Clough Global Long/Short Fund - 3Q 2017 Portfolio Commentary

For the third quarter of 2017, the Clough Global Long/Short Fund (The "Fund") had a total return of 4.6% for Class I compared to 4.5% for the S&P 500 and 3.7% for the HFRI Equity Hedge Index. Year to date through September 30, 2017, the Fund had a Class I total return of 13.7% compared to 14.2% for the S&P 500 Index and 9.8% for the HFRI Equity Hedge Index. The Fund outperformed its long/short benchmark, the HFRI Equity Hedge Index for the year-to-date period by 398 basis points, and achieved 96% of the returns of its long-only benchmark, the S&P 500 Index - despite an average investment level for the Fund of approximately 68% on a net basis for the year.

By region, the portfolio had meaningful gains from the U.S., India, China, and Japan for the quarter. By sector, the greatest contribution to returns were from Information Technology, Consumer Discretionary (in particular Homebuilders), Financials, and Healthcare.

The short book has been a drag on performance year-to-date, but in the third quarter it began to contribute meaningfully. Dispersions across sectors, geographies, and at the security level are increasing, enabling the Fund to mark benefits from *both* the long book and the short book as measured across the quarter. We think wider dispersions are indicative of a market that is beginning to skew more favorably towards active strategies, a global perspective, and towards long/short strategies.

Following is a summary of the key themes currently expressed in the Fund:

Consumer Dynamism in Asia

The average exposure of China and India combined was approximately 15% for the year.

Much of the Fund's current China exposure is in a group of what we consider to be "best in class" Chinese internet companies as well as leading local consumer brands. Consumption is accelerating and China's services and technology sectors are booming. Together they account for more than 60% of GDP in the region. The backdrop for sustained growth in internet activity and overall consumption trends in China is solid. Further, the "One Belt - One Road" initiative (a massive development strategy proposed by China's leader, Xi Jinping) promises fiscal stimulus for years to come.

China is growing increasingly data-based as three sectors evolve; entertainment, advertising and e-commerce. The e-commerce market in China is substantially larger than it is in the United States with the major companies generating 35-50% annual sales growth. We believe those growth rates are sustainable for several reasons. First, per capita incomes are rising to levels where spending on personal items is only beginning to accelerate. In addition, companies are finding it easier to monetize their customer bases. Finally, companies are further penetrating third-tier cities where incomes are growing on a percentage basis more rapidly than they are in first and second-tier cities. Not to be underestimated, China's "third-tier" cities encompass 75 million households.

China's internet companies are also pushing the envelope in terms of innovation. According to data from Forrester, the mobile payment market in China was $9 trillion last year, almost 90 times the size of the U.S. mobile-payment market. Chinese internet stocks, in aggregate, trade at substantial discounts to their U.S. counterparts, but their growth rates are so much higher that we think valuations can converge somewhat over time.

Our current bullish view toward India stems from the emergence of a positive credit cycle, underpinned by significant economic development taking place in the region. One year removed from the government's "demonetization scheme" the motives for the exchanging old high value bank notes for new are becoming clearer. It was more than simply a crackdown on corruption and money-laundering. It more fully reflected Prime Minister Narendra Modi's intent to purge India of socialist-era economic policies - by removing the easy use of cash as a means to operate within that pre-existing framework. Similarly broad in scope (and as important for their economic benefits) the implementation of a goods and service tax ("GST") as well as bankruptcy reforms have increased productivity in the region.

"Modi's BJP Party Wins Heart Of Indian Voters"

Modi had energized voters evoking his own poverty-stricken beginnings. Addressing party workers Sunday night, the prime minister made uplifting the poor the cornerstone of the "New India", as the country approaches its 75th anniversary of independence in 2022. They want the opportunity to work, not collect dole, he said. "The poor turning out in large numbers for development presents the image of a New India," he said.

-Reported by Julie McCarthy (March, 2017) for NPR

Politically, the National Congress Party's opposition to private investment was stifling growth, just as the young populace of India was becoming more aspirational. There is a growing sense in India that government policy should be focused on growing the economy. The people's response to Prime Minister Modi's economic initiatives has been to significantly strengthen his influence. Under his leadership, the expansion of market-based credit is providing a path to lift many Indian citizens out of poverty. We think the investment opportunity is in building India's poor housing stock, which is where many government subsidies are aimed. The Fund's India exposure currently skews towards the lenders and infrastructure companies we think may benefit disproportionately.

