



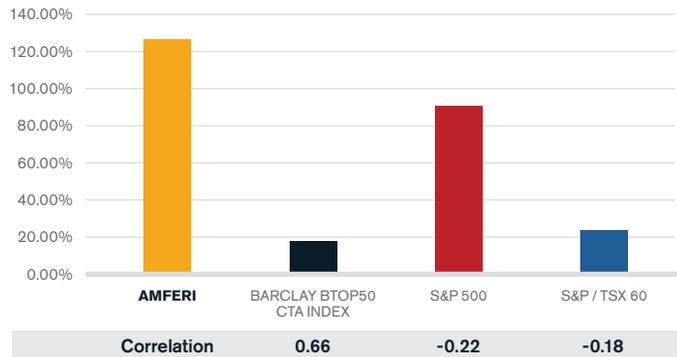
MANAGED FUTURES INDEX

COMMENTARY +
STRATEGY FACTS

JANUARY 2019



CUMULATIVE PERFORMANCE (SINCE JANUARY 2007*)



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SUMMARY

Global equity markets rallied in January but remain down over the last two months with a massive drawdown of 10 to 17% in between. The S&P added 7.87%, Nasdaq gained 8.26% while the MSCI World added 7.68%. The resource tilted Canadian TSX/S&P60 added 8.14% and the only market not down over the two months.

Commodities moved higher during January. While oil received the bulk of the attention the rally was widespread across most commodity sectors. Commodity benchmarks rallied back after sharp pullbacks in December yet are flat to down 2% looking over the two months. The energy weighted GSCI gained 8.76% while the more diverse Bloomberg Commodity index added 5.23%.

After the strong rally in bond futures during December, most markets sold off (higher rates) to start the year. The US dollar was slightly weaker, yet the trend remains up and intact from much of 2018 while the Pound did the opposite on Brexit concern volatility. Commodity currencies such as Aussie and Canadian dollars moved up.

RESULTS

The AMFERI softened 2.20% after ending the 2018 year with a top performing result. The month was in line with the sector benchmarks (per Table 1) - Barclay BTOP50 CTA benchmark softened 2.06% for the month while the SocGen CTA Index was off an estimated 2.00%.

The strategy illustrates long term outperformance and at critical times per Chart 1.

OUTLOOK

We believe we are entering period that holds significant opportunity for the AMFERI strategy as evidenced by the outperformance experience in 2018.

The last few months have illustrated performance when it is needed most but just as important, the ability of this strategy to be unique to its peer group and benchmarks, outperforming without the equity markets typical of the sector. Moreover, we believe the commodity tilting of the strategy allows a significant opportunity to provide non-correlated returns along with outperformance that is accretive to most existing CTA investments.

Chart 1 HISTORICAL GROWTH SINCE 2007

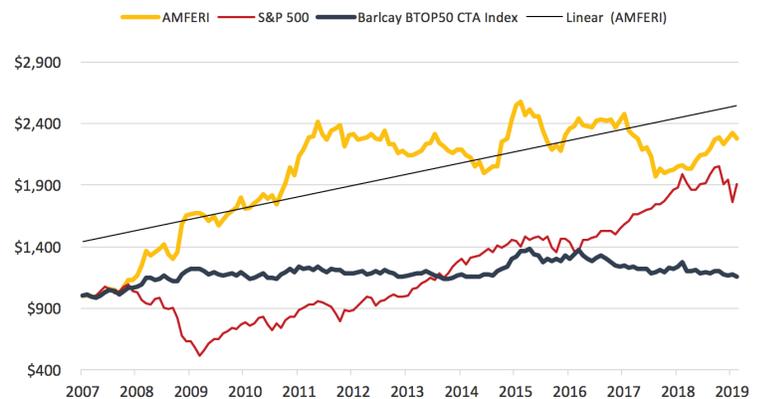


Table 1 ABSOLUTE PERFORMANCE

	AMFERI	Barclay BTOP50 CTA Index	S&P 500	TSX 60
1 Month	-2.20%	-2.06%	7.87%	8.14%
2 Month (Dec 18)	-0.06%	-1.45%	-2.03%	1.75%
1 yr (Feb 18)	10.16%	-9.36%	-4.24%	-1.61%
3 yr (Feb 16)	-4.18%	-13.97%	39.37%	23.10%
5 yr (Feb 14)	5.92%	-0.52%	51.70%	18.30%
12 yr (Feb 07)	125.78%	14.17%	88.01%	24.32%
Annualized (Jan 07)				
Return	7.04%	1.20%	5.49%	1.87%
Std Deviation	11.52%	6.52%	14.78%	12.84%
Sharpe Ratio	0.70	0.21	0.48	0.25
MAR Ratio	0.30	0.07	0.10	0.04
Worst Drawdown	-23.32%	-16.43%	-52.56%	-44.27%

ATTRIBUTIONS AND TRADES

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

While commodities rallied in January the portfolio remains tilted short commodities while adding one new component from the long side. We shifted to long Silver as precious metals outperformed the base markets such as Copper.

