February 2019 Market Update

Fund Overview

Salient Tactical Plus Fund (the "Fund") is designed as a core investment for those who worry about losing money in equity market downturns but also want to participate in the market's upside. The nimble strategy seeks to sidestep downturns while aiming for positive returns through market cycles. Using active market exposure management, the Fund moves in and out of the market incrementally based upon macro and technical factors.

Market Overview

In January, stock prices rebounded strongly from their December 2018 lows. Small cap stocks led the way up with gains of about 10% while other major averages recorded gains of just under 10%.The reopening of the U.S. government after the longest government shutdown in U.S. history, indications by the U.S. Federal Reserve (Fed) that it would take a more accommodative policy in 2019 and some solid earnings reports at the end of the month all gave a boost to stock prices during January.

The December 2018 stock market decline improved the four pillars of our process and set the stage for the January rally. Investor sentiment turned rapidly pessimistic, which is a positive sign from a contrary point of view. Interest rates continued to ease, valuation measures improved and the market reached an extreme short-term oversold condition.

We added exposure to the small cap and technology sector indexes at times during the month in order to take advantage of the relative strength of these sectors. We did, however, opportunistically hedge the portfolio as the market rose, which detracted from performance during the month.

As we enter 2019, investor sentiment has returned to more neutral levels, interest rates and credit spreads have eased and valuation measures have stabilized—all good signs. The strong stock market rally also improved both our intermediate-term and long-term volume/breadth momentum models.

A number of our longer-term models, such as our longer-term investor sentiment models, indicate that we are still in the late corrective stages of the market cycle. Some potential headwinds in the coming months could be no progress on trade talks with China and another rise in interest rates. However, the improvement in the four pillars of our process, particularly the Fed's more dovish stance, the narrowing of credit spreads and the improvement in both our intermediate-term and long-term momentum indicators, are healthy signs.

Our assessment of the four pillars of our investment process is as follows:

1. *Valuation:* Rising earnings have brought valuations lower in recent months, which is positive. The median price-earnings ratio now stands at 20.2, well below its 15-year high of 26.8 reached in January 2018. There is a growing perception that the market has reached peak earnings for this economic cycle and lower valuations reflect this lower assessment.
2. *Monetary factors and credit conditions:* Interest rates eased further in January from their October 2018 highs. Credit spreads also narrowed in January. These are very good signs and largely a result of Fed Chair Jerome Powell's more dovish statements. A continued narrowing of credit spreads would be a positive development for the longer-term market outlook (*Figure 1*).
3. *Sentiment:* At the end of 2018, the NDR Crowd Sentiment Poll reached its most pessimistic level since the February 2016 stock market bottom, which is a positive development from a contrary point of view (*Figure 2*). As the market rallied in January, bullish sentiment increased back to neutral territory but has not reached worrisome levels.
4. *Momentum:* The severe December market decline pushed the percentage of stocks above their 10- and 30-week moving averages to the most oversold levels in two years (Figure 3). This type of extreme oversold condition has often marked short-term market low points. Coupled with the improvement in our intermediate-term and long-term volume and breadth momentum models, we believe that the technical position of the market has improved.

