



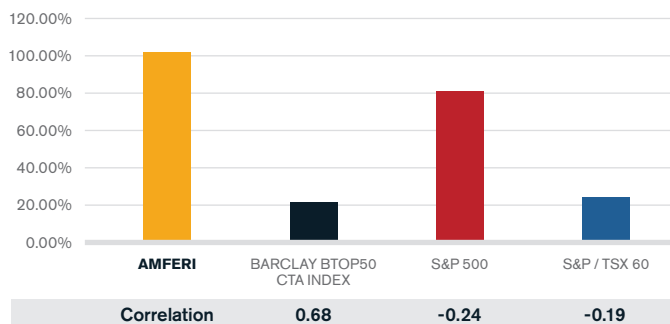
MANAGED FUTURES INDEX

COMMENTARY +
STRATEGY FACTS

OCTOBER 2017



CUMULATIVE PERFORMANCE (SINCE JANUARY 2007*)



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CTA Intelligence

Winner - 2016 & 2017
Best Investable CTA Index

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The strategy was again named the Best Investable CTA Index by CTA Intelligence Magazine at the US Awards event in New York on February 16th.

SUMMARY

October was full of movement with both commodity and financial markets extending recent trends. Led by another very strong month for global Stock markets, the S&P and Nasdaq gained 2.22% and 3.57% respectively, while the MSCI World added 1.81% for reference. The gains on the resource tilted Canadian TSX/S&P60 also gathered strength adding 2.75% to make new all time highs and narrowing the spread to global benchmarks.

Interest Rate futures and debt continued to soften in October as confidence builds that the US FED will continue to raise rates before the year end and into 2018. Canada's rate policy seems tied to oil prices which continued higher in October. The US Dollar continued to rally vis-à-vis most currencies softening.

Commodity benchmarks were stronger with most significant contributions from petroleum and Industrial Metals. WTI oil has become comfortable above \$50 while Brent ended the month above \$60. The energy tilted GSCI gained 3.72% while the more diverse Bloomberg Commodity Index gained 2.05%.

The AMFERI gained 1.32% in line with CTA benchmarks: the Barclay BTOP50 CTA benchmark was up an estimated 2.41% (per Table 1).

OUTLOOK

While equity markets led the upside opportunity in October, the strategy managed to participate in trends in other sectors. Given the strategic lack of equity exposure and commodity tilting, the strategy is handicapped momentarily yet advantaged when equity stagnates or corrects. While there have been few opportunities for this scenario recently, we view the current

Chart 1 HISTORICAL GROWTH SINCE 2007

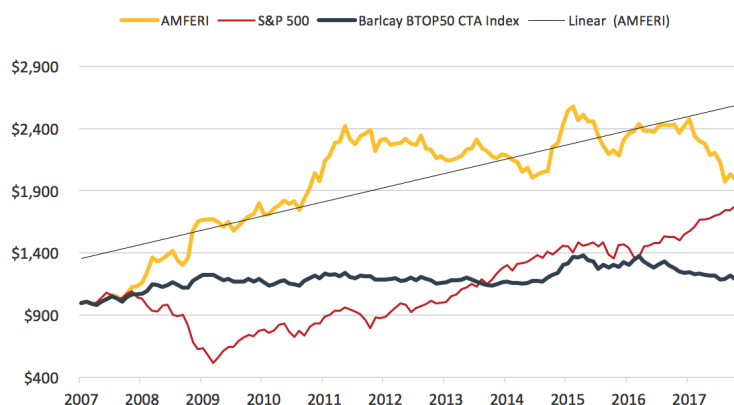


Table 1 ABSOLUTE PERFORMANCE

	AMFERI	Barclay BTOP50 CTA Index	S&P 500	TSX 60
1 Month	1.32%	2.41%	2.22%	2.75%
2017 YTD	-18.36%	-2.02%	15.03%	5.24%
1 yr (Nov 16)	-14.56%	-2.43%	21.12%	9.07%
3 yr (Nov 14)	-11.36%	-1.36%	27.61%	11.50%
5 yr (Nov 12)	-6.53%	5.77%	82.36%	33.11%
10 yr (Nov 07)	78.92%	14.19%	66.21%	11.59%
Annualized (Jan 07)				
Return	6.71%	1.86%	5.66%	2.27%
Std Deviation	12.01%	6.43%	14.74%	12.94%
Sharpe Ratio	0.66	0.32	0.50	0.28
MAR Ratio	0.29	0.13	0.11	0.05
Worst Drawdown	-23.32%	-14.10%	-52.56%	-44.27%

environment a statistically good entry point given the long history of performance versus peer benchmarks and the equity market (see Chart 1). Since the beginning of 2007 and on a 10 year basis, the annualized and cumulative returns outstrip both CTA and equity benchmarks on both an absolute and risk-adjusted basis (see Table 1).

