AUSPICE

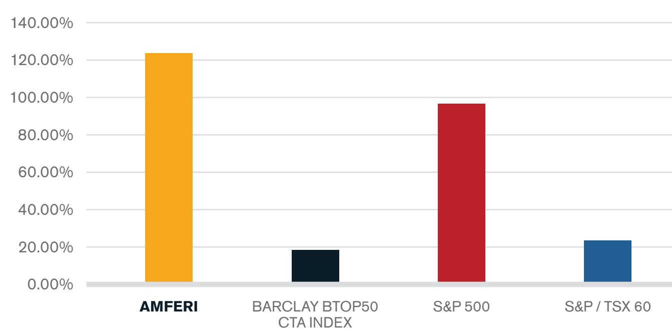
MANAGED FUTURES INDEX

COMMENTARY + STRATEGY FACTS

NOVEMBER 2018

CUMULATIVE PERFORMANCE

(SINCE JANUARY 2007*)



Correlation	0.65	-0.21	-0.16

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SUMMARY

After October brought one of the worst months for equity in a decade, November moderated. Initial strength was followed by weakness before most benchmarks ended slightly positive. Not much solace after correcting an average of 8%. The tech focused Nasdaq continued to lag the most ending up a mere 0.34%, while the S&P added 1.79% and the MSCI World gained 0.96%. With the exception of the major US benchmarks, most global indices are down for the year highlighted by the resource tilted Canadian TSX/S&P60 down 4.84% and Hong Kong's Hang Seng off 11.26%.

Commodity weakness was dominated by oil suffering its steepest loss in a decade, over 20%. As such the energy weighted GSCI fell 11.45% while the more diverse Bloomberg Commodity index softened a mere 0.76%. This weakness takes the GSCI negative on the year and now lagging equities after pulling ahead in recent months.

Now that US midterm elections are done most currencies were weak as the US dollar resumed its trend higher. A rare exception was the Aussie dollar rallying strongly off a downtrend that has lasted all year. With central banks quiet, US rates eased despite continued rhetoric for higher rates coming.

RESULTS

The AMFERI gained 1.93% adding to the year's performance to be up 10.70% in 2018. The significant outperformance versus CTA benchmarks (per Table 1) is growing. The Barclay BTOP50 CTA benchmark fell an estimated 0.28% for the month while the SocGen CTA Index was off 1.43% to be off 5.17% and 7.50% for the year respectively, a spread of 15-18%.

Beyond the recent performance, the strategy illustrates long term outperformance and at critical times per Chart 1.

Chart 1 HISTORICAL GROWTH SINCE 2007

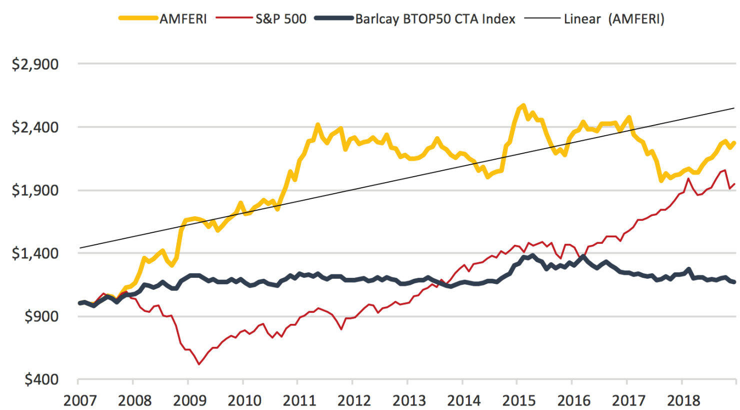


Table 1 ABSOLUTE PERFORMANCE

	AMFERI	Barclay BTOP50 CTA Index	S&P 500	TSX 60
1 Month	**1.93%**	-0.28%	1.79%	2.03%
2018 YTD	**10.70%**	-5.17%	3.24%	-4.84%
1 yr (Dec 17)	**12.41%**	-4.35%	4.25%	-4.07%
3 yr (Dec 15)	**-1.40%**	-11.57%	32.67%	15.34%
5 yr (Dec 13)	**3.90%**	0.83%	52.85%	18.32%
10 yr (Dec 08)	**37.44%**	-2.49%	207.97%	62.19%
Annualized (Jan 07)				
Return	**7.15%**	1.34%	5.75%	1.75%
Std Deviation	**11.56%**	6.53%	14.46%	12.60%
Sharpe Ratio	**0.71**	0.24	0.51	0.24
MAR Ratio	**0.31**	0.09	0.11	0.04
Worst Drawdown	**-23.32%**	-15.13%	-52.56%	-44.27%

OUTLOOK

While the sell-off in energy and its severity was a surprise to many market participants, it highlights our ability to quickly change direction. Being tactical has two possible benefits and a risk. The risk is the strategy gets whipsawed – and this does happen. But this is outweighed by the benefits of protecting capital and participating more quickly in changing trends.