Technological Innovation

The information technology ("IT") sector continued its strong relative and absolute outperformance in the third quarter. The average net exposure during the year was approximately 19%.

Demonstrating the global diversification of the portfolio, the IT sector had portfolio contributions from companies that are domiciled in the United States, China, Japan, Korea, Germany, Taiwan, Switzerland, and Hong Kong. The Fund's exposure to technology has been multi-faceted. A portion of the strength came from Chinese internet companies, where overall consumption is driving the accelerated growth of the pre-eminent brands in that part of the world.

The second portion of IT exposure benefiting the portfolio stems from our bullish views on the Apple supply chain. We think form-factor and functionality advancements in the iPhone X (wireless charging, improved laser sensors, facial recognition, new chipset capabilities, organic light emitting diode ("OLED") screens, etc.) are likely to disproportionately benefit several manufacturers within the supply chain.

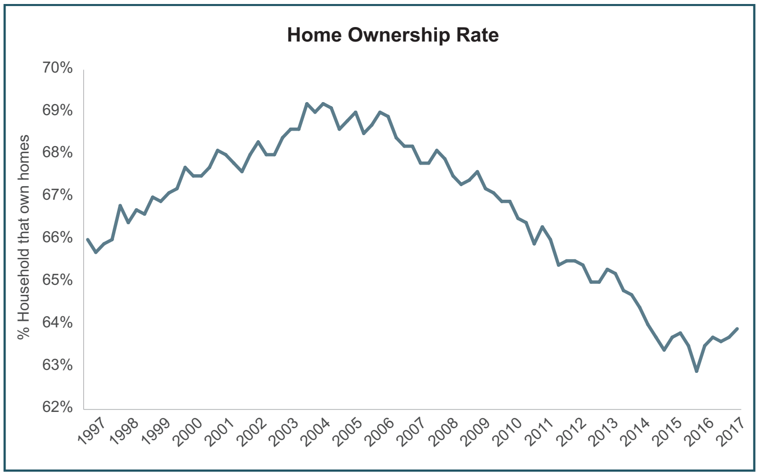
The third portion of the Fund's IT gains are derived from our perspective on the secular demand story for the semiconductor chip industry. We think semiconductor companies, often maligned for their boom and bust cycles, have evolved into core holdings on the heels of industry consolidation and amidst secular growth in memory demand. In 2000, half of all semiconductors were used in personal computers ("PCs"). Today, they are used primarily in phones, servers, and for cloud storage in datacenters. Mobile phones have replaced PCs in most emerging nations as the primary computing device and according to Gavekal Research, while PCs have a seven year replacement cycle, mobile phones are replaced every three years. Meanwhile, artificial intelligence (specialized machine learning chips) and graphic processors are heavy semiconductor using functions. The "Internet of things" and auto usage are also major secular demand channels.

U.S. Household Formation

Our views around household formation in the U.S. entered the portfolio through exposure to the homebuilders. The theme has expanded to include companies that we believe will benefit from an increase in spending on home renovations, home improvement, household services, and even home furnishings & décor. These positions have also begun to contribute to portfolio returns this year, and represent a theme in which we are currently building exposure.

Millennials are entering the household formation stage of their lives at an older age than previous generations, but this largest cohort of the U.S. population (those born between 1982 and 2004) should not be portrayed as "perpetual renters" simply because of the slow start.

The common representation of a millennial reticent to move out of their parent's basement or a one bedroom rental unit seems to coalesce with a view that this generation is less loyal to their employer, prefers mobility, and is only interested in spending their income on "experiences" and "entertainment." In this view, these preferences leave little time to begin a family or to seek a more permanent form of residence - let alone become burdened with the associated expenditures for home furnishings, appliances, or to risk becoming tethered to a monthly cable bill!



