



DIVERSIFIED PROGRAM

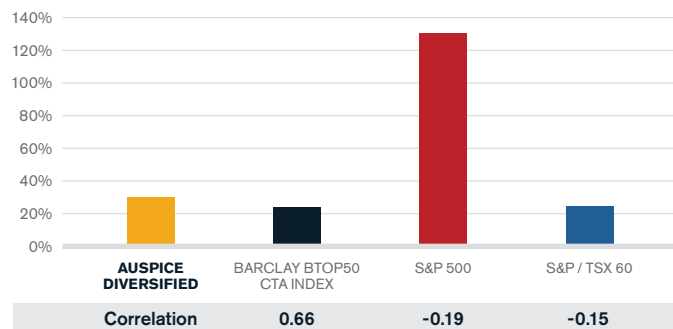
COMMENTARY +
PORTFOLIO FACTS

OCTOBER 2020



CUMULATIVE PERFORMANCE

(SINCE JANUARY 2007*)



*Cumulative performance from January 2007. This represents the first full year of the fund and is most representative of the current strategy and portfolio.

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Winner - 2014
Altegris CTA Challenge



Silver Medal
Best Opportunistic Hedge Fund - 2010

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SUMMARY

The Auspice Diversified Program had a solid performance, adding 0.99% in October to remain up 8.09% for the year. Sector benchmarks were neutral to slightly lower and remain negative for the year. The Barclay BTOP50 CTA lost 0.40% to be -1.95% in 2020 (per Table 1) and the SocGen CTA index was flat to be down (an estimated) 3.36% YTD for reference. The spread to these benchmarks is now 10% and 11.5% for the year.

Global stock markets pulled back for a second straight month with weakness led by European benchmarks as a second-wave of COVID-19 cases escalated, shutdowns and curfews became a reality. Weakness followed in the US and the S&P500 lost 2.77%, the NASDAQ lost 2.29% while DJ Eurostoxx 50 was off 7.37% alongside the Canadian TSX/S&P60 losing nearly 4.00%.

Commodity benchmarks were mixed with the energy weighted GSCI falling 3.58% in October, down for a second month while the more diverse Bloomberg Commodity Index (BCOM) made back some ground lost in September. However, the tactical Auspice Broad Commodity Index strategy was positive again finding strength in Ags, both Grains and Soft Commodities, and remains a sector outperformer.

Bond futures were slightly lower. Monetary policy of central banks confirms comfort with low rates for the foreseeable future yet higher inflationary targets. The US dollar initially weakened but bounced back while global currencies rallied before pulling back for a similar neutral monthly result.

OUTLOOK

On the eve of the US election and significant global reaction to a "second wave" of COVID-19, the markets seem nervous. While the economic threat due to the pandemic is fairly easy to understand, the reaction to the election is far more opaque.

The commodity markets have continued to provide opportunities especially to tactical approaches while the financial markets have become muddled at best (Currencies and Rates), and volatile and corrective at worst (Equities). As such, the commodity tilt we employ has seen a greater opportunity set and thus a better performance than benchmarks.

We believe this tilt is the right way to add returns that are non-correlated, especially at the right times, when they are needed most. This remains a differentiator that we are committed to delivering in a disciplined and conservative way.

Chart 1 HISTORICAL GROWTH OF \$1000 INVESTMENT

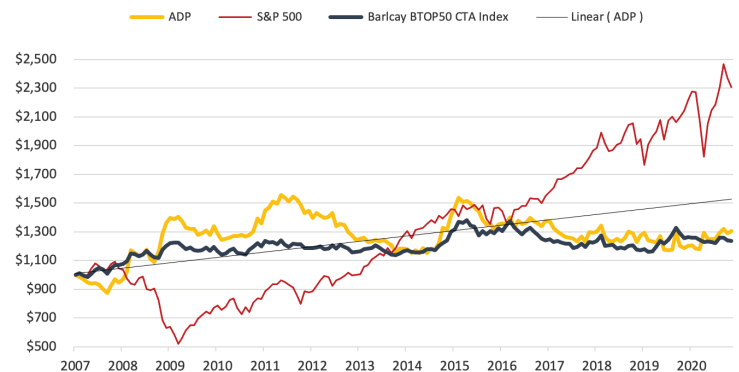
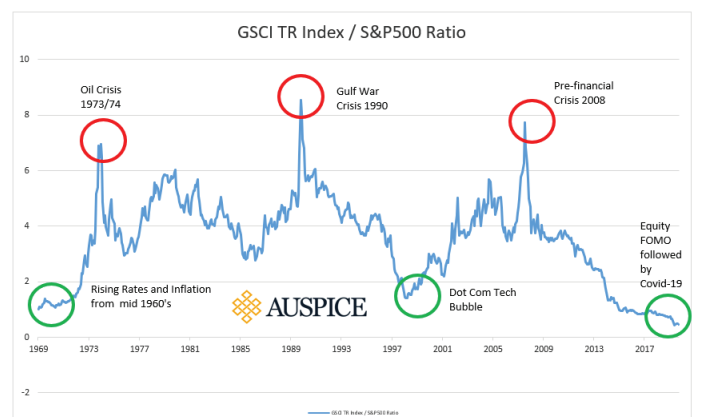


