AUSPICE

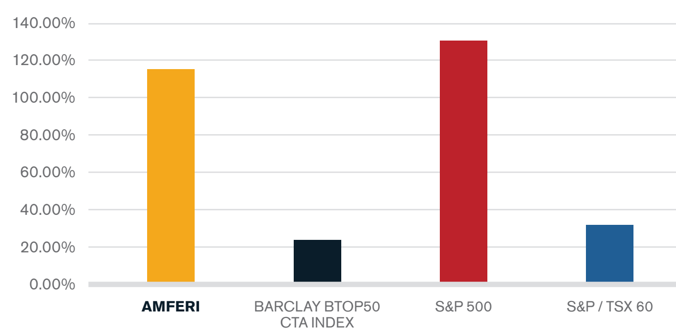
MANAGED FUTURES INDEX

COMMENTARY + STRATEGY FACTS

JULY 2020

CUMULATIVE PERFORMANCE

(SINCE JANUARY 2007*)



Correlation	0.62	-0.23	-0.20

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CTA *Intelligence*

Winner - 2016 & 2017
Best Investable CTA Index

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SUMMARY

Most global stock markets made healthy gains yet remain negative for the year. The exception remains the S&P500 and NASDAQ where the increase of COVID cases in the US is being ignored in favor of a large-tech focus. The S&P500 added 5.51% to swing positive while the NASDAQ made new all-time highs with a 6.82% gain. The Canadian TSX/S&P60 was up 3.69% yet remains down for the year.

Commodities had another good month led by both industrial and precious Metals. Given petroleum markets largely consolidated, the energy weighted GSCI added 3.78% while the more diverse Bloomberg Commodity index added a stronger 5.70%.

Bond futures moved higher as central banks reiterated interest rates will remain low and expressed concerns the recovery was potentially losing momentum. The US dollar continued to fall as most global currencies gained upward momentum.

RESULTS

The AMFERI added 2.48% for a positive 2020 result while the benchmark Barclay BTOP50 CTA gained 3.16% (per Table 1). With this gain the strategy has slightly outperformed benchmarks in 2020.

Chart 1 illustrates the significant long-term outperformance while Table 1 highlights this both recently (YTD, 1 and 3 year) as well as long-term (10, 13 year and since early 2007). The annualized result since 2007 is in-line equity benchmark gains with over 25% less relative volatility and half the drawdown, a significant outperformance on a risk-adjusted basis.

OUTLOOK

While the markets have charged higher, we believe that the road to recovery will be long and bumpy. In all likelihood, the pace of recovery will slow in H2 of 2020. Part of this comes from a resurgence of virus infections, prominently in the US, and part from the business reality of the current situation. Jobless claims have started to rise again indicating a stall to labour recovery. As such, the US Fed and other central banks have continued to grow their balance sheets now including corporate bonds and cutting bank reserve requirements. These are concerning signs as profits have narrowed for many businesses and bankruptcies are accelerating. The complexity of the issues is enormous as the global COVID pandemic is exacerbated by racial tensions, a cyber war and an election year in the US.

While we cannot predict the future, we can look at the past for a guide. It is in these highly volatile, unique and crisis-like times that Auspice has historically outperformed.

