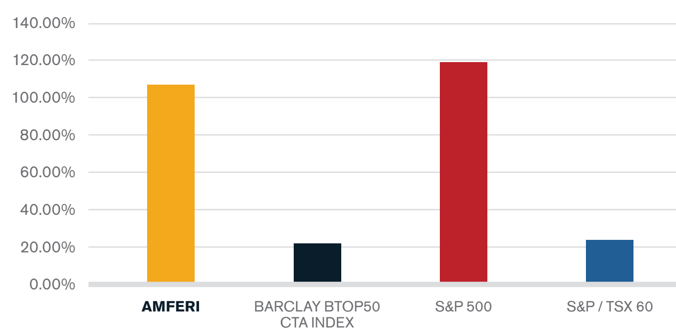
AUSPICE

MANAGED FUTURES INDEX

COMMENTARY + STRATEGY FACTS

JUNE 2020

CUMULATIVE PERFORMANCE
(SINCE JANUARY 2007*)



Correlation	0.62	-0.23	-0.21

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SUMMARY

Stock markets have ignored risks, including a surge of COVID cases in the US, and performed exceptionally: the S&P500 added 1.84% in June to only be down 4.04% for the year while the Nasdaq added 5.99% for a 12.11% year-to-date gain and an all-time high. The Canadian TSX/S&P60 also added 1.86% while the TSX Energy sub-index remains weak softening 2.39% to be off 48.03% in 2020.

Commodities were extraordinarily volatile with many markets changing by 5-10% and have continued to strengthen as global economic activity gains strength. However, the gains were not universal even within sub-sectors: for example, as oil gained near 10%, natural gas traded to a 25-year low. The energy weighted GSCI added 5.08% while the more diverse Bloomberg Commodity index added a more modest 2.27%.

Bond futures sold off early in the month but gained back as central banks including the US Fed indicated interest rates will remain low for years to come. As in May, the US dollar continued to lose ground as “commodity currencies” such as the Canadian and Aussie Dollars made gains.

RESULTS

The AMFERI corrected 2.20% while the benchmark Barclay BTOP50 CTA fell 0.44% for the month (per Table 1). With this loss in June, the strategy has performed in a similar manner as benchmarks in 2020.

However, Chart 1 illustrates the long-term outperformance while Table 1 highlights this for 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.

Chart 1 HISTORICAL GROWTH SINCE 2007

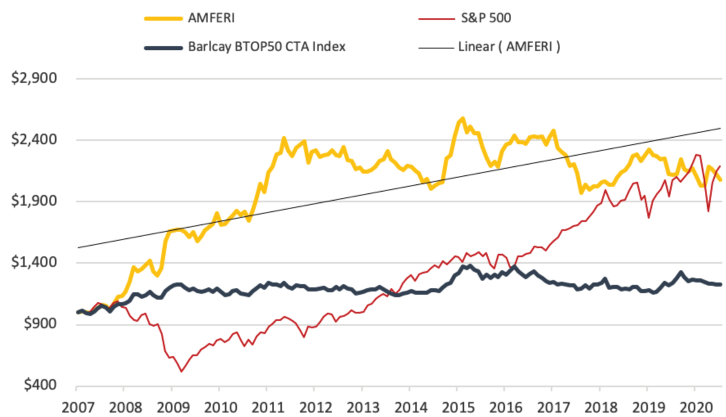

Table 1 ABSOLUTE PERFORMANCE

	AMFERI	Barclay BTOP50 CTA Index	S&P 500	TSX 60
1 Month	**-2.20%**	-0.44%	1.84%	1.86%
2020 YTD	**-1.23%**	-2.72%	-4.04%	-7.95%
1 yr (Jul 19)	**-1.68%**	-1.22%	5.39%	-4.63%
3 yr (Jul 17)	**-2.40%**	3.36%	27.93%	4.66%
5 yr (Jul 15)	**-11.31%**	-3.76%	50.27%	10.19%
10 yr (Jul 10)	**14.56%**	6.85%	200.79%	41.11%
13 yr (Jul 07)	**95.65%**	16.77%	106.23%	16.82%
Annualized (Jan 07)				
Return	**5.57%**	1.51%	5.97%	1.71%
Std Deviation	**11.48%**	6.56%	15.37%	13.37%
Sharpe Ratio	**0.58**	0.26	0.49	0.22
MAR Ratio	**0.24**	0.10	0.11	0.04
Worst Drawdown	**-23.32%**	-16.11%	-52.56%	-44.27%

OUTLOOK

The economic implication linked to COVID-19 is unprecedented, with the US expecting a 6.5% contraction in 2020. The UK highlighted the economy shrunk 20% in April alone. However, with the re-opening of economies, subsequent retail sales have exceeded expectations and markets have rebounded.