Table 1 ABSOLUTE PERFORMANCE

	Auspice Diversified	Barclay BTOP50 CTA Index	S&P 500	TSX 60
1 Month	0.99%	-0.40%	-2.77%	-3.97%
2020 YTD	8.09%	-1.95%	1.21%	-8.48%
1 yr (Nov 19)	9.98%	-1.46%	7.65%	-5.82%
3 yr (Nov 17)	0.64%	0.53%	26.98%	-1.93%
5 yr (Nov 15)	-0.89%	-4.11%	57.26%	16.92%
10 yr (Nov 10)	-6.34%	1.29%	176.35%	27.58%
13 yr (Nov 07)	34.81%	15.54%	111.05%	9.43%
Annualized (Jan 07)				
Return	1.95%	1.55%	6.23%	1.63%
Std Deviation	11.63%	6.54%	15.42%	13.32%
Sharpe Ratio	0.25	0.27	0.51	0.22
MAR Ratio	0.08	0.10	0.12	0.04
Worst Drawdown	-26.04%	-16.11%	-52.56%	-44.27%

GSCI/S&P500 RATIO: EQUITIES EXPENSIVE, COMMODITIES CHEAP?



Source: Dr. Torsten Dennen, Incrementum AG

ATTRIBUTIONS AND TRADES

Chart 2 illustrates the Profit and Loss Attribution clearly as gains in Grains were complimented by Soft Commodities for a strong Ag showing for the portfolio. Virtually all Grains contributed to performance while Canola was exited for a loss on the month but crystalized a good trade. Softs were more concentrated as unique markets of Cotton and Sugar have continued to pay off.

Energies were the bulk of the offset as trend-following and short-term strategies struggled, usually more complimentary as we saw in September. Natural Gas provided a significant gain to help mute the sector challenge highlighting the intra-sector diversification.

Metals gave back a small amount on the back of a quick trade in Palladium that was exited on a money-management stop.

While Currencies and Rates offset for a small gain with little notable activity, the modest long exposure that remained in Equities added up to a small loss. We added a short exposure to the weakest of markets in the Dow Jones Eurostoxx 50 further reducing the net exposure.

Return Drivers: Trend-following strategies made gains while the non-correlated short-term strategies pulled back after an exceptionally strong September (see Chart 3).

POSITION HIGHLIGHTS

GAINS

- Soybean Meal and Soybeans led Grain gains.
- Cotton rallied over 4%.
- Natural Gas rallied over 10%

LOSSES

- Gasoline was hardest hit of Energy components.
- Canola was exited in a volatile correction but kept bulk of trade gains.
- Palladium was entered and exited on a quick reversal.