ATTRIBUTIONS AND TRADES

There were a few key changes to the portfolio during the month in both commodity and financial sectors.

Performance was positive in 3 of the 5 index sectors with Energies leading the attribution followed by Ags and Metals. Gains were made both from the long and short sides in these two sectors. Financials pulled back given the shift in trends in Interest Rates and Currencies.

For the month, the top performing positions in the portfolio were all commodities and had gains in all 3 sub-sectors. While the newly added long in Crude Oil rallied, strong gains came from existing long petroleum exposures and the short in Natural Gas.

The portfolio again decreased its short commodity exposures to 7 of 12 commodity components (or 58%) and includes all 3 sectors – Energy, Metals, and Ags (see Chart 3). Within financial exposures, the portfolio shifted to short exposures across the interest rate futures curve (higher rates). In currencies, long currency exposure was reduced marginally in Yen and Canadian Dollar.

SECTOR HIGHLIGHTS

ENERGY

The energy sector had a great month on the back of long petroleum exposures. WTI Crude was added to existing positions in Gasoline and Heating Oil while the short in Natural Gas was profitable as it fell over 8% on the month.

METALS

While Gold softened, the loss was offset by the rally in Copper. The Industrial sector remains strong while Precious metals are more disparate. The strategy remains short Silver and the sector provided a small gain overall.

AGRICULTURE

Ags had a good month on the back of weakness in select Grains led by Wheat and Corn. Soybeans bucked the sector trend and rallied. Softs had a small loss as choppy behavior was experienced in Cotton and Sugar shorts.

INTEREST RATES

The big portfolio shift was in Rates as long weights held since early in the year were shifted to short across the curve (5 and 10 year Notes, and 30 year Bonds) contributing to a small sector loss for the month.

CURRENCIES

Continued strength in the US Dollar had the portfolio trim long exposure in the Canadian dollar while reversing and shifting to short the Japanese Yen. The sector struggled overall and adjustments were made.

Chart 2 INDEX RETURN ATTRIBUTION

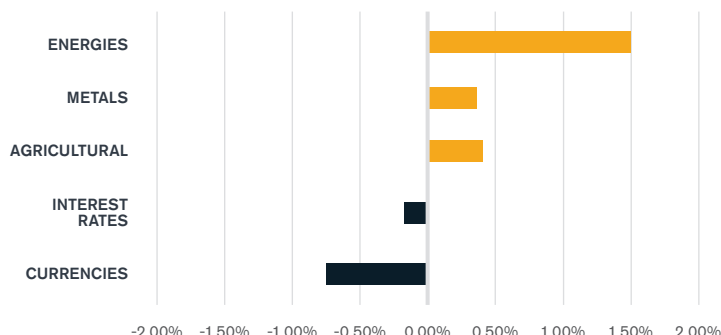
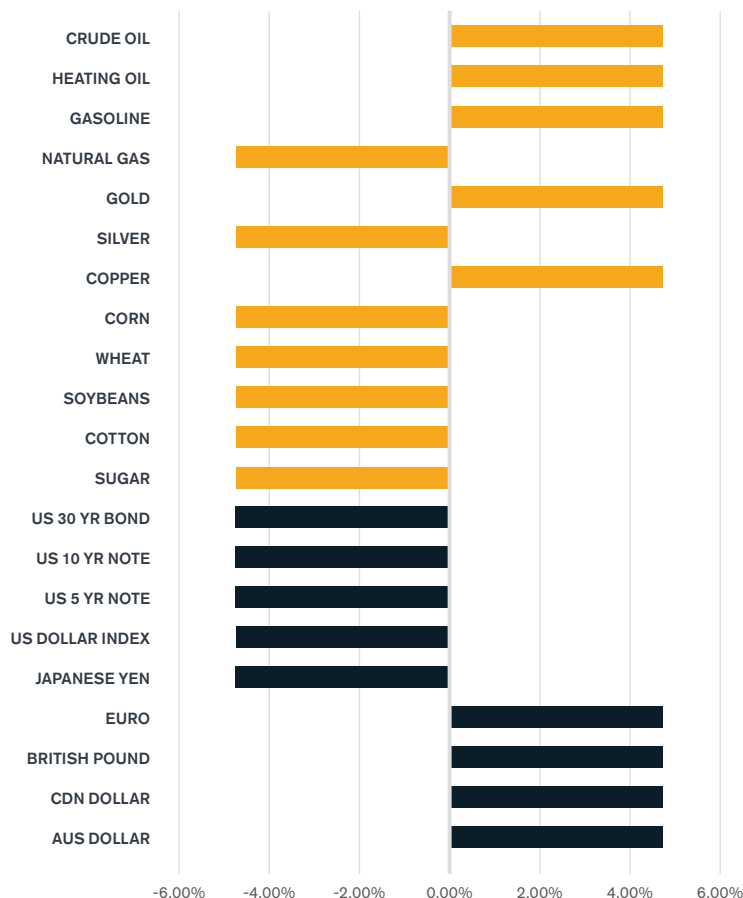