We believe a month like November affirms our belief that we are entering period that holds significant opportunity for the AMFERI strategy and other quantitative trend-following methods. In addition, the lack of equity exposure becomes an edge for the strategy as that market has become choppy after years of trend.

ATTRIBUTIONS AND TRADES

Performance was positive in 1 of the 5 index sectors led by Energies (Chart 2).

While the story appears to one of only declining commodities, the truth is a little different. The month was indeed dominated by movement in Energies, both petroleum and Natural Gas. Gains from existing shorts in Gasoline along with new shorts in WTI Crude and Heating Oil provided the bulk while Natural Gas added from the long side.

Shorts in Ags and Metals struggled as some strength came back as Soybeans and Copper bounced off lows, largest negative contributors.

Within Financial markets, interest rate futures rallied against the short exposures across the curve.

With the addition of two more energy markets, the portfolio remains tilted short commodity exposures in 10 of 12 components (or 83%) and includes all 3 sectors – Energies, Metals and Ags (see Chart 3).

Chart 2 INDEX RETURN ATTRIBUTION

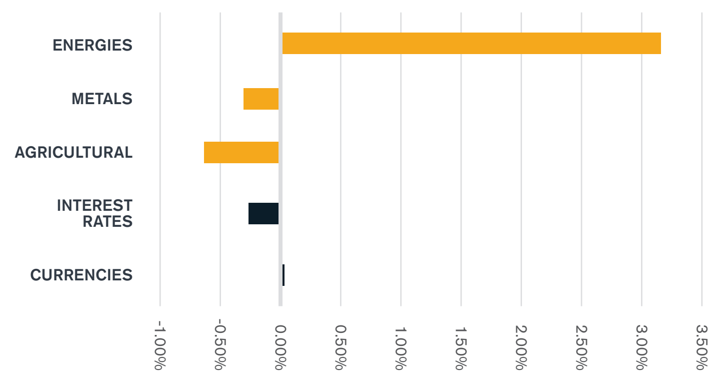
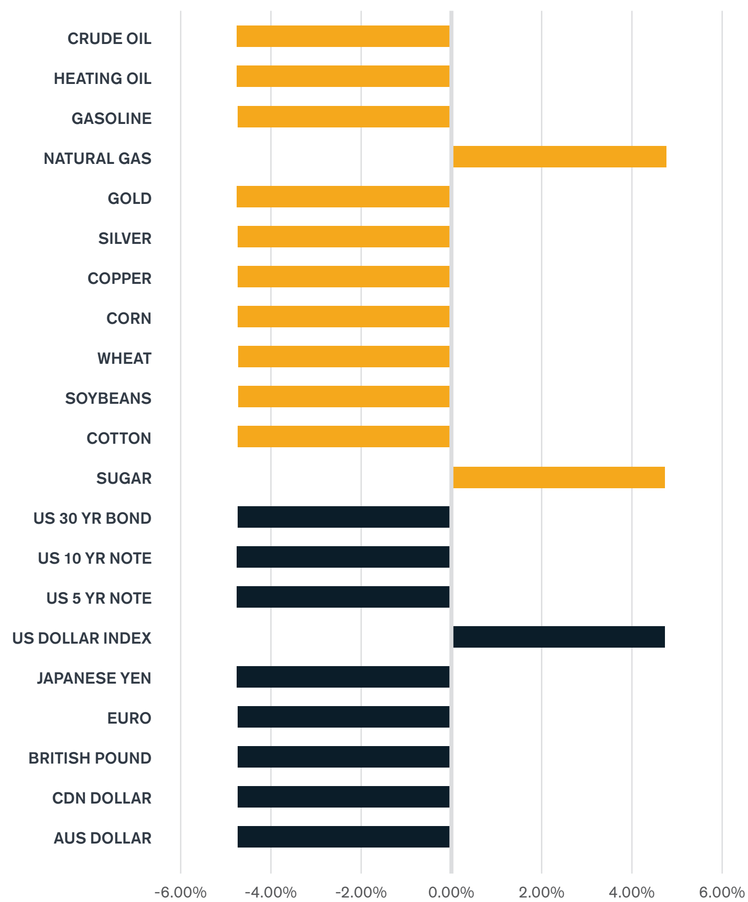


Chart 3 COMPONENT EXPOSURE: SHORT/LONG



SECTOR HIGHLIGHTS

ENERGY

The Energy market has been in an aggressive downtrend for two months now. WTI Crude oil eclipsed last month's sell-off by double. Our strategy responded quickly reversing direction as the reality took hold and we are now short all petroleum markets covered. Not to be outdone, Natural Gas continued a meteoric ascent higher peaking mid-month and experience considerable volatility. As such we have reduced exposures to lock in some the gains.

