



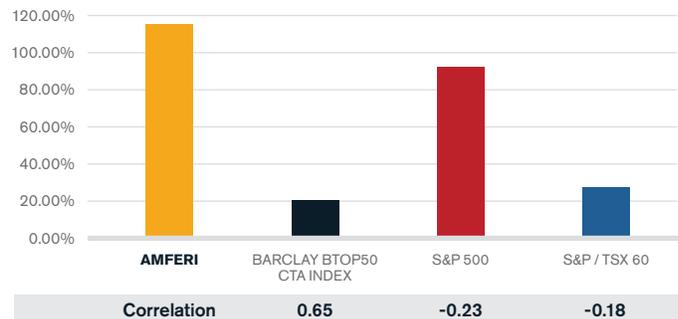
MANAGED FUTURES INDEX

COMMENTARY +
STRATEGY FACTS

JUNE 2018



CUMULATIVE PERFORMANCE (SINCE JANUARY 2007*)



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CTA Intelligence

Winner - 2016 & 2017
Best Investable CTA Index

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SUMMARY

North American equities were stronger and led global benchmarks to small gains: the S&P and Nasdaq gained 0.48% and 0.92% respectively. Globally, markets were softer with the MSCI World falling 0.17% for reference while the resource tilted Canadian TSX/S&P60 added 1.56% yet lags for the year.

Commodity markets went in different directions with benchmarks both up and down for the month. While the energy tilted GSCI gained 1.20% on the back of Crude Oil strength, the more diverse Bloomberg Commodity Index lost 3.64% on the month. Outside of energy, many commodity sub-sectors corrected after benchmarks generally trended higher for the last year.

The US Fed got back on the tightening track raising rates and signaled further rate increases in 2018 with a bullish assessment for the US economy based on accelerating growth and job creation. As such, rates were largely unchanged while most currencies softened vis-a-vis the US Dollar which continues to rally.

The AMFERI performed, gaining 0.74% while the Barclay BTOP50 CTA benchmark added an estimated 0.59% (per Table 1) and the SG CTA index added 0.44% for reference.

OUTLOOK

After lagging in 2017, the AMFERI strategy has outperformed in the first half of 2018 by a significant margin of 7-10%. Moreover, per Table 1, the strategy illustrates long term outperformance and at critical times (Chart 1).

Per last month's comments, it was our assertion that one of the reasons for the performance is that our portfolios have the opportunity to be exposed more significantly to commodities in addition to financial futures. This was illustrated in June despite a correction as the downside opportunity in Metals led the performance.

Further, given volatility and momentum continues to improve, whether up or down (as experienced in June) and especially in commodities, we believe the opportunity remains very good.

Chart 1 HISTORICAL GROWTH SINCE 2007

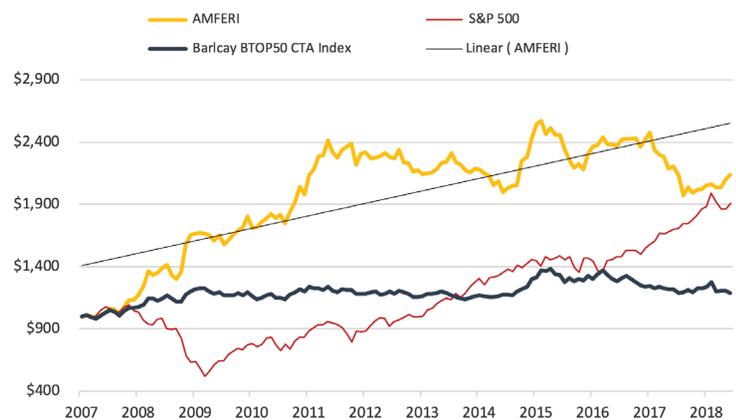


Table 1 ABSOLUTE PERFORMANCE

	AMFERI	Barclay BTOP50 CTA Index	S&P 500	TSX 60
1 Month	0.74%	0.59%	0.48%	1.56%
2018 YTD	4.84%	-3.60%	1.67%	0.59%
1 yr (Jul 17)	1.20%	0.39%	12.17%	8.14%
3 yr (Jul 15)	-8.04%	-6.53%	31.76%	13.86%
5 yr (Jul 13)	-6.74%	1.95%	69.23%	38.79%
10 yr (Jul 08)	52.10%	2.07%	112.37%	11.83%
Annualized (Jan 07)				
Return	6.91%	1.54%	5.82%	2.31%
Std Deviation	11.70%	6.58%	14.50%	12.66%
Sharpe Ratio	0.68	0.26	0.51	0.28
MAR Ratio	0.30	0.11	0.11	0.05
Worst Drawdown	-23.32%	-14.24%	-52.56%	-44.27%

ATTRIBUTIONS AND TRADES

Weakness in commodities led by the Grains caused the strategy to exit some long positions and shift to short exposures. There were no changes within financial markets in June.