Chart 3 COMPONENT EXPOSURE: SHORT/LONG



WHY AUSPICE INDICES

The Auspice Indices are designed to meet the needs of investors that are looking to participate in liquid alternatives through a disciplined approach without sacrificing performance, diversification, and transparency. We believe Auspice Indices encompass everything from alpha to beta, across a return continuum. The indices blend elements of active management and indexing into a transparent, published, single strategy rules-based approach.

THE MAIN POINTS OF DIFFERENTIATION INCLUDE:

Auspice has addressed typical concerns with the valuable Managed Futures/CTA sector:

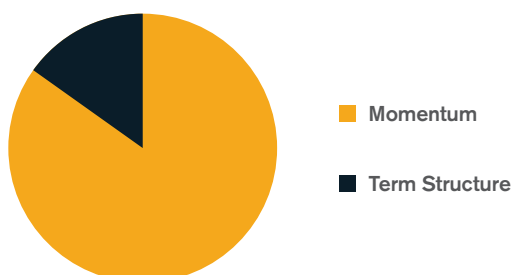
STRATEGY DESCRIPTION

The Auspice Managed Futures Index aims to capture upward and downward trends in the commodity and financial markets while carefully managing risk.

The strategy focuses on Momentum and Term Structure strategies and uses a quantitative methodology to track either long or short positions in a diversified portfolio of exchange traded futures, which cover the energy, metal, agricultural, interest rate, and currency sectors. The index incorporates dynamic risk management and contract rolling methods. The index is available in total return (collateralized) and excess (non-collateralized) return versions.

CHALLENGE	SOLUTION
Transparency	Rules-based index published approach that is completely transparent
Liquidity	Daily available (40 act Mutual Funds, ETFs)
High Fees	Low cost, management fee-only provider. No underlying or hidden fees typically associated with sub-advisory
Ability to perform in bear market	Outperformance in critical times
All Managed Futures the same	Compliments many single or multi-manager Managed Futures strategies
Financial markets concentration resulting in high correlation to equities	More balance of commodities and financials with no stock indices exposure results in lower correlation to equity and peers
Lack of long term track record	Proven long term track record is published by NYSE
Brand recognition	Strategy used by public pensions, institutional investors and retail distributors in US and Canada

RETURN DRIVERS



OTHER DETAILS

Calculated and published by NYSE since 2010.
Tickers: Bloomberg AMFERI, Reuters AMFERI