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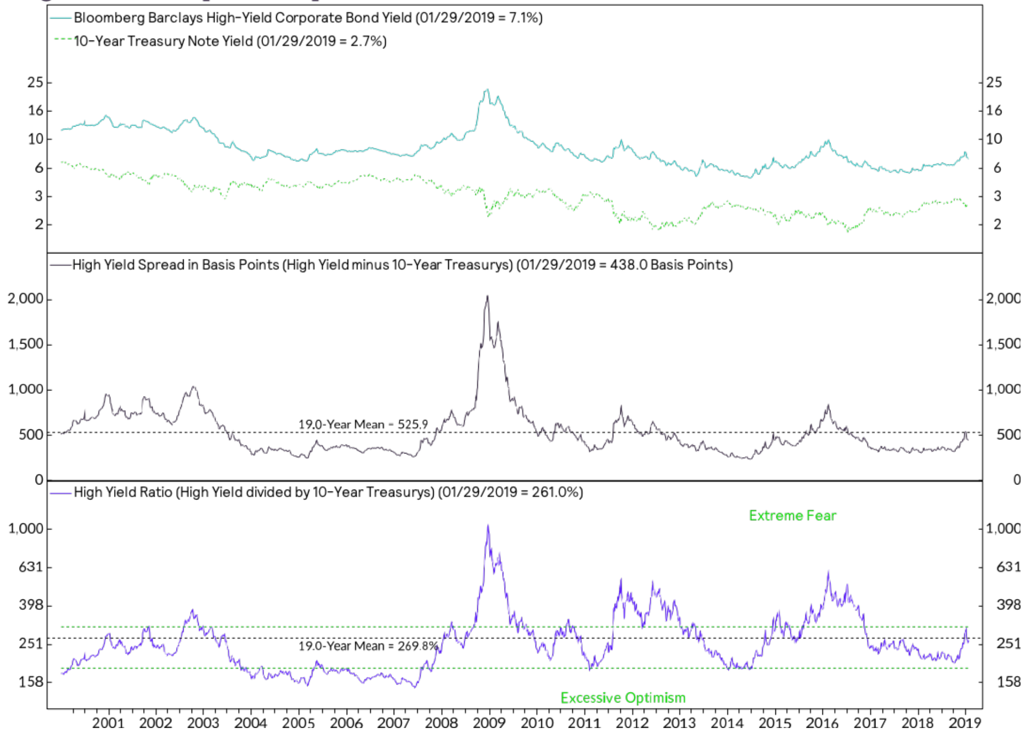
Figure 1.

High-Yield Corporate Spreads



Sources: Ned Davis Research (NDR), Bloomberg Barclays Indices, Federal Reserve Board. Daily data 01/03/2000 to 01/29/2019. *Past performance does not guarantee future results. For illustrative purposes only.*

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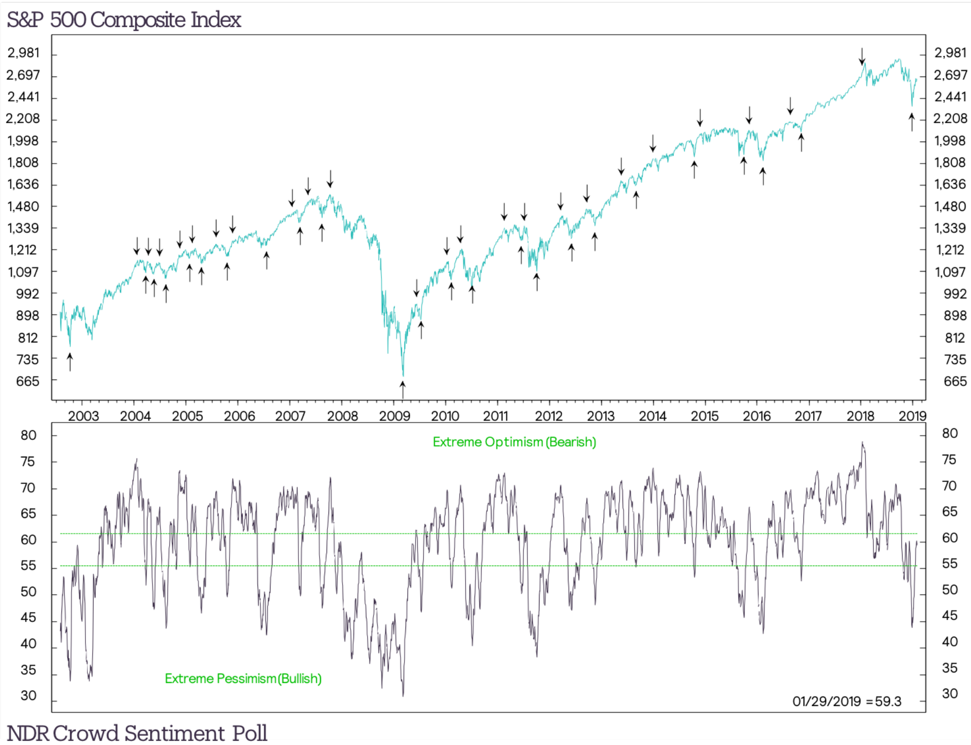
Figure 2.