Performance was positive in 4 of the 5 index sectors. The top performing sector was Metals followed by Energies and complimented by Currencies. The Ags sector performance was negative although the new short in Soybeans and existing short in Sugar provided an offset with solid gains.

For the month, the top performing positions were shorts led by Gold and complimented by Copper, Soybeans and Sugar. The worst performing markets were long exposures in Corn, Wheat and Cotton.

As of month-end, the portfolio is now tilted short commodity exposures in 7 of 12 commodity components (or 58%) and includes all 3 sectors – Energy, Metals and Ags (see Chart 3).

SECTOR HIGHLIGHTS

ENERGY

Petroleum markets pushed the Energies higher with Crude Oil leading the way rallying 11%. The portfolio remains short Natural Gas.

METALS

Metals led the portfolio performance driven by shorts in both base and precious metals. Copper reversed last month's push higher while Gold broke down to new lows falling approximately 4%.

AGRICULTURE

After outperforming the last couple months, Ags corrected led by sharp pull backs in Grains. Both Corn and Soybeans were exited and shifted to short while Wheat was held. Cotton, which has been on an exceptional run lately corrected yet remains in a strong long term up-trend. Sugar also fell adding to its exceptional long term short performance that has been in place since late 2016.

INTEREST RATES

After the strong interest rate futures rally in May, the market pulled back to start June before rallying at month end. The portfolio's short Interest Rate futures position had a small gain.

CURRENCIES

With the exception of the Japanese Yen, the portfolio made gains on short exposures to currencies while long the US. The Yen remains long.

Chart 2 INDEX RETURN ATTRIBUTION

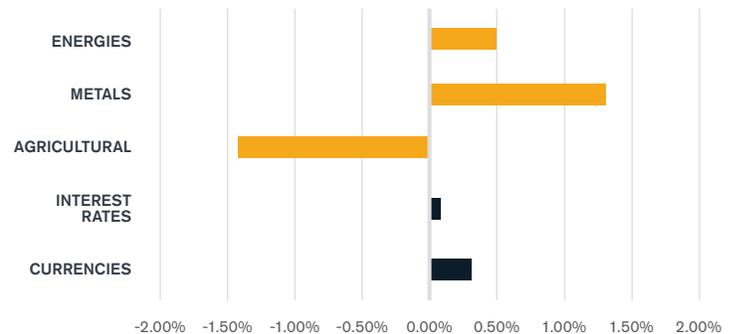
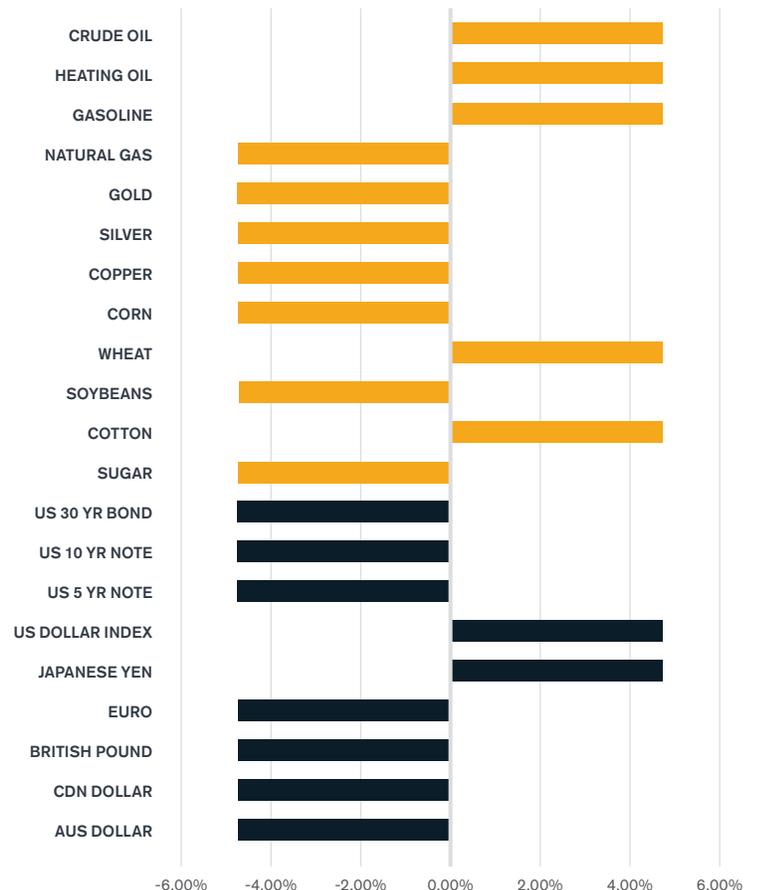