Source: Bloomberg

Our perspective is a bit different. While household formation may be occurring at a later age than it did for previous generations, we observe a demographic cohort that is well-employed, has high confidence in its earnings power, is effectively working off its student loans and is emerging onto the household formation stage from a position of strength. This is happening in the context of a stable economic backdrop and a regulatory environment that is enabling increased lending to occur at low mortgage rates. Household formation has historically trended around 1.2 million annually, and although it has been running in the range of 1.0 million recently, we think there is opportunity for improvement.

The home-buying tailwind should, we believe, carryover to home renovation, home improvement, and home furnishing companies. Sales trends and purchase intentions for these categories look solid, especially relative to the more tepid overall consumer landscape. Home improvement and housing-related purchases are also generally more difficult to do online, compared to other consumer categories. Many of these purchases require some form of consultation, are harder to ship from a centralized warehouse, and may require installation and a discussion about warranties. These factors create a degree of insulation from online competition, which should help preserve market share and operating margins as overall sales grow.

Existing homeowners should also contribute to a broader trend as they tap into rising home values. The amount of home equity available has risen from $6.3 trillion in 2011 to more than $13 trillion today. TransUnion reported that approximately 10 million homeowners are expected to take out a home equity line of credit in the next four years – more than double the amount of originations between 2012 and 2016. A survey released by the Joint Center for Housing Studies indicated that homeowners are projected to spend in excess of $330 billion on home upgrades and replacements as well as routine maintenance in the coming years. We have positioned the portfolio to seek to benefit from this expected spending spree.

Biotechnology and Pharmaceuticals

Our healthcare exposure is focused on biotech and pharmaceutical companies. Because we do not have a clear read on the Republican Party's ability to deliver real change through approvable legislation, we have avoided investing in the areas of healthcare services that are most levered to the process and potential outcomes, surprise or otherwise. Instead, we have drilled down on finding valuation disconnects within what we think are the most innovative areas of therapeutics and medical devices focused on treating rare disease, oncology and novel aesthetics. Our logic is that the largest players in biotechnology and pharmaceuticals are starved for innovation, flush with cash, and in search of long-duration, high-value pipeline products. We continue to hunt for what we consider to be the 'must-have' assets in the sector as we believe scarcity value will continue to increase.

The Short Book

Year-to-date, shorts have detracted from performance, but became a meaningful tailwind for the portfolio in the third quarter. The performance of the short book alongside the strong contributions from the long book enhanced portfolio gains on both an absolute and relative basis.

Equity markets continue to be supported by liquidity in the system, but the increased dispersions and elevated valuations are creating more opportunities on the short side, as evidenced in the third quarter returns. Returns on invested capital for some of the largest companies appear to be in decline and equity markets are beginning to further differentiate winners and losers. Technically, the indices don't look particularly exhausted, but some of the bellwether constituents are having a harder time keeping pace. Fundamentals are beginning to matter more.

With the experience-based perspective that comes from managing global long/short strategies at Clough Capital over 18 years, we have always grasped the merits of entering into individually-researched short positions. During extended bull markets (particularly those characterized by the steady exodus of volatility) the benefits of these short positions are not always apparent. The third quarter demonstrated, once again, the potential for a short book to reduce systemic risk *and* generate alpha. We have more recently been pressing our short positions among consumer discretionary stocks, specific healthcare names, and within "legacy" information technology companies.

In Conclusion

Each of our current highest conviction long themes has helped the portfolio through the first three quarters of this year, and we see good reason to stay with them for now. We believe that the **Emerging Market** story remains the single best growth story on the planet and equity prices have responded. The **Household Formation** thesis has worked well via the homebuilders, and has evolved into a broader perspective regarding the commensurate lift in spending within the home. **Healthcare** has increased as an area of exposure for the Fund, and we remain focused on the treatments and devices that we believe are insulated from political outcomes. **Information Technology**, now representing the largest sector of the S&P 500 Index, is underpinned by strong secular growth dynamics. We think the Fund is currently well-positioned with our ongoing investments in these areas.

In the third quarter, the short book also began to contribute to the Fund's outperformance. At this stage of a market cycle, fundamentals begin to matter more. Equity dispersions are rising and our opportunity set is expanding globally. The potential to generate alpha for investors, while reducing systemic risk in the portfolio through individually researched short positions, looks like an increasingly valuable and scarce capability. We appreciate your interest in our approach to investing as we endeavor to outperform the S&P 500 and HFRI Equity Hedge indices over full market cycles, with less volatility.