Extremes Generated When Sentiment Reading Moves:
Above 61.5% = Extreme Optimism
Below 55.5% = Extreme Pessimism

Sentiment must reverse by 10 percentage points to signal an extreme in addition to the above extreme levels being reached.

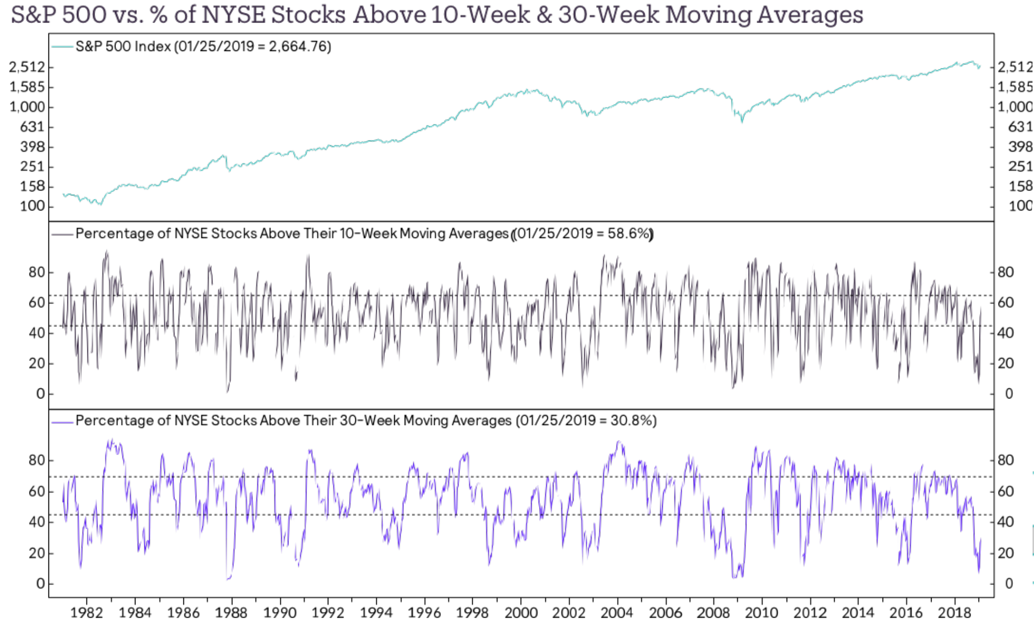
Arrows represent extremes in optimism and pessimism. They do not represent buy and sell signals and can only be known for certain (and added to the chart) in hindsight.

Average Value of Indicator At:
Optimistic Extremes (down arrows) = 68.6
Pessimistic Extremes (up arrows) = 46.9
Average Spread Between Extremes = 21.5

Sources: Ned Davis Research (NDR), S&P Dow Jones Indices. Daily data 07/31/2002 to 01/29/2019 (log scale). *Past performance does not guarantee future results. For illustrative purposes only.*

Figure 3.

S&P 500 vs. % of NYSE Stocks Above 10-Week & 30-Week Moving Averages



For Both Indicators:
Upper and Low Modes = Bullish
Middle Modes = Bearish

Signal only changes when both indicators confirm.

S&P 500 Performance
Full History: 01/02/1981 to 01/25/2019

Combined Signal is	% Gain/ Annum	% of Time
Both Indicators Bullish	11.83	59.87
Both Indicators Bearish	2.81	40.13

Buy/Hold = 8.12% Gain/Annum

Sources: NDR, S&P Dow Jones Indices, Investors Intelligence. Weekly data 01/02/1981 to 01/25/2019. NYSE: New York Stock Exchange. *Past performance does not guarantee future results. For illustrative purposes only.*

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Performance (%) as of 12/31/18

	Q4	YTD	1 YR	3 YR	5 YR	Since Inception
Institutional NAV	0.80	2.56	2.56	5.59	3.58	4.24
Class A NAV*	0.79	2.29	2.29	5.36	3.37	4.03
Class A MOP**	-4.73	-3.31	-3.31	3.39	2.21	2.59
Class C NAV†	0.59	1.50	1.50	4.54	2.57	3.23
Class C MOP‡	-0.38	0.52	0.52	4.54	2.57	3.23
Class F NAV	0.99	2.91	2.91	5.91	3.92	4.59
S&P 500 Index	-13.52	-4.38	-4.38	9.26	8.49	–
HFRX Equity Hedge Index	-8.59	-9.42	-9.42	-0.09	-0.25	–