Chart 3 COMPONENT EXPOSURE: SHORT/LONG



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:

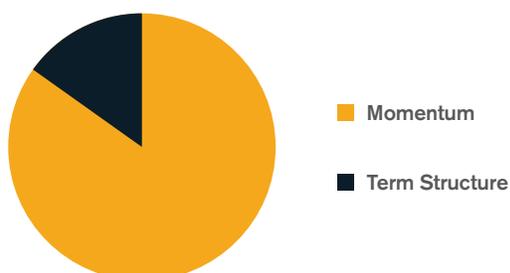
STRATEGY DESCRIPTION

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



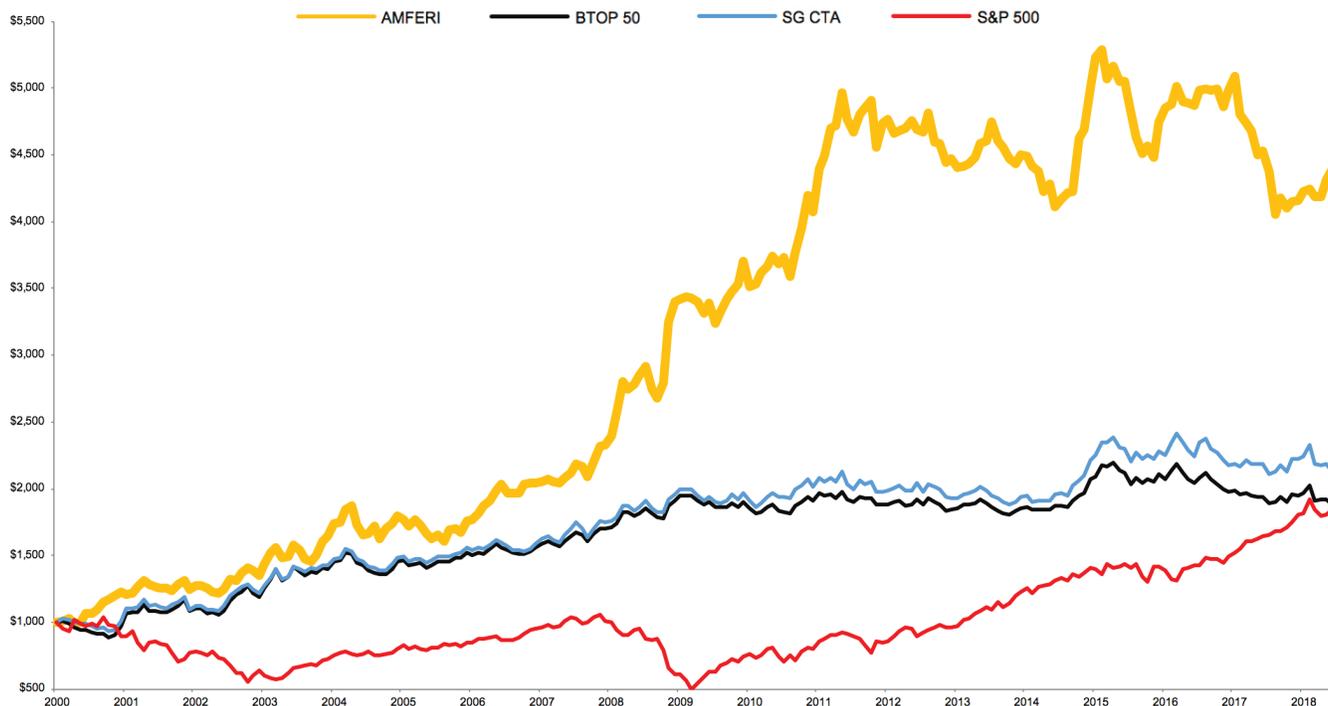
OTHER DETAILS

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

▶ **COMPARATIVE MANAGED FUTURES INDEX PERFORMANCE**



▶ **MONTHLY PERFORMANCE TABLE***

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	RETURN
2018	0.43%	-1.25%	-0.10%	2.99%	1.99%	0.74%							4.84%
2017	-5.56%	-1.48%	-1.05%	-4.02%	0.84%	-3.43%	-7.36%	3.08%	-1.95%	1.32%	0.20%	1.54%	-16.94%
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

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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.

The CTA indexes do not encompass the whole universe of CTAs. The CTAs that comprise the indices have submitted their information voluntarily and the performance has not been verified by the index publisher.

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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