The bulk of the correction came from the Energy sector where despite reducing risk, we remain short the petroleum markets.

Shorts in Ags added to the negative month while the addition of Silver added to the gains in Metals partially offsetting the loss.

With the addition of Silver, the portfolio is short commodity exposures in 8 of 12 components (or 66%) and includes all 3 sectors – Energies, Metals and Ags (see Chart 3).

Within Financial markets, the only change made was adding long exposure in the Japanese Yen.

SECTOR HIGHLIGHTS

ENERGY

After sharp sell-offs throughout Q4 of 2018, the new year has started with a move back up. However, despite a strong single month and the headline WTI oil gaining more than 20%, the strategy remains short the petroleum markets.

We remain long Natural Gas at reduced exposure.

METALS

Metals was the top performing sector and this was again led by Gold. While Copper rallied in base metals against existing shorts, increasing strength in Silver had the strategy shift the exposure long to tilt the sector net long.

AGRICULTURE

While Sugar had a strong month on strength across the sector, the remaining shorts in Grains and Cotton provided a negative attribution.

Grains will be a sector to watch in the near term.

INTEREST RATES

Small sector gain as the sector remains long across the curve.

CURRENCIES

Continued strength in the Yen had the portfolio shift to long early in the month. The remaining exposures were unchanged with small losses across the sector as currencies strengthened slightly vis-à-vis long the US Dollar.

Chart 2 INDEX RETURN ATTRIBUTION

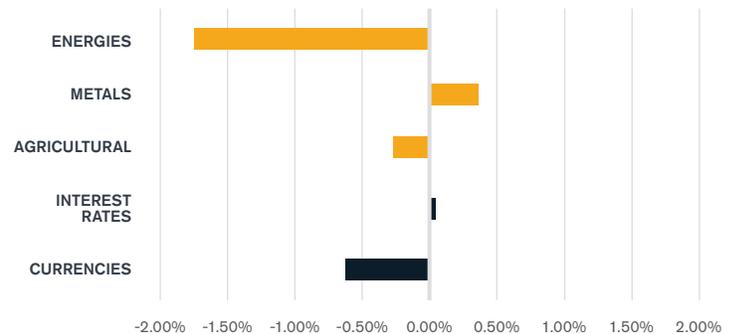
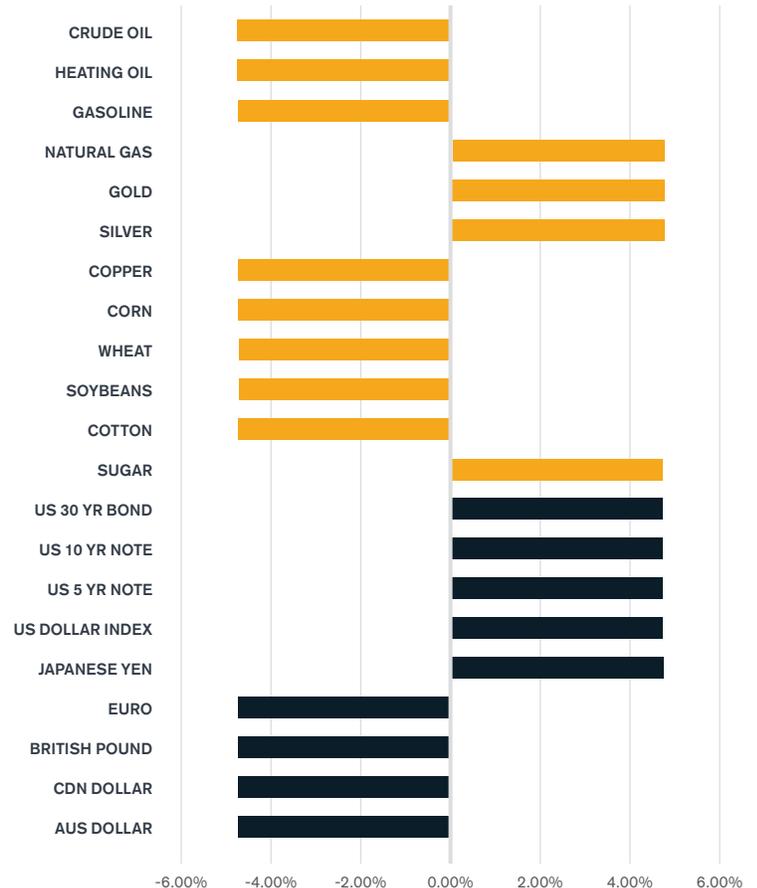