Yet, the risk is significant. As trade and political tensions continue to rise between the US and China, corporate earnings have been faltering, bankruptcies rising, and a so-called “second wave” appears to be a reality in many major economies specifically the US. While the aggressive central bank stimulus has no doubt helped support the economy and markets, it is concerning what follows should and when this support stops. Markets appear to be focusing on the immediate news and not looking ahead.

The risk may be that the negative economic effects that have been realized are not only long-lasting but larger in effect. This may not occur until later in 2020 as corporations report results.

While equity has bounced back and this strategy does not participate in equity markets, we highlight the performance that has been achieved during market corrections - in Q1 2020 the strategy gained 3.7% while the S&P500 lost 20%. We have controlled the strategy downside in Q2 and are prepared to provide the same value as risks have potential to become realties.

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ATTRIBUTIONS AND TRADES

There was a single portfolio change from a directional perspective as we shifted to long the Aussie Dollar. Other financial markets remain unchanged.

The portfolio remains short 11 of 12 commodity components (or 92%) and includes all 3 sectors - Energies, Metals and Ags (see Chart 3). Strength in Metals has notably moved strategies close to position changes into month-end.

Performance was positive in 1 of 5 index sectors as markets moved against established long-term trends in both commodity and financial markets. While modest gains were made in interest rates futures, strength in Ags including Grains and Soft Commodities, Metals and petroleum energies led to losses for the strategy. While negative performance came from existing shorts across the commodity sector, it was led by sharp rallies in Copper and Sugar.

The strategy had gains in the decades low weak natural gas market and a weak Wheat market, but it did not offset the loss. See Chart 2.

SECTOR HIGHLIGHTS

ENERGY

Petroleum energies and natural gas went in different directions with WTI up nearly 10% and natural gas off the same. Gasoline also rallied while Heating oil was more muted in its gains. We remain short across the sector given the long-term trend.

METALS

Metals made gains across both precious and base markets. While Silver continues to lag Gold performance, Copper made strong gains in June adding 12%. This sector is currently tilted short except for Gold but will be one to watch closely.

AGRICULTURE

Ags had a negative sector attribution as weakness in Wheat did not offset the rally against shorts in Corn, Soybeans, Cotton and Sugar. Sugar gained 8% yet we remain short across the sector at this time.

INTEREST RATES

US Rate futures were largely unchanged by month-end after early weakness and we remain long across the curve.

CURRENCIES

Global currencies generally strengthened vis-à-vis the US Dollar. Gains were led by the Canadian and Aussie dollars but complimented by the Euro and British Pound. The exception remains the Japanese Yen where we are positioned long alongside the US Dollar providing a neutral result in June.

Chart 2 INDEX RETURN ATTRIBUTION

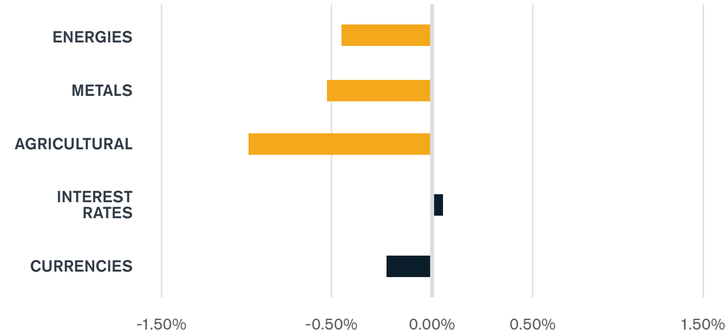
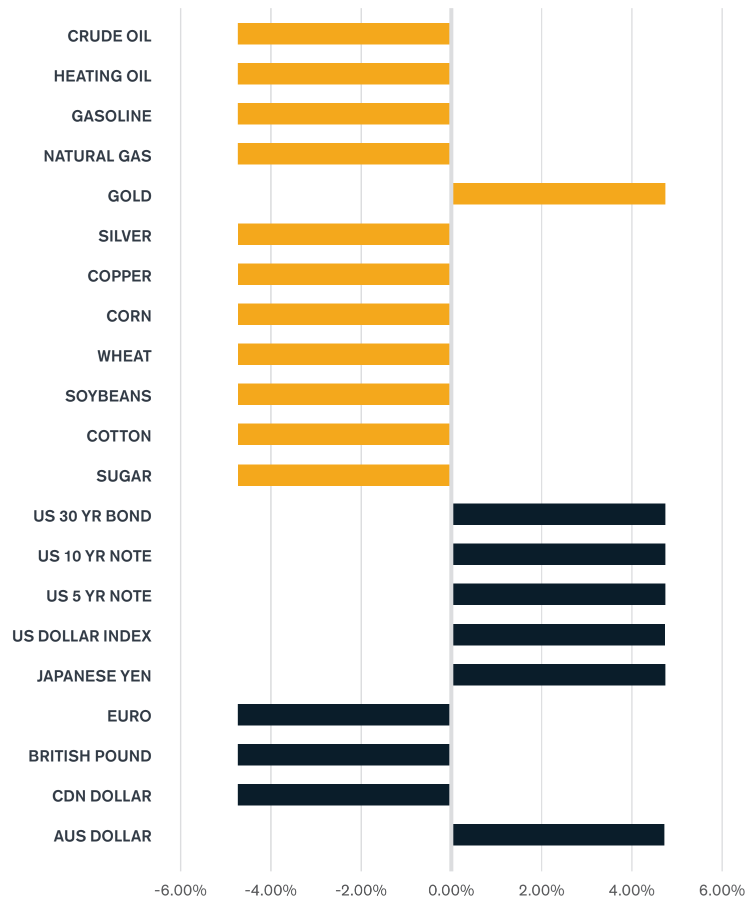


