



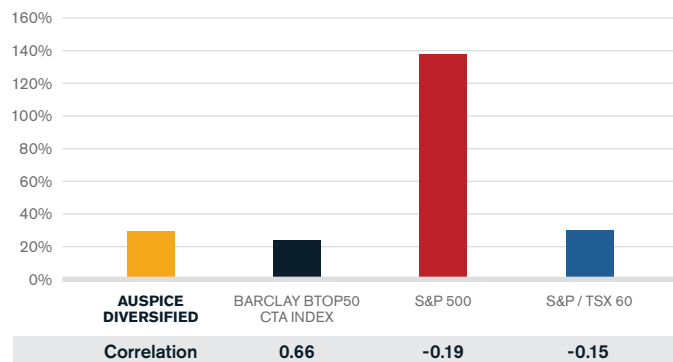
DIVERSIFIED PROGRAM

COMMENTARY +
PORTFOLIO FACTS

SEPTEMBER 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 gave back a little of the yearly gain softening 2.15% in September to remain up 7.03% for the year. Sector benchmarks were off a similar amount and remain negative for the year. Barclay BTOP50 CTA lost 1.43% to be -1.39% in 2020 (per Table 1) and the SocGen CTA index fell (an estimated) 1.89% to be down 3.30% for reference. The spread to these benchmarks is now 8.5% to 10% for the year.

