AUSPICE

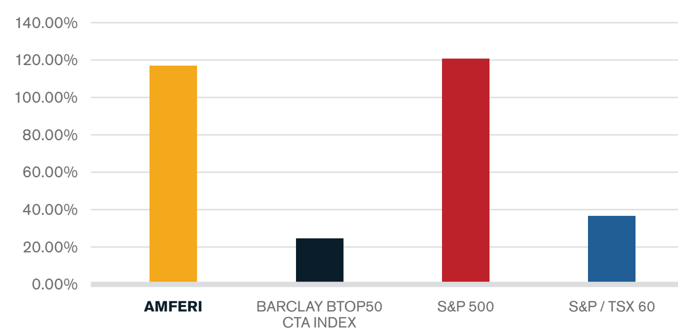
MANAGED FUTURES INDEX

COMMENTARY + STRATEGY FACTS

NOVEMBER 2019

CUMULATIVE PERFORMANCE

(SINCE JANUARY 2007*)



Correlation	0.64	-0.20	-0.16

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CTA *Intelligence*

Winner - 2016 & 2017
Best Investable CTA Index

SUMMARY

Global equities continued the march higher as markets seemed to take comfort that the US Fed has stated it will hold rates steady unless it sees marked economic deterioration. Many markets made new highs for a second month. The S&P added 3.40% while the Nasdaq jumped 4.50% and the MSCI World gained 2.63% The resource tilted Canadian TSX/S&P60 was strong adding 3.27% as the TSX Energy sub-index added 6.62%.

Commodities went in different directions as we were reminded of the diversity in the sector. Energies were strong most of the month before correcting sharply on the last day of the month. Grains were generally weaker while Wheat bucked the sector trend. Most metals markets, precious and base, were weaker. The energy weighted GSCI gained 2.58% while the more diverse Bloomberg Commodity index fell 2.68%.

Bond futures continue a volatile period, selling off before gaining most of the lost ground back into month end. The US dollar reversed its recent correction and moved higher against most global currencies while the British Pound stabilized as the ongoing Brexit drama has confused most observers.

RESULTS

The AMFERI gained 1.21% in November in line with the sector benchmarks for the month (per Table 1): Barclay BTOP50 CTA added 1.22% for the month while the SocGen CTA Index was up an estimated 1.28%.

While not a surprise the strategy continues to lag benchmarks as equity hits news highs in 2019, it has illustrated long term outperformance. This comes at critical times per Chart 1 and given long term performance 10, 12 year and since early 2007 in Table 1.

Chart 1 HISTORICAL GROWTH SINCE 2007

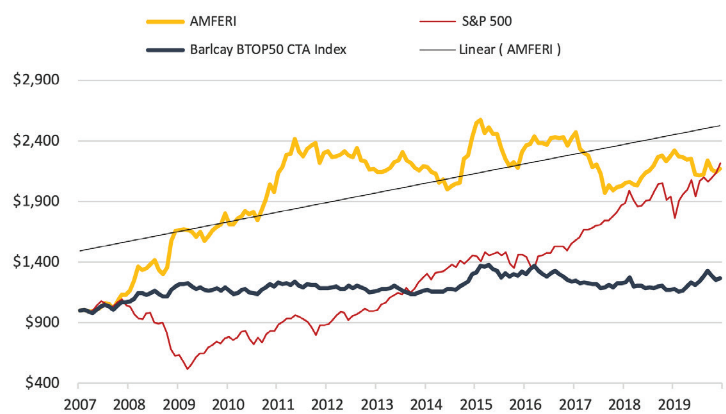

Table 1 ABSOLUTE PERFORMANCE

	AMFERI	Barclay BTOP50 CTA Index	S&P 500	TSX 60
1 Month	**1.21%**	1.22%	3.40%	3.27%
2019 YTD	**-6.72%**	7.42%	25.30%	18.54%
1 yr (Dec 18)	**-4.68%**	8.14%	13.80%	11.53%
3 yr (Dec 16)	**-10.45%**	2.06%	42.85%	14.67%
5 yr (Dec 14)	**-10.81%**	-2.73%	51.92%	18.03%
10 yr (Dec 09)	**20.42%**	6.13%	186.68%	49.74%
12 yr (Dec 07)	**91.87%**	18.60%	112.07%	27.57%
Annualized (Jan 07)				
Return	**6.18%**	1.85%	6.35%	2.48%
Std Deviation	**11.44%**	6.69%	14.64%	12.56%
Sharpe Ratio	**0.63**	0.31	0.55	0.30
MAR Ratio	**0.27**	0.12	0.12	0.06
Worst Drawdown	**-23.32%**	-16.11%	-52.56%	-44.27%

OUTLOOK

With the equity market making new all-time highs, volatility has become muted in this sector. The VIX is now back down to near all-time lows and where it was in late 2017. But is this a proxy for all markets? While November was remarkably quiet in terms of changes to trends themselves (as detailed on the next page), is the world really a beacon of stability? We are observing volatility in many commodities including Grains, Softs, Metals and Energies. While the low interest rate environment has been a driver for investors to chase returns in equities, we have also observed recent volatility in this generally stable area.