Chart 2 SECTOR PNL MONTHLY ATTRIBUTION

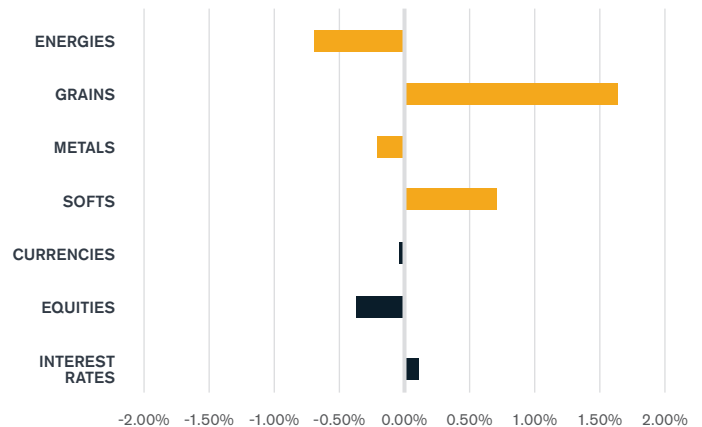
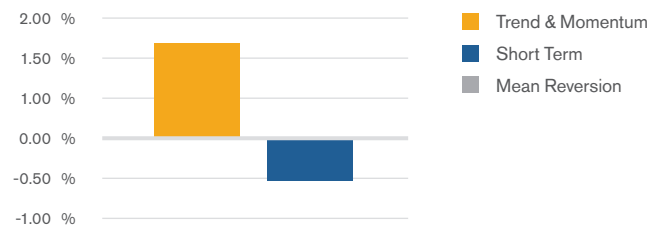


Chart 3 STRATEGY (RETURN DRIVER) ATTRIBUTION



* Strategy Attribution excludes all fees.

EXPOSURE AND RISK ALLOCATION

Commodity to Financial exposure has dropped slightly from a weight of 84:16 from 87:13 last month per Chart 4. This continues to represent a higher commodity tilt than typical.

Within the individual sectors in chart 5, there were modest changes in risks. Risk reductions were made in Energies, Grains and Metals while Soft Commodities rose. In financials, Currencies and Equity Indices were reduced while Rates increased.

Portfolio exposure, as measured by the Margin to Equity ratio, has stabilized at 5.8%, slightly lower than the historical average level of 6.8% (see Chart 6 next page).

Chart 4 COMMODITIES VS. FINANCIAL EXPOSURE

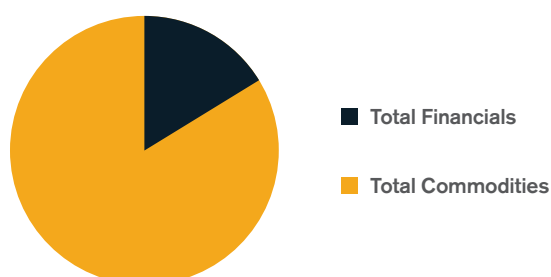
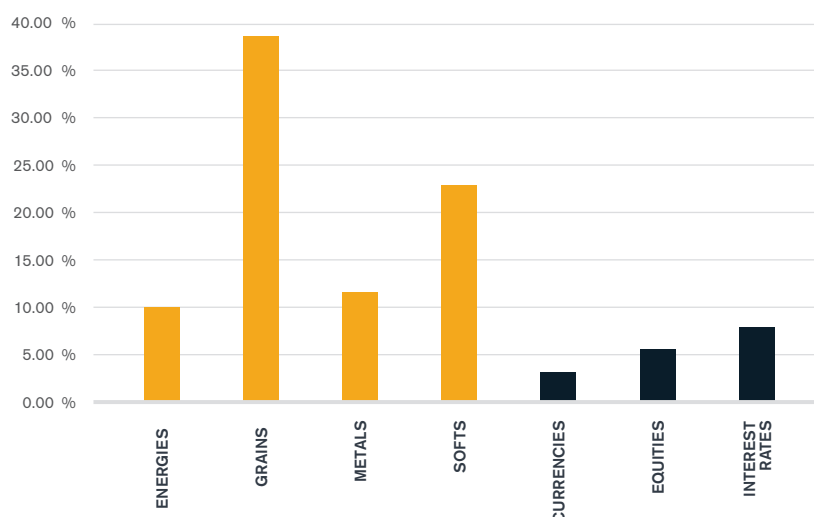


Chart 5 CURRENT SECTOR RISK



CURRENT RISK BY SECTOR

ENERGIES 10.22%

Largest Holdings	Position	% of Risk
WTI Crude Oil	Short	4.00%
GasOil	Short	2.67%
Natural Gas	Long	2.15%

GRAINS 39.01%

Largest Holdings	Position	% of Risk
Soybeans	Long	12.81%
Corn	Long	11.20%
Wheat	Long	9.44%

METALS 11.50%

Largest Holdings	Position	% of Risk
Copper	Long	8.13%
Silver	Long	1.56%
Gold	Long	1.53%

SOFTS 22.99%

Largest Holdings	Position	% of Risk
Sugar	Long	12.80%
Cotton	Long	10.19%

CURRENCIES 2.91%

Largest Holdings	Position	% of Risk
US Dollar Index	Short	0.75%
British Pound	Long	0.65%
Euro	Long	0.55%

EQUITIES 5.51%

Largest Holdings	Position	% of Risk
Nikkei (Japan)	Long	2.26%
DJ Eurostoxx50	Short	1.78%
NASDAQ Index	Long	1.47%

INTEREST RATES 7.86%

Largest Holdings	Position	% of Risk
German Euro Schatz	Long	5.75%
Treasury Bond/30yr (USA)	Short	2.07%
Treasury Note/5yr (USA)	Long	0.25%

* Risk is expressed as the maximum expected loss in a position or sector divided by the total portfolio risk across all positions.