Chart 3 COMPONENT EXPOSURE: SHORT/LONG



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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:

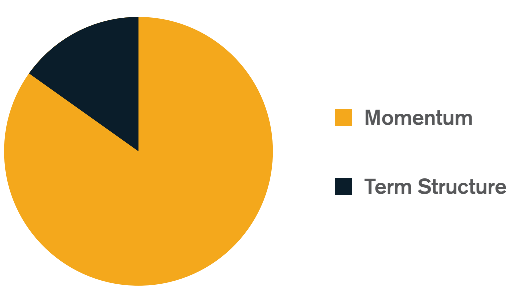
STRATEGY DESCRIPTION

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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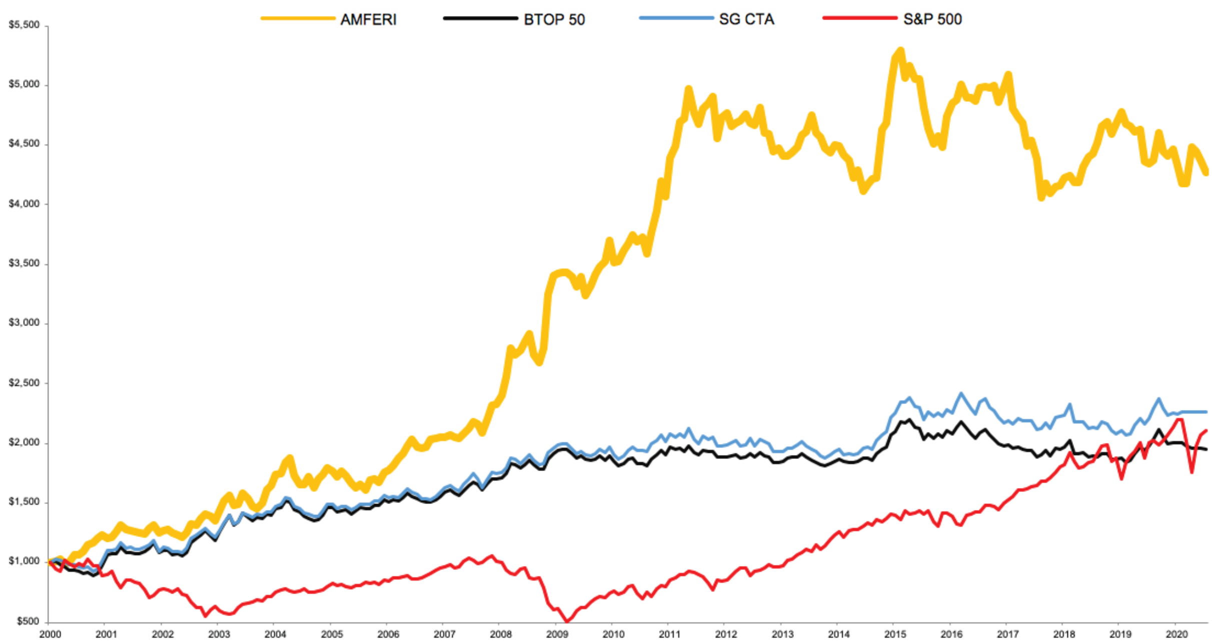
COMPARATIVE MANAGED FUTURES INDEX PERFORMANCE



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%							-1.23%
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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