PRODUCT AVAILABILITY

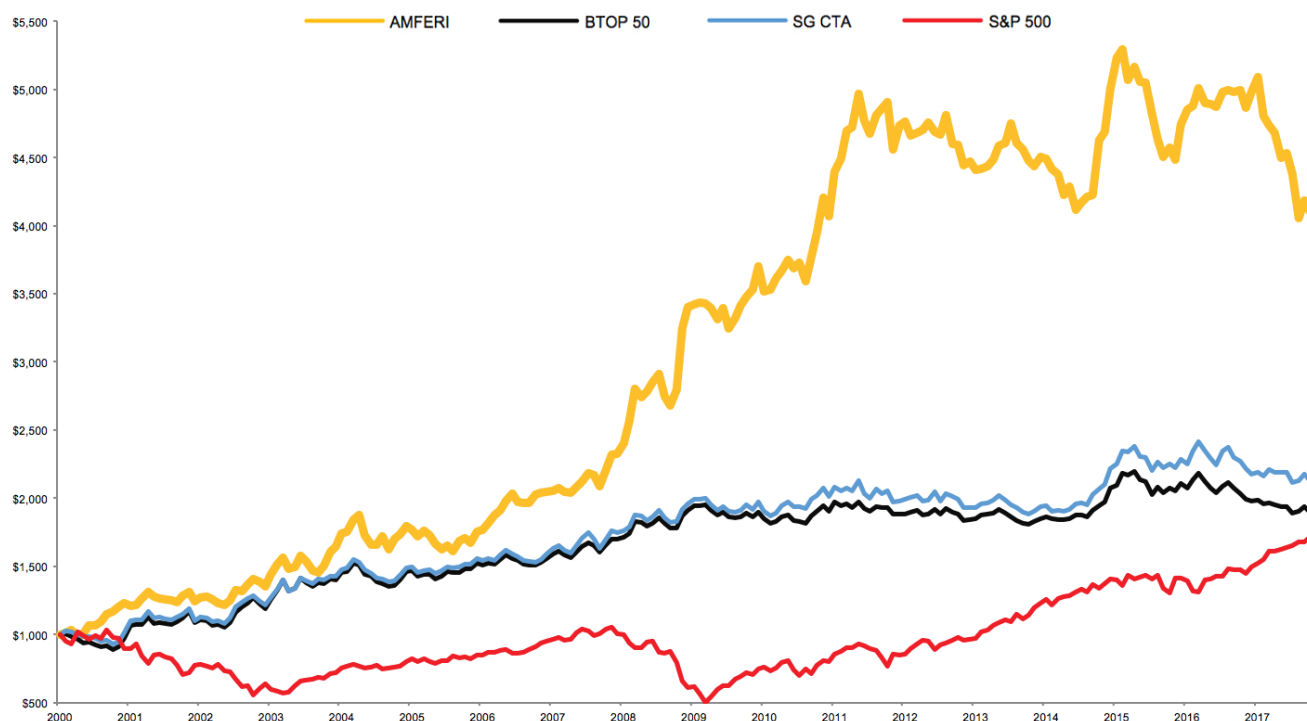
Licensing and/or sub-advisory of the strategy
Bespoke product design
ETFs: through partner firms
40 Act Mutual Funds: US investors through partner firms
Separately Managed Accounts

AUSPICE MANAGED FUTURES INDEX

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COMPARATIVE MANAGED FUTURES INDEX PERFORMANCE



MONTHLY PERFORMANCE TABLE*

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	RETURN
2017	-5.56%	-1.48%	-1.05%	-4.02%	0.84%	-3.43%	-7.36%	3.08%	-1.95%	1.32%			-18.36%
2016	0.57%	2.67%	-2.25%	-0.07%	-0.51%	2.29%	0.26%	-0.25%	0.31%	-2.70%	2.44%	2.17%	4.87%
2015	1.11%	-4.22%	1.89%	-2.14%	-0.04%	-4.59%	-3.79%	-2.78%	1.40%	-1.92%	5.85%	2.26%	-7.26%
2014	-1.67%	-0.86%	-3.50%	1.47%	-3.79%	1.38%	0.96%	0.38%	9.45%	1.26%	6.70%	4.64%	16.55%
2013	0.08%	0.55%	1.01%	2.27%	0.55%	3.09%	-3.05%	-0.96%	-1.87%	-0.86%	1.47%	-0.31%	1.82%
2012	-2.20%	0.46%	0.40%	1.21%	-1.48%	-0.41%	3.11%	-4.44%	-0.22%	-3.16%	0.60%	-1.38%	-7.45%
2011	2.23%	4.62%	0.54%	5.20%	-4.05%	-2.00%	2.91%	0.98%	1.08%	-7.07%	3.85%	0.60%	8.48%
2010	0.31%	2.47%	1.50%	2.09%	-1.55%	1.14%	-3.74%	4.92%	4.81%	6.42%	-3.14%	7.91%	24.87%
2009	0.41%	-0.14%	-1.02%	-2.52%	2.51%	-4.43%	2.46%	2.86%	1.70%	1.52%	4.97%	-5.03%	2.80%
2008	6.80%	9.39%	-2.14%	1.42%	2.58%	2.12%	-5.75%	-2.49%	4.42%	16.05%	4.92%	0.50%	42.65%
2007	0.75%	-1.02%	-0.45%	1.90%	2.05%	2.94%	-0.82%	-3.48%	5.56%	5.18%	0.12%	3.19%	16.68%
2006	2.34%	3.43%	2.02%	3.61%	2.71%	-3.20%	-0.30%	0.09%	3.24%	0.62%	0.25%	0.41%	16.06%
2005	-2.46%	2.45%	-1.94%	-3.87%	-2.36%	1.70%	-2.48%	4.80%	1.03%	-2.03%	5.04%	0.90%	0.35%
2004	0.76%	5.16%	1.70%	-7.67%	-4.21%	0.12%	3.53%	-5.24%	4.32%	2.20%	3.33%	-1.56%	1.52%
2003	5.61%	2.95%	-5.34%	0.93%	5.66%	-2.64%	-4.26%	-0.92%	2.93%	7.09%	2.28%	5.80%	20.92%
2002	0.65%	-1.93%	-1.81%	-1.12%	2.66%	5.99%	-0.72%	3.94%	2.96%	-1.54%	-2.51%	6.40%	13.15%
2001	0.50%	3.90%	3.87%	-2.30%	-1.13%	-0.53%	-0.65%	-1.01%	3.72%	2.35%	-5.23%	2.00%	5.18%
2000	1.43%	1.78%	-3.61%	1.19%	6.54%	0.03%	2.32%	4.74%	1.85%	3.01%	2.27%	-1.81%	21.17%