STRATEGY DESCRIPTION

Auspice Diversified is our flagship strategy. It is a rules-based multi-strategy investment program designed to deliver superior, non-correlated returns at critical times. It represents the culmination of the ongoing research and experience of the Auspice Portfolio Management and Research teams.

The strategy draws from all of Auspice's current research (the Auspice Building Blocks). The strategy is rooted in trend following but is our most active and evolving multi-strategy quantitative approach pulling together other complementary strategies and wrapping them in a rigorous risk and capital allocation model. The strategy is designed to be agile and resilient as we believe these traits are necessary in order to generate performance long term.

With a long term correlation of -0.19 to the S&P (see front page), and a modest 0.47 correlation to the SG CTA Index (1 year basis - daily returns), this demonstrates the combined performance and non-correlation to equity and other CTAs is accretive and valuable.

THE MAIN POINTS OF DIFFERENTIATION INCLUDE:

- Higher allocation to commodities relative to our peers,
- Negative correlation to equity, no correlation to commodity,
- Low risk (margin to equity average <7.0%) makes it scalable, low round turns per million.
- Portfolio Management team with experience trading in volatile environments.
- Positive skew: Auspice Diversified has outperformed at critical times of crisis, recovery, and volatility expansion.

FUND FACTS

Chart 6 PORTFOLIO EXPOSURE (MARGIN TO EQUITY)

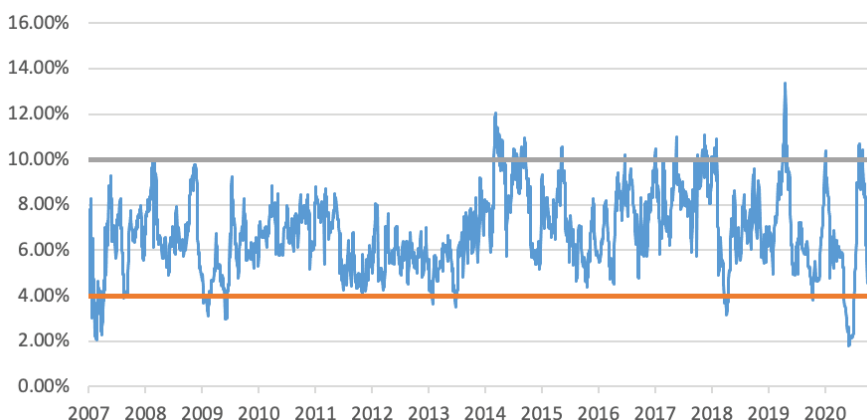


Table 3 NAVS AND RETURNS

Auspice Diversified Trust			
NAV		MTD	YTD
Class A	8.8722	0.90%	7.14%
Class F	9.5903	0.99%	8.09%
Class S	8.6635	0.90%	7.15%
Class I	11.7475	1.08%	9.03%
Class X*	10.9769	0.99%	8.09%

Program Statistics (from Jan 2007)		Trade Statistics	
Annualized Return	1.95%	Avg Monthly Gain	2.86%
Annualized Std Dev	11.63%	Avg Monthly Loss	-2.12%
Largest Drawdown	-26.04%	Daily Std Dev	0.68%
Sharpe Ratio ¹	0.25	Daily VAR (sim w/99% conf)	-1.43%
MAR Index ²	0.08	Round Turns per \$million	800
Sortino	0.43	Margin to Equity ratio	6.77
Upside/Downside Deviation	0.14 / 0.05	Average Hold Period (Days)	66
Correlation to S&P 500	-0.19	% Profitable	40%
Correlation to TSX60	-0.15	\$Win / \$Loss	1.5
Correlation to BCOM ER	0.01	Skew	1.01

