

Commodity prices were up marginally as measured by both the Thomson Reuters/Jefferies CRB Total Return Index (+2.40%) and the Dow Jones UBS Spot Commodity Index (+2.49%) for the quarter ending December 30, 2011. The shares of the Jefferies Asset Management Commodity Strategy Allocation Fund, (JCRIX) at net asset value, delivered a positive return of 5.94% (JCRAJ was +5.98% at NAV and JCRCX was +4.76% with CDSC) since September 30, 2011. For the calendar year of 2011, commodity prices declined by 8.21% (T R/J CRB Index) and -8.12% (DJUBS Spot Index). During this same period, the Fund declined by 5.17% (JCRIX at net asset value) (- 5.35% JCRAJ at NAV and -6.00% JCRCX at NAV). The Fund's performance, measured by the "I" shares, exceeded its Benchmark, the Thomson Reuters/Jefferies CRB Total Return Index by 2.46% quarter to date (+2.94% for the calendar year and +5.62% inception-June 29, 2010 to date) . Past performance is not a guarantee of future results.

### Performance as of December 31, 2011

JAM Commodity Strategy Allocation Fund	Cumulative Total Return			Average Annualized Returns		Expense Ratios <sup>1</sup>	
	1 Month	3 Month	Year-To-Date	1 Year	Since Fund Inception <sup>2</sup>	Total Expense Ratio	What You Pay
Class A (NAV)	-2.91%	5.98%	-5.35%	-5.35%	15.62%	<b>2.61%</b>	1.47%
Class A (MOP)	-8.23%	0.12%	-10.58%	-10.58%	11.37%		
Class C (NAV)	-3.00%	5.76%	-6.00%	-6.00%	15.04%	<b>4.02%</b>	2.07%
Class C (CDSC)	-3.95%	4.76%	-6.87%	-6.87%	15.04%		
Class I	-2.97%	5.94%	-5.17%	-5.17%	15.91%	<b>2.06%</b>	1.17%
Thomson Reuters/Jefferies CRB Index <sup>8</sup>	-2.72%	2.40%	-8.21%	-8.21%	12.42%		

Benchmarks: Thomson Reuters/Jefferies CRB Index (Total Return) and Dow Jones-UBS Commodity Index (Total Return)

<sup>1</sup> What You Pay reflects the Adviser's decision to contractually limit expenses through August 31, 2012.

<sup>2</sup> The inception date for the Fund is June 29, 2010.

**Performance data quoted represents past performance. Past performance is no guarantee of future results and investment returns and principal value of the Fund will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. The Fund imposes a 2.00% redemption fee on shares held for less than 30 days. Performance shown does not include the redemption fee, which if reflected would reduce the performance quoted. Current performance may be higher or lower than the performance quoted. Call 866.759.5679 for current month end performance. Maximum Offering Price (MOP) for Class A shares includes the Fund's maximum sales charge of 5.50%. CDSC performance for Class C shares includes a 1% contingent deferred sales charge (CDSC) on C shares redeemed within 12 months of purchase. Performance shown at NAV does not include these sales charges and would have been lower had it been taken into account.**

The Fund's strategy to reduce the corrosive effects of commodity contango (or costs associated with replacing expiring futures contracts when new contracts are more expensive) by combining commodity futures related investments (collateralized by TIPS), commodity equities, and where appropriate, physical commodity ETF's was effective this quarter. The Fund's combination of these assets contributed to the outperformance relative to its Benchmark. During most of the last quarter of the year, the Fund assets were invested in approximately 75% in commodity futures related instruments (backed by collateral held in TIPS) with the remainder (approximately 25%) in commodity equities. We believe the Fund was successful in reducing the costs of contango in many of the components of the CRB Index, which contributed to the composite performance of the Fund relative to its Benchmark.

Global events had an important impact on the commodity markets throughout 2011. Commodity and equity prices were subjected to selling pressure as the European debt crisis intensified through the last part of the summer until the end of the year. Some analysts and investors feared that the European debt crisis might escalate, impacting global growth, profits, and prices. Political skirmishes over the United States budget and fiscal policy also seemed to raise investor anxiety and market volatility as the year progressed. Global equity markets shed more than \$6 trillion in market value for the year. A rally in the US equity markets

in the last quarter of the year salvaged a modestly positive performance for the S&P 500 Index (+2.11%, including dividends). Commodity prices did not fare as well, falling by -8.12% (DJUBS Spot Commodity Index) for the year. This was the first time in three years that commodity markets produced negative returns for the year. It should be noted that commodity equities, in particular, declined more than spot commodity prices. The Thomson Reuters/Jefferies CRB In-The-Ground Global Equity Index may be representative of many commodity equities and sector-specific funds. It finished the year down 11.52%.