METALS

The portfolio remains short across the sector while some markets were slightly higher. Both Gold and Copper inched up while Silver lagged. Copper was the strongest market.

AGRICULTURE

Our Ags sector struggled as Soybeans and Corn moved up against short exposures. Wheat lagged and helped offset the negative attribution. We remain long Sugar which corrected slightly lower for the month.

INTEREST RATES

Rate futures reversed course after the mid-term elections rallying off recent lows. We remain short the sector in the direction of the long term trend.

CURRENCIES

With no changes within the sector, the portfolio remains positioned short currencies vis-à-vis long the US Dollar. Attribution was neutral as small gains made in all markets were offset by a strong rally in the Aussie Dollar. The Aussie bounced of recent lows over 3% yet we remain position short at this time.

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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:

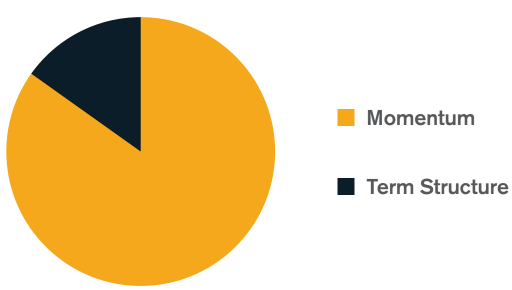
STRATEGY DESCRIPTION

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 indicies 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

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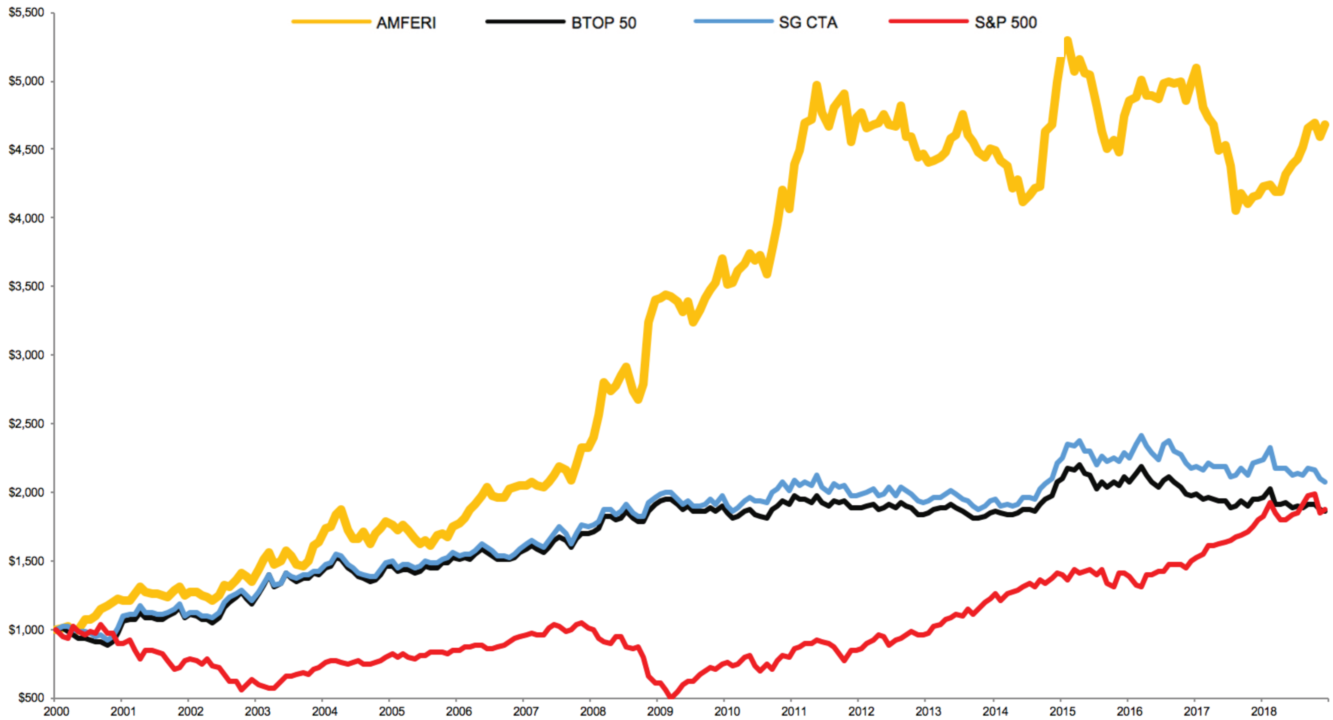
COMPARATIVE MANAGED FUTURES INDEX PERFORMANCE



MONTHLY PERFORMANCE TABLE*

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	RETURN
2018	0.43%	-1.25%	-0.10%	2.99%	1.99%	0.74%	2.09%	3.03%	0.75%	-2.25%	1.93%		**10.70%**
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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