.51% year-to-date. For comparison, our benchmark the Russell 3000 Total Return Index was up 22.03% for the quarter, and down 3.48% year-to-date. While April and May had historically strong and broadly based market rallies, June was more muted as cases of the COVID-19 virus began to spike again.

During this COVID era, many of the trends that were in place before the shutdown have continued and their pace of adoption has accelerated. The biggest beneficiaries have been companies that provide on-line shopping, and the infrastructure for cloud computing which supports the move towards WFH (Work From Home), along with video conferencing.

Our largest position in TTAC has been Amazon (AMZN US), the leading provider of on-line shopping and cloud infrastructure in the US. AMZN was up over 40% during the quarter. Other top performers we own that benefitted from the trends include Zoom Video Communications (ZM US), Peloton Interactive (PTON US), and Etsy (ETSY US).

Our worst performing stocks for the quarter were Berkshire Hathaway (BRK/B), Hershey (HSY US), HP Inc (HPQ), and Medtronic (MDT US). We continue to hold these high quality names for their defensive characteristics during this time of uncertainty.

In terms of economic data, while the numbers continue to be at extremely low levels, the data is steadily improving. We anticipate that the economy will continue to recover, but some industries will recover faster than others. According to Bloomberg, there is a wide disparity in where strategists think the S&P 500 is going to end the year.

We believe that the best way to position equity portfolios during this time of uncertainty is to own high quality names with strong Free Cash Flow, strong balance sheets, and strong organic growth that can be held over a longer time frame. With our quantamental process, we can assess disruptive technology and other moats that enhance our active stock selection in this environment.

In terms of our quantitative models, a couple of factors were particularly strong during the quarter. Companies with strong proprietary Free Cash Flow growth rankings and high cash coverage ratios were the best performers in our universe.

As companies have continued to preserve cash and reduce (or suspend) share buybacks, this factor has continued to underperform. Simply put, if companies aren't buying their stock to reduce actual share count, the factor does not work. With our quantamental process, our team is able to focus on the factors in our models that are currently working in this environment.

Top Holdings

Portfolio Date: 6/30/2020

	Portfolio Weighting %
Amazon.com Inc	3.20
Microsoft Corp	2.65
JPMorgan Chase & Co	2.49
Exxon Mobil Corp	2.29
Alphabet Inc A	1.97
UnitedHealth Group Inc	1.95
Apple Inc	1.83
Facebook Inc A	1.81
Nike Inc B	1.67
Morgan Stanley	1.59

The TrimTabs All Cap US Free-Cash-Flow ETF is distributed by Quasar Distributors, LLC.

For further information please contact Byron Ramult, Director of Sales at TrimTabs Asset Management at 312-285-3400 or via email at byron.ramult@trimtabsfunds.com. www.trimtabsfunds.com

Free Cash Flow (FCF) represents the cash that a company is able to generate after accounting for capital expenditures.

Fund holdings and allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security.

The Russell 3000® Index measures the performance of the 3,000 largest publicly traded U.S. companies, based on market capitalization. The Index measures the performance of approximately 98% of the total market capitalization of the publicly traded U.S. equity market. It is not possible to invest directly in an index.

The cash ratio or cash coverage ratio is a liquidity ratio that measures a firm's ability to pay off its current liabilities with only cash and cash equivalents.

We appreciate the opportunity to serve you. We hope you and your families remain safe and healthy. If you have any questions, please feel free to reach out to the team at TrimTabs Asset Management.

Opinions expressed are subject to change any time, are not guaranteed and should not be considered investment advice.

The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contains this and other important information about the investment company, and it may be obtained by calling 1-800-617-0004. Read it carefully before investing.

There is no guarantee that TTAC will achieve its investment objective. Investing involves risk, including the possible loss of principal. Because the Fund is an ETF (rather than a mutual fund), shares are bought and sold at market price (not NAV), may trade at a discount or premium to NAV, and are not individually redeemable. Owners of the shares may acquire those shares from the Fund and tender those shares for redemption to the Fund in Creation Unit aggregations only, consisting of 25,000 shares. Brokerage commissions will reduce returns. Investments in the Fund include risks associated with small-and mid-cap securities, which involve limited liquidity and greater volatility than large-cap securities.

The S&P 500, or simply the S&P, is a stock market index that measures the stock performance of 500 large companies listed on stock exchanges in the United States.



TRIMTABS
Asset Management

TrimTabs Asset Management
1345 Avenue of the Americas, Floor 2
New York, NY 10105
+1 (212) 217 2514

investorrelations@trimtabsfunds.com
trimtabsfunds.com