The Fund's top equity holdings by allocation at the end of December 2011 included Exxon Mobil (XOM) (+18.60% YTD), Monsanto (MON) (+2.22% YTD), Deere (DE) (-4.96% YTD), Syngenta (SYNN VX) (+2.85% YTD), CF Industries (CF) (+7.96% YTD), Viterra (VT CT) (+16.76% YTD), and Coeur d'Alene Mines (CDE) (-11.64% YTD).

While the second round of Quantitative Easing (QE2) has officially ended, the aggressive monetary policies many central banks have pursued around the world have contributed (in our opinion) to continued low, near historic, nominal levels of interest rates. The US Treasury ten year note yield stood at 1.875% at year end after beginning 2011 at 3.29%. We believe low nominal rates and, in many cases, negative real rates may contribute to future increases in commodity prices. From the Fund's inception until December 30, 2011, the Dollar has decreased in value by 6.80% as measured by the US Dollar Index, which measures the value of the US dollar against certain major world currencies. The Dollar was up 1.5% since the beginning of 2011, using the same Index. Since most commodities are priced in US Dollars, a lower Dollar usually increases the price of anything denominated in the currency and vice versa.

That Fund invests its excess cash and collateral in U.S. Treasury Inflation Protected Bonds or TIPS. We believe that we may be nearing the end of what has been a significant rally in US treasury prices, both nominal and TIPS, and as a result, we continue to limit our duration exposure. At the end of December, our weighted average maturity was approximately 1.9 years.

We maintain our positive outlook on commodity prices over time. We believe that the markets may have already discounted sluggish or even slightly negative growth in the developed world in the near term. The drop in commodity prices for 2011 was the first annual decline since the financial crisis of 2008. We believe that this may only be a pause in the general uptrend that has been in place for more than a decade. Global growth continues to be driven from outside of the United States and Europe. It is our opinion that commodities will be an integral part of that global growth and that prices will likely head higher over the long run, especially in Dollar terms.

*Important Disclosures*

The Jefferies Asset Management Commodity Strategy Allocation Fund is distributed by ALPS Distributors, Inc., 1290 Broadway, Ste. 1100, Denver, CO 80203. ALPS Advisors, Inc. is the investment adviser to the Fund and Jefferies Asset Management, LLC is the investment sub-adviser. ALPS is not affiliated with Jefferies Asset Management. Jefferies Asset Management, LLC serves as investment adviser to the Fund's Cayman Islands subsidiary.

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The Fund's investments may subject the Fund to significantly greater volatility than investments in traditional securities and involve substantial risks, including risk of a significant portion on their principal value. The commodities markets and the prices of various commodities may fluctuate widely based on a variety of factors. Because the Fund's performance is linked to the performance of highly volatile commodities, investors should consider purchasing shares of the Fund only as part of an overall diversified portfolio and should be willing to assume the risks of potentially significant fluctuations in the value of the Fund.

Additional risks of investments that track changes in commodity futures markets, such as swaps, include liquidity risk and counterparty credit risk. Another principal risk of investing in the Fund is equity risk, which is the risk that the value of the securities held by the Fund will fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate or factors relating to specific companies in which the Fund invest. The Fund's investments in non- U.S. issuers may be even more volatile and may present more risks than investments in U.S. issuers. Equity investments in commodity-related companies may not move in the same direction and to the same extent as the underlying commodities. A price of a spot commodity reflects the price of a commodity for immediately delivery. Among other things, going forward commodity futures markets may not necessarily be in "contango" as shown above and may instead experience periods in which later-dated futures contracts are less expensive than expiring futures contracts ("backwardation").

The relationship between percentage changes and basis points can be summarized as follows: 1% change = 100 basis points, and 0.01% = 1 basis point.

Duration is a measurement of how long, in years, it takes for the price of a bond to be repaid by its internal cash flows.

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The Jefferies Asset Management Commodity Strategy Allocation Fund is: **Not FDIC Insured - No Bank Guarantee - May Lose Value**

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Thomson Reuters | Jefferies CRB In-The-Ground Global Commodity Equity Index measures the performance of equity securities of companies engaged in the production and distribution of certain commodities and commodity-related products.

The DJUBS Spot Index provides a general estimate of trends in commodity prices. It does not account for the effects of rolling futures contracts or the costs associated with actually holding physical commodities.