Charles I. Clough, Jr.

Vincent M. Lorusso, Jr.

Total Returns (As of 9/30/2017[1,2])

	Q3 2017	YTD	1 YEAR	SINCE INCEPTION
Clough Global Long/Short Fund - A (NAV)	4.63%	13.46%	9.03%	1.80%
Clough Global Long/Short Fund - A (MOP)	-1.12%	7.27%	3.01%	-0.27%
Clough Global Long/Short Fund - C (NAV)	4.47%	12.88%	8.34%	1.27%
Clough Global Long/Short Fund - C (CDSC)	3.47%	11.88%	7.34%	1.27%
Clough Global Long/Short Fund - I	4.60%	13.74%	9.43%	2.11%
S&P 500 Index[3]	*4.48%*	*14.24%*	*18.61%*	*9.92%*
HFRI Equity Hedge (Total) Index[3]	*3.52%*	*9.63%*	*11.01%*	*5.05%*

[1] The performance data quoted for periods prior to September 30, 2015 is that of an unregistered investment fund (the "Predecessor Fund") that was managed by the Adviser and was reorganized into the Fund as of the date the Fund commenced investment operations. The Predecessor Fund was not a registered mutual fund and therefore was not subject to the same investment and tax restrictions as the Fund. Performance information reflects all fees and expenses incurred by the Predecessor Fund, and has not been adjusted to reflect Fund expenses. If it had been so adjusted, the Predecessor Fund's performance might have been higher or lower for a given period depending on the amount of such expenses incurred for any given period. Performance information for Class A and Class C have been adjusted to reflect 12b-1 fees and shareholder services fees, as applicable. The Predecessor Fund commenced operations on January 2, 2015.

[2] Total return for periods greater than one year are annualized

[3] Sources: Hedge Fund Research, Inc., Bloomberg. The "HFRI" returns shown herein are those of the HFRI Equity Hedge (Total) Index, which is an index designed by Hedge Fund Research, Inc. to represent the performance of investment managers who maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed by such managers to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. The S&P 500 tracks the performance of the equity securities of a representative sample of 500 U.S. based large-cap companies. The S&P 500 is an unmanaged, market-value weighted index with each stock's weight in the index proportionate to its market value. S&P 500 reflects the reinvestment of dividends. Both indices referenced herein reflect the reinvestment of dividends. It is not possible to invest directly in an index.

The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Performance reflects the deduction of management fees and other applicable expenses. For the most current month-end performance data please call 1-855-425-6844.

Maximum Offering Price (MOP) for Class A shares includes the Fund's maximum sales charge of 5.50%. Contingent Deferred Sales Charge (CDSC) performance for Class C shares includes a 1% CDSC on C shares redeemed within 12 months of purchase. Performance shown at Net Asset Value (NAV) does not include these sales charges and would have been lower had it been taken into account.

Investment returns and value of the Fund shares will fluctuate so that an investor's shares, when sold, may be worth more or less than their original cost.

An investor cannot invest in an index.

Past performance is not a guarantee of future returns.

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Risks

An investor should consider investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus, annual report or semi-annual report which contains this and other information visit www.cloughglobal.com or call 1-855-425-6844. Read them carefully before investing.

Investing involves risks, including loss of principal. The Fund's use of derivatives (which may include forward foreign currency contracts, futures, participation notes, and swaps) may reduce the Fund's returns and/or increase the volatility of the Fund's net asset value. Foreign investing involves special risks such as currency fluctuations and political uncertainty.

S&P 500: The Standard & Poor's composite index of 500 stocks, a widely recognized, unmanaged index of common stock prices. Index performance does not reflect fund performance. An investor cannot invest directly in an index.

HFRI Equity Hedge (Total) Index (HFRI): An index designed by Hedge Fund Research, Inc. to represent the performance of investment managers who maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed by such managers to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. The HFRI family of indices reserves the right to revise historical performance data for a period of up to four months following the as of date. The performance shown was calculated using current, available data at the time of publication, but is subject to change outside of the control of the Fund and its affiliates. An investor cannot invest directly in an index.

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Clough Capital Partners L.P. is the Investment Adviser.