Returns for periods greater than one year are annualized. **Performance data quoted represents past performance and does not guarantee future results. Investment returns and principal values 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 that shown. Performance data current to the most recent month end may be obtained on at** www.salientfunds.com**.** All returns reflect reinvestment of all dividend and capital gain distributions. Index performance is shown for illustrative purposes only and does not reflect the payment of advisory fees and other expenses associated with an investment in a mutual fund. Investors cannot directly invest in an index. The performance shown is for the stated time period only; due to market volatility, each account's performance may be different. Note that performance "With Sales Charge" for the Fund will be available beginning December 31, 2014.

Class A/C/I shares of the fund commenced operations on December 15, 2014. The returns prior to that date are those of the predecessor fund's Investor Class shares, which commenced operations on December 31, 2012. Performance for the period from 12/31/2012 to 12/12/2014 reflects the gross performance of the Investor Class shares of the predecessor fund adjusted to apply the fees and anticipated expenses of Class A/C/I shares of the fund. All share classes of the fund are invested in the same portfolio of securities and returns only differ to the extent that fees and expenses of the classes are different. In the reorganization, investor class and institutional class shares of the Broadmark Tactical Fund were exchanged for Class F shares of the Salient Tactical Plus Fund.

The share classes have different sales charges, fees and other features. Returns with sales charge reflect the deduction of current maximum front end sales charge of 5.50% for Class A shares, and the maximum contingent deferred sales charge of 1.00% which is applied to Class C shares upon which a finder's fee has been paid and that are sold within one year of purchase. Class A shares are available with no front-end sales charge on investments of $1 million or more, and Class C shares are offered at NAV, without any initial sales charge. Class I shares are offered without any sales charge to certain institutional investors and affiliates of the fund's investment advisor. The return figures shown do not reflect the deduction of taxes that a shareholder may pay on fund distributions or the redemption of fund shares.

Annual Fund Operating Expenses includes management fees, distribution and service (12b-1) fees, acquired fund (subsidiary) fees and expenses, and "other expenses." See the Fund's prospectus for more information.

Total annual fund operating expenses (**gross**/net) by share class as of 05/01/18: Class A: **3.24%**/1.98%; Class C: **7.43%**/2.73%; Institutional: **3.94%**/1.73%; Class F: **2.79%**/1.42%. Under an expense limitation agreement, the investment advisor has contractually agreed to waive its management fee and/or reimburse or pay operating expenses of the Fund to the extent necessary to maintain the Fund's total operating expenses at 1.65% for Class A, 2.40% for Class C, 1.40% for Class I shares and 1.09% for Class F shares, excluding certain expenses, such as taxes, brokerage commissions, interest and borrowing expense, short dividend expense, any acquired fund fees and expenses, litigation and extraordinary expenses. This expense limitation agreement expires on April 30, 2019, and may only be modified or terminated by a majority vote of the independent trustees. The advisor is permitted to recover waived expenses for a period of up to three years.

You should consider the investment objectives, risks, charges and expenses of any mutual fund carefully before investing. The prospectus and summary prospectus contain this and other information and are available, along with information about the series of funds under the Salient MF Trust, by downloading them from www.salientfunds.com, calling 866-667-9228 or from your financial professional. They should be read carefully before investing.

The series of funds under the Salient MF Trust are distributed by Foreside Fund Services, LLC. Investment Advisory Services for the Salient mutual funds are offered through Salient Advisors, L.P. and Salient Capital Advisors, LLC, subsidiaries of Salient Partners, L.P.

Salient Tactical Plus Fund's investment objective is to produce, in any market environment, above-average risk-adjusted returns and less downside volatility than the S&P 500 Index.

All securities investing and trading activities risk the loss of capital. No assurance can be given that the Fund's investment activities will be successful or that the Fund's shareholders will not suffer losses.

Equity securities may be subject to general movements in the stock market. The Fund may have exposure to or invest in equity securities of companies with small or medium capitalization, which involve certain risks that may differ from, or be greater than, those for larger companies, such as higher volatility, lower trading volume, lack of liquidity, fewer business lines and lack of public information.