Chart 3 COMPONENT EXPOSURE: SHORT/LONG



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:

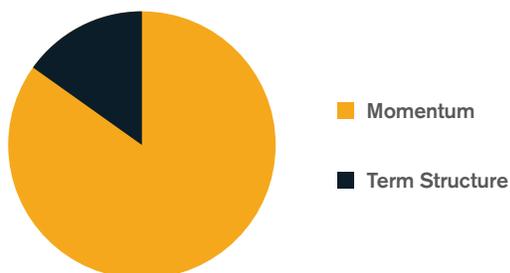
STRATEGY DESCRIPTION

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



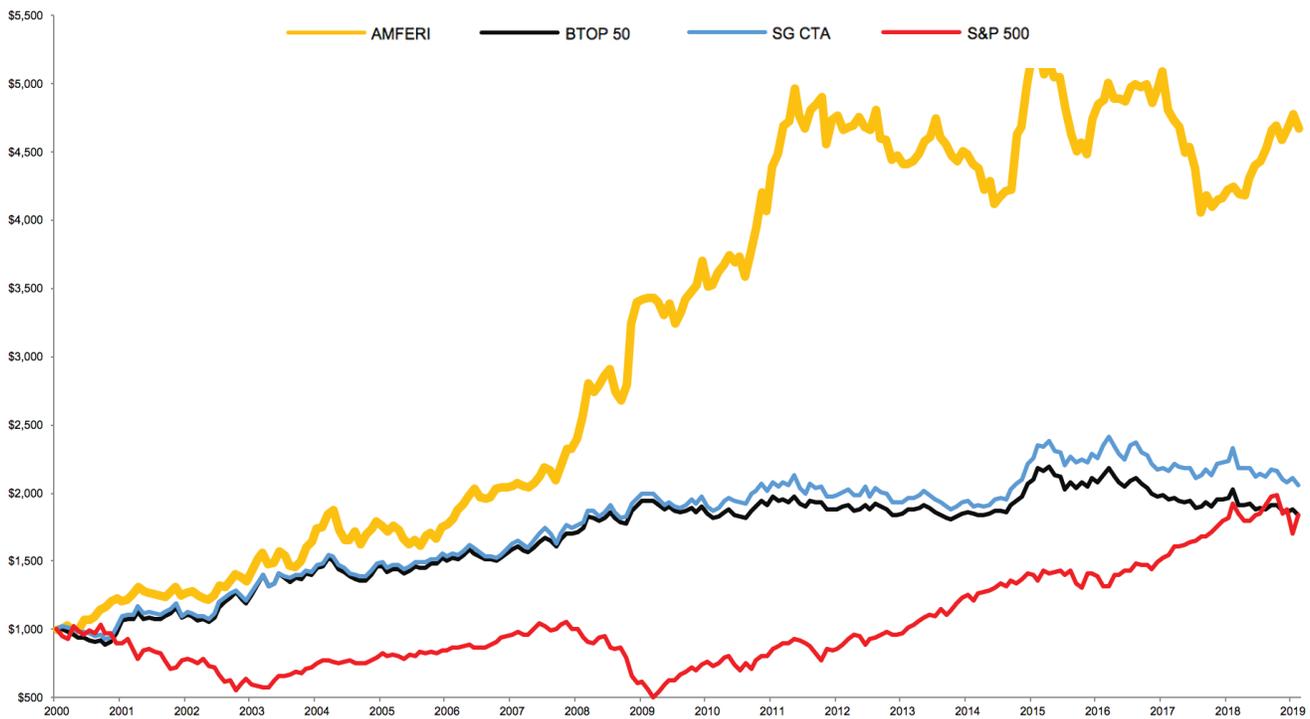
OTHER DETAILS

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
2019	-2.20%												-2.20%
2018	0.43%	-1.25%	-0.10%	2.99%	1.99%	0.74%	2.09%	3.03%	0.75%	-2.25%	1.93%	2.18%	13.12%
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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