Program Details	
Structure	Unit Trust / LP / Mngd Account / Offshore
Mgmt Fee	Series X 1%
Incentive Fee	15% w/High-Water Mark
Liquidity	Monthly (no lockup)
Firm Assets	\$230MM
Min. Investment	Accredited Investor / QEP
Unit Pricing	\$CAD or \$USD

1. Assumes Risk free rate of 0%.

2. MAR is the annualized return divided by the largest drawdown.

FUND FACTS (CONT)

▶ MONTHLY PERFORMANCE TABLE*

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2020	-2.06%	-0.19%	9.72%	-3.16%	-0.47%	0.28%	3.36%	2.08%	-2.15%	0.99%			8.09%
2019	-4.14%	-0.47%	-0.65%	3.50%	-7.43%	-0.37%	0.52%	10.60%	-7.59%	-1.33%	1.42%	0.25%	-6.75%
2018	3.12%	-5.81%	-2.27%	-0.19%	1.41%	-1.48%	1.89%	3.57%	-0.84%	-4.75%	3.66%	1.64%	-0.61%
2017	-3.66%	-1.89%	-1.35%	-1.39%	-0.53%	-0.51%	-1.61%	2.76%	-2.53%	5.16%	-0.27%	0.67%	-5.31%
2016	-0.22%	3.12%	-4.93%	3.59%	-1.64%	0.56%	2.44%	-1.55%	-1.06%	-1.34%	2.68%	-0.13%	1.15%
2015	4.66%	-1.93%	0.47%	-0.98%	-2.03%	-1.84%	-4.36%	-2.14%	0.26%	-2.74%	2.56%	0.66%	-7.47%
2014	-2.02%	1.62%	-1.84%	3.25%	-3.11%	2.65%	-0.43%	3.92%	8.56%	-0.78%	7.05%	4.19%	24.76%
2013	0.40%	-2.23%	0.26%	0.99%	-0.90%	0.66%	-1.54%	-1.33%	-4.07%	2.01%	0.04%	-0.36%	-6.01%
2012	2.41%	-1.11%	-1.19%	0.60%	1.72%	-6.29%	1.17%	-0.70%	-3.64%	-1.80%	2.38%	-0.81%	-10.24%
2011	1.39%	2.97%	-1.16%	4.09%	-1.31%	-1.62%	2.16%	-1.09%	-2.60%	-3.82%	1.07%	-3.44%	-3.66%
2010	-3.26%	0.45%	0.61%	0.95%	0.01%	0.62%	-1.02%	1.07%	1.82%	6.98%	-2.51%	6.68%	12.53%
2009	-0.61%	1.08%	-2.27%	-3.32%	-0.58%	0.15%	-3.23%	0.75%	1.44%	-2.31%	4.84%	-3.83%	-7.93%
2008	5.60%	14.59%	-1.72%	-1.58%	0.71%	2.86%	-5.61%	-1.99%	6.86%	10.80%	5.77%	2.73%	44.30%
2007	-1.43%	-1.76%	-2.42%	-0.79%	0.71%	-1.32%	-3.16%	-3.07%	5.87%	4.53%	-2.13%	2.29%	-3.11%

* Returns represent the performance for Auspice Diversified Trust, Class X (1.0% management and 15% performance fee with hurdle rate). Prior to December 2019, the returns were from Auspice Managed Futures LP, Series 1 (2% management and 20% performance fee) and based in Canadian Dollars (CAD). See Important Disclaimer and Notes for addition details.

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COMPARABLE INDICES

*Returns for **Auspice Diversified Program ("ADP")** represent the performance for Auspice Diversified Trust, Class X (1.0% management and 15% performance fee with hurdle rate). Prior to December 2019, the returns were from Auspice Managed Futures LP, Series 1 (2% management and 20% performance fee) and based in Canadian Dollars (CAD).

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 **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 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.

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.

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.

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.

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 such as the Barclay CTA Index and the Auspice Diversified Program. Adding non-correlated assets within a portfolio has the potential to reduce portfolio volatility and drawdowns.

QUALIFIED INVESTORS

For U.S. investors, any reference to the Auspice Diversified Strategy or Program, "ADP", is only available to Qualified Eligible Persons "QEP's" as defined by CFTC Regulation 4.7.

For Canadian investors, any reference to the Auspice Diversified Strategy or Program, "ADP", is only available to "Accredited Investors" as defined by CSA NI 45-106.

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