The use of derivative instruments exposes the Fund to additional risks and transaction costs. These instruments come in many varieties and have a wide range of potential risks and rewards, and may include futures contracts, options on futures contracts, options (both written and purchased), swaps and swaptions. A risk of the Fund's use of derivatives is that the fluctuations in their values may not correlate perfectly with the overall securities markets. Derivatives also provide the economic effect of financial leverage by creating additional investment exposure, as well as the potential for greater loss.

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The Fund may take a short position in a derivative instrument, such as a future, forward or swap. A short position on a derivative instrument involves the risk of a theoretically unlimited increase in the value of the underlying instrument. The Fund may also from time to time sell securities short, which involves borrowing and selling a security and covering such borrowed security through a later purchase. A short sale creates the risk of an unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost of buying those securities to cover the short position.

The Fund invests in exchange-traded funds (ETFs) and in options on ETFs, exposing it to the risks associated with the investments held by such ETFs. The value of any investment in an ETF will fluctuate according to the performance of that ETF. In addition, the Fund will indirectly bear a proportionate share of expenses paid by each ETF in which the Fund invests. Further, individual shares of an ETF may be purchased and sold only on a national securities exchange through a broker-dealer. ETF shares trade at market prices rather than net asset value ("NAV") and shares may trade at a price greater than NAV (a premium) or less than NAV (a discount). The market price of an ETF's shares, like the price of any exchange-traded security, includes a "bid-ask spread" charged by the exchange specialists, market makers or other participants that trade the particular security.

The Fund invests in fixed-income securities, which are generally subject to credit risk and interest rate risk. Credit risk refers to the possibility that the issuer of a security will be unable to make interest payments and/or repay the principal on its debt. Interest rate risk refers to fluctuations in the value of a fixed-income security resulting from changes in the general level of interest rates. When the general level of interest rates goes up, the prices of most fixed-income securities go down. When the general level of interest rates goes down, the prices of most fixed-income securities go up.

The Fund may make foreign investments, which often involve special risks not present in U.S. investments that can increase the chances that the Fund will lose money.

To the extent that the Fund makes investments on a shorter-term basis, the Fund may as a result trade more frequently and incur higher levels of brokerage fees and commissions.

This document does not constitute an offering of any security, product, service or fund, including the Fund, for which an offer can be made only by the Fund's prospectus.

Definition of Terms

10-year U.S. Treasury is a debt obligation issued by the U.S. Treasury that has a term of more than one year but not more than 10 years.

Alpha is a technical risk ratio that shows a fund's excess return relative to the performance of its benchmark index.

Basis point (bps) is a unit of measure that is equal to 1/100th of 1% and used to denote a change in the value or rate of a financial instrument.

Bloomberg Barclays U.S. Corporate High Yield Bond Index covers the USD-denominated, noninvestment-grade, fixed-rate, taxable corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below.

Credit spread is the spread between Treasury securities and non-Treasury securities that are identical in all respects except for quality rating.

Federal funds rate is the interest rate at which a depository institution lends immediately available funds to another depository institution overnight.

HFRX Equity Hedge Index is comprised of private funds with strategies that maintain both long and short positions primarily in equity securities and equity derivatives.

Momentum is the rate of acceleration of a security's price or volume.

NDR Crowd Sentiment Poll is a composite reading based on seven different individual sentiment indicators designed to highlight short- to intermediate-term swings in investor psychology.

NYSE Composite Index covers the price movements of all common stocks listed on the New York Stock Exchange, including American depositary receipts, real estate investment trusts, tracking stocks and foreign listings.

Price-earnings (P/E) ratio is a measure of the price paid for a share of stock relative to the annual income or profit earned by the company per share. A higher P/E ratio means that investors are paying more for each unit of income.

S&P 500 Index is an unmanaged index of 500 common stocks chosen to reflect the industries in the U.S. economy.

Treasurys (or Treasury bonds) are debt obligations issued and backed by the full faith and credit of the U.S. government.

Valuation is the process of determining the value of an asset or company based on earnings and the market value of assets.

Volume is the number of shares or contracts traded in a security or an entire market during a given period of time.

One cannot invest directly in an index.

Not FDIC Insured | No Bank Guarantee | May Lose Value

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