As such, while we recognize the recent return benefits, we believe global equity markets are a dangerous place to be without adequate protection. Healthy correction is normal, expected and overdue. While picking the catalyst is tricky and often only recognizable post, we believe there are many that make sense. Regardless of which one becomes the focus, we believe the structure of this strategy in avoiding equity exposure will again have the opportunity to outperform, harnessing volatility in other sectors, not dragged down by the shift in equity trends.

More about this topic in the monthly Blog on the Auspice website.

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ATTRIBUTIONS AND TRADES

The portfolio was left unchanged in November.

The portfolio remains tilted short commodities in 9 of 12 components (or 75%) and includes all 3 sectors – Energies, Metals and Ags (see Chart 3).

Performance was positive in 3 of 5 index sectors, both commodity and financial, with Ags and Energies most profitable (Chart 2).

The strongest performing portfolio components were the Grains within Ags from both long and short positions. Currencies also added value as the US Dollar gained back ground lost.

The weakest performing components came from long exposures in precious Metals along with a rising Sugar market.

SECTOR HIGHLIGHTS

ENERGY

The Energy sector had a strong positive attribution as natural gas weakened and eclipsed the small losses in the petroleum markets which remain short.

METALS

Long precious metals reversed course with Silver and Gold selling off while Copper had a small loss where the portfolio remains short.

AGRICULTURE

Wheat continues to outperform other Grains adding value while shorts in Corn and Soybeans also paid off. This was complimented by the long term short in Cotton. Sugar rallied for the month but remains in a down trend.

INTEREST RATES

In a repeat of last month, US Rate futures remain volatile selling off before adding back much of the ground lost. The sector attribution was slightly negative as the positions remain long across the term structure.

CURRENCIES

The Currency sector stabilized as the US dollar reverted to its grind higher. Gains were complimented by weak markets in the Yen and Aussie dollar. The British Pound, shifted to long last month, provided a neutral result but will be one to watch leading up to an election December 12th.

Chart 2 INDEX RETURN ATTRIBUTION

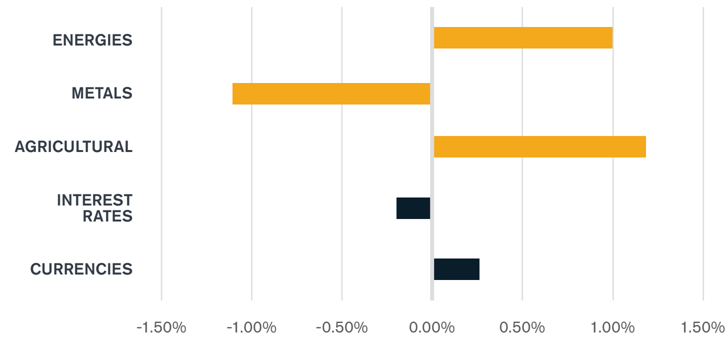
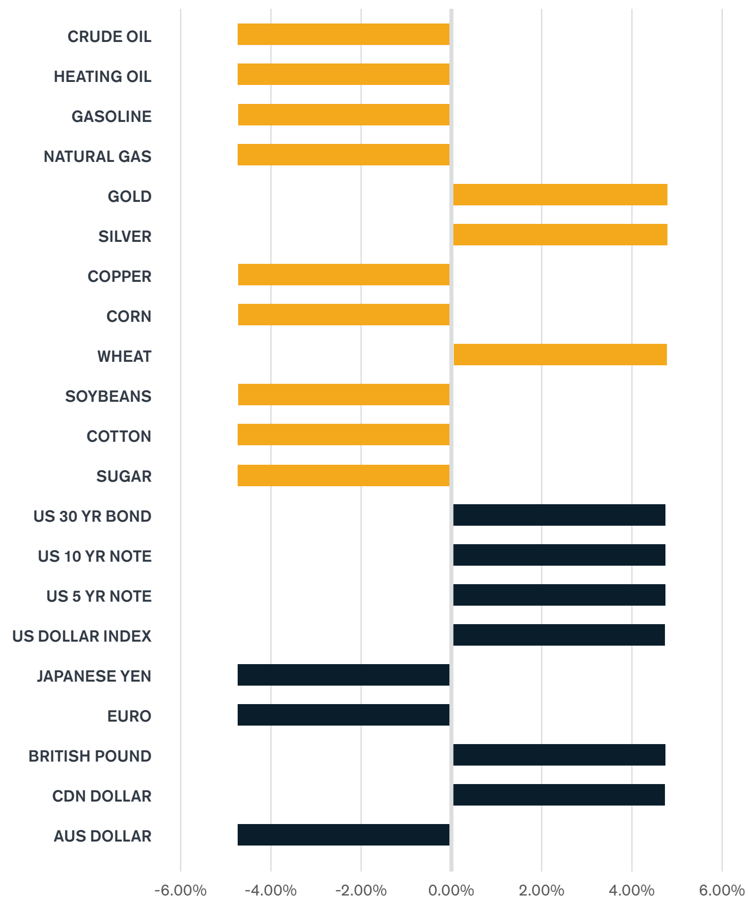