Chart 1 **HISTORICAL GROWTH SINCE 2007**

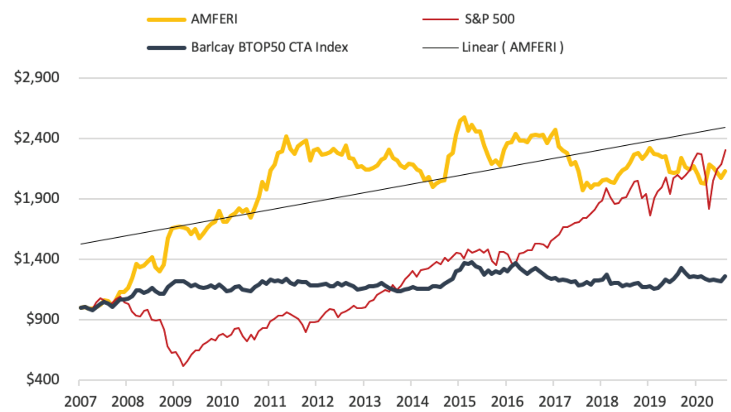


Table 1 **ABSOLUTE PERFORMANCE**

	AMFERI	Barclay BTOP50 CTA Index	S&P 500	TSX 60
1 Month	**2.48%**	3.16%	5.51%	3.69%
2020 YTD	**1.22%**	-0.04%	1.25%	-4.56%
1 yr (Aug 19)	**0.25%**	-1.52%	9.76%	-1.13%
3 yr (Aug 17)	**7.96%**	5.54%	32.42%	8.69%
5 yr (Aug 15)	**-5.54%**	-3.51%	55.48%	13.51%
10 yr (Aug 10)	**21.96%**	10.55%	196.94%	41.41%
13 yr (Aug 07)	**102.16%**	21.43%	124.78%	21.17%
Annualized (Jan 07)				
Return	**5.73%**	1.72%	6.35%	1.97%
Std Deviation	**11.46%**	6.59%	15.39%	13.36%
Sharpe Ratio	**0.59**	0.29	0.52	0.24
MAR Ratio	**0.25**	0.11	0.12	0.05
Worst Drawdown	**-23.32%**	-16.11%	-52.56%	-44.27%

ATTRIBUTIONS AND TRADES

There were a number of changes to the portfolio in both commodity and financial markets as commodity markets came off recent bottoms and gained momentum while currencies have found strength vis-à-vis the US Dollar.

Performance was positive in 2 of 5 index sectors as gains in Metals was complimented by the Rates sector. The strongest gains were made by long Silver alongside short Corn. The most challenging markets were Wheat and Sugar which rallied against long-term short exposures. See Chart 2.

The portfolio added long exposure in two markets but remains short 9 of 12 commodity components (or 75%). This now includes two sectors – Energies and Ags (see Chart 3).

SECTOR HIGHLIGHTS

ENERGY

Petroleum energies were generally more quiet than other commodities after months of massive volatility. Crude oil consolidated, while natural gas moved higher. We remain short across the sector given the long-term trend but an area to watch closely.

METALS

Metals made exceptional gains across both precious and base markets as Silver played catch-up to Gold rising 30%. We added exposure early in the month alongside Copper.

AGRICULTURE

Ags had a negative sector attribution as markets went in different directions. While Corn was weak, this was offset by Wheat which rallied. In Softs, Cotton and Sugar both moved higher but remain short at this time.

INTEREST RATES

US Rate futures moved slightly and we remain long across the curve.

CURRENCIES

Global currencies continued to strengthen vis-à-vis the US Dollar and changes were made to shift exposures. The US Dollar has been shifted to short while the Euro is now long. Gains were made by the Aussie dollar but offset by position changes for a small loss.

Chart 2 INDEX RETURN ATTRIBUTION

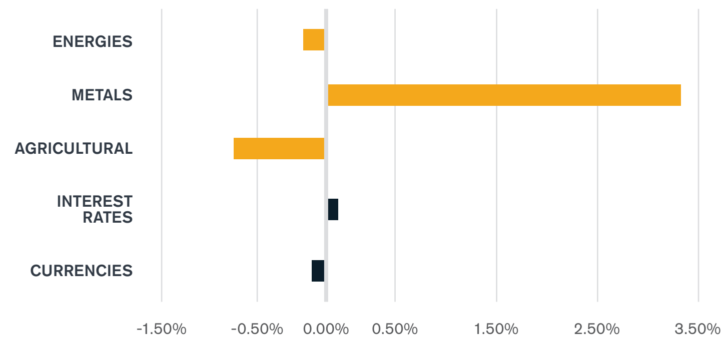
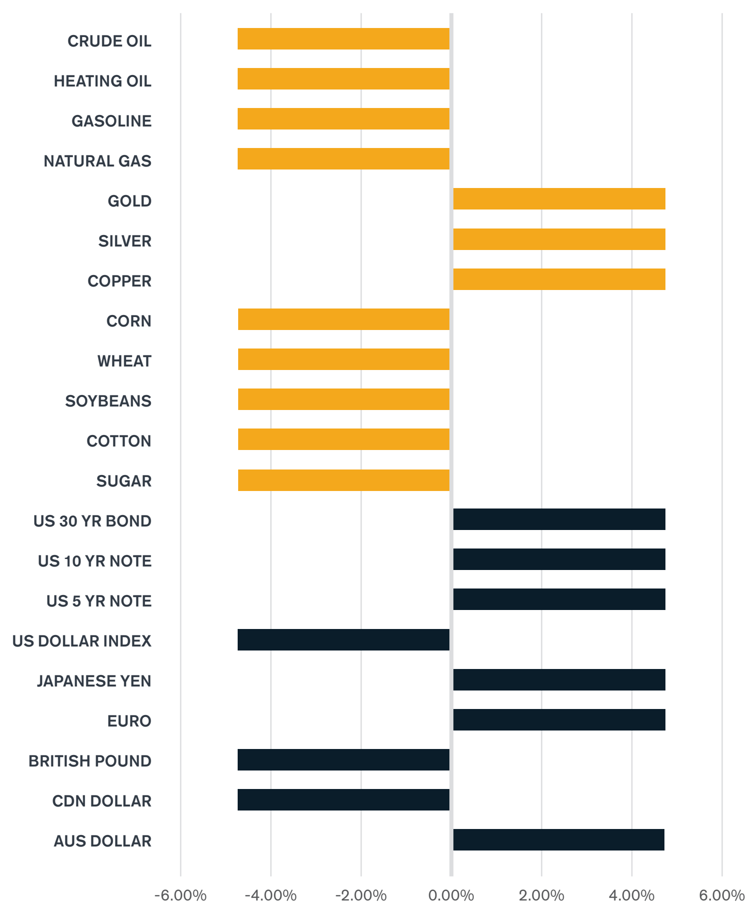