Represents index data simulated prior to third party publishing as calculated by the NYSE



IMPORTANT DISCLAIMERS AND NOTES

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COMPARABLE INDICES

*Returns for **Auspice Managed Futures Excess Return Index (AMFERI)** represent returns calculated and published by the NYSE. The index does not have commissions, management/incentive fees, or operating expenses.

The Bloomberg Commodity (Excess Return) Index (**BCOM ER**), is a broadly diversified index that allows investors to track 19 commodity futures through a single, simple measure.

The **S&P/TSX 60 Index** is designed to represent leading companies in leading industries. Its 60 stocks make it ideal for coverage of companies with large market capitalizations and a cost-efficient way to achieve Canadian equity exposure. Price Return data is used (not including dividends).

The **S&P 500** is an index of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe. Price Return data is used (not including dividends).

The (**MSCI**) **World Index**, Morgan Stanley Capital International, is designed to measure equity market performance large and mid-cap equity performance across 23 developed markets countries, covering approximately 85% of the free float-adjusted market capitalization in each. This index offers a broad global equity benchmark, without emerging markets exposure.

Excess Return (ER) Indexes do not include collateral return.

The S&P Goldman Sachs Commodity Excess Return Index (**S&P GSCI ER**), is a composite index of commodity sector returns representing an unleveraged, long-only investment in commodity futures that is broadly diversified across the spectrum of commodities.

The **SG CTA Index** provides the market with a reliable daily performance benchmark of major commodity trading advisors (CTAs). The SG CTA Index calculates the daily rate of return for a pool of CTAs selected from the larger managers that are open to new investment.

The **Barclay BTOP50 CTA Index** seeks to replicate the overall composition of the managed futures industry with regard to trading style and overall market exposure. The BTOP50 employs a top-down approach in selecting its constituents. The largest investable trading advisor programs, as measured by assets under management, are selected for inclusion in the BTOP50.

PERFORMANCE NOTES

The Equity benchmarks used in this material are intended to reflect the general equity market performance. They are shown to illustrate the non-correlated attributes versus other assets. Adding non-correlated assets within a portfolio has the potential to reduce portfolio volatility and drawdowns.

The performance of Auspice Managed Futures Index prior to 11/17/2010 is simulated and hypothetical as published by the NYSE. All performance data for all indices assumes the reinvestment of all distributions. To the extent information for the index for the period prior to its initial calculation date is made available, any such information will be simulated (i.e., calculations of how the index might have performed during that time period if the index had existed). Any comparisons, assertions and conclusions regarding the performance of the index during the time period prior to the initial calculation date will be based on back-testing.

These results are based on simulated or hypothetical performance results that have certain inherent limitations. Unlike the results shown in an actual performance record, these results do not represent actual trading. Also, because these trades have not actually been executed, these results may have under- or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to these being shown. The index does not have commissions, management/incentive fees, or operating expenses.

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