Chart 3 COMPONENT EXPOSURE: SHORT/LONG



AUSPICE **MANAGED FUTURES INDEX**

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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:

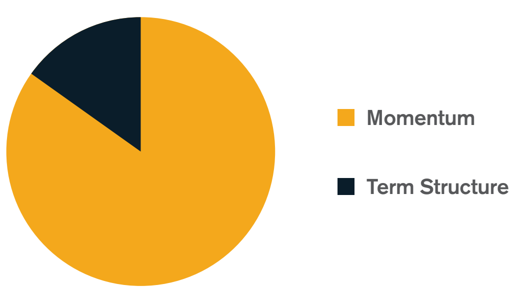
STRATEGY DESCRIPTION

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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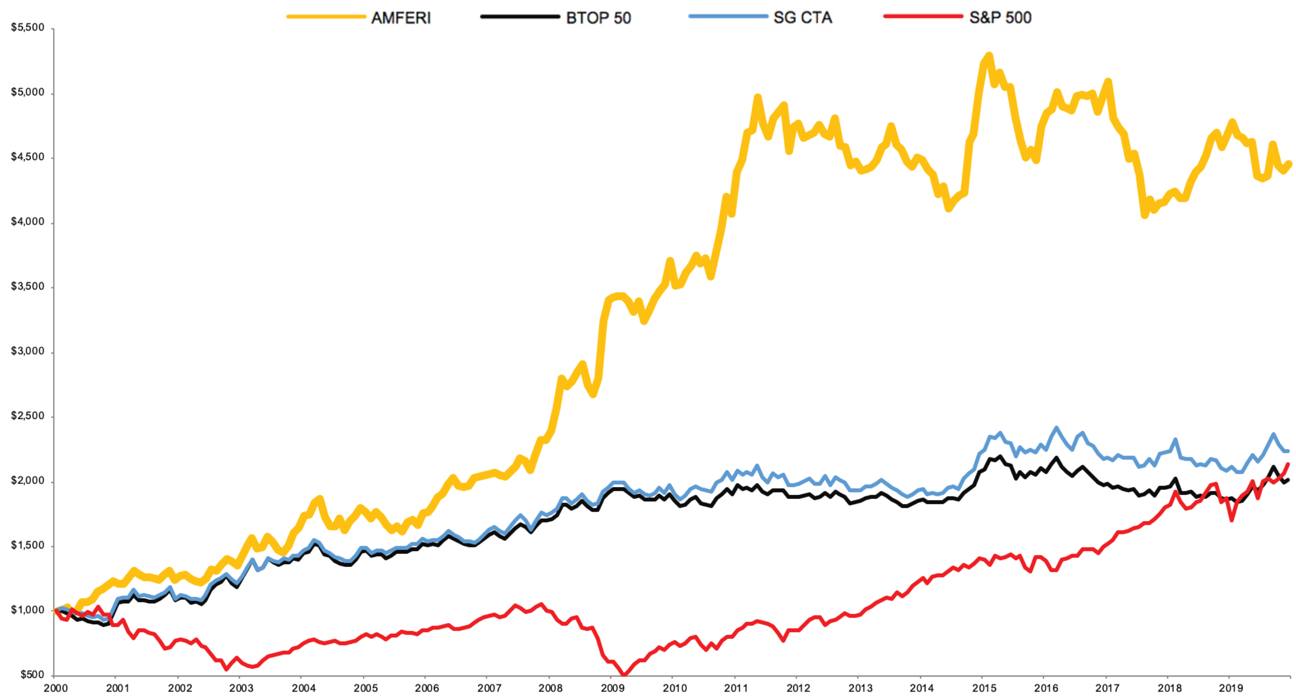
COMPARATIVE MANAGED FUTURES INDEX PERFORMANCE



MONTHLY PERFORMANCE TABLE*

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	RETURN
2019	-2.20%	-0.35%	-0.97%	0.32%	-5.76%	-0.36%	0.50%	5.44%	-3.47%	-0.90%	1.21%		**-6.72%**
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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