Chart 3 COMPONENT EXPOSURE: SHORT/LONG



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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:

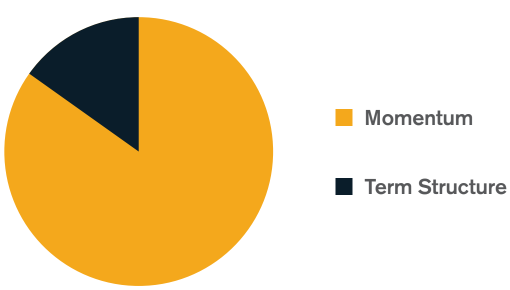
STRATEGY DESCRIPTION

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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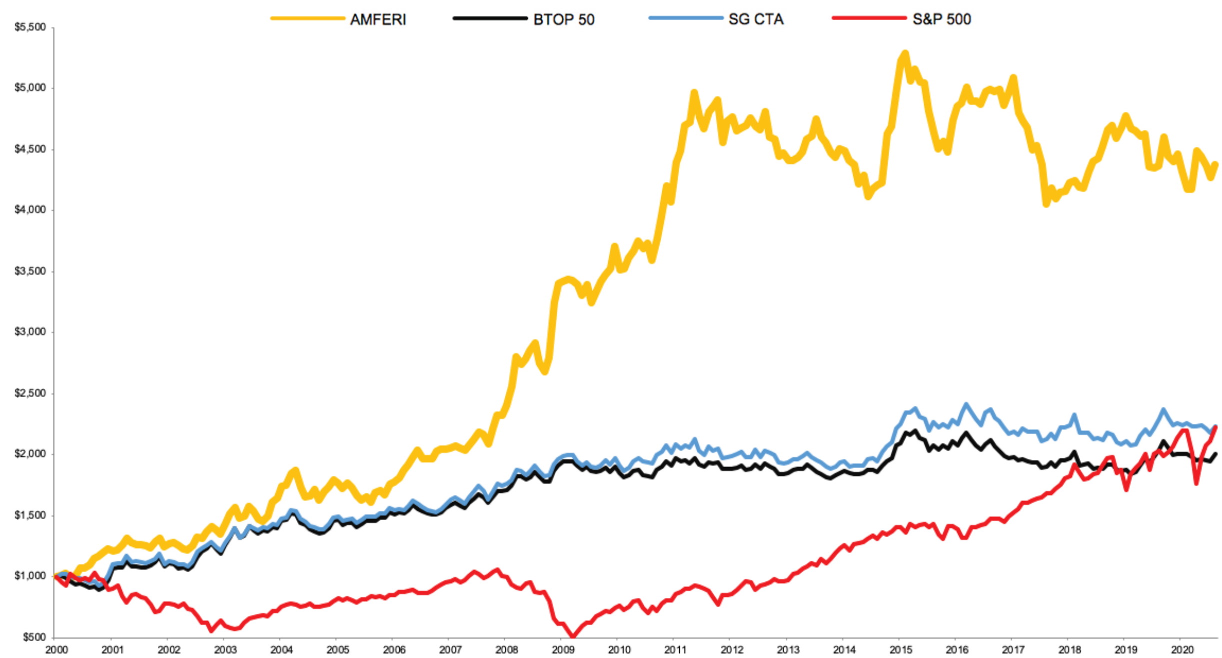
COMPARATIVE MANAGED FUTURES INDEX PERFORMANCE



MONTHLY PERFORMANCE TABLE*

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	RETURN
2020	-3.37%	-0.11%	7.44%	-0.97%	-1.66%	-2.20%	2.48%						**1.22%**
2019	-2.20%	-0.35%	-0.97%	0.32%	-5.76%	-0.36%	0.50%	5.44%	-3.47%	-0.90%	1.21%	-2.99%	**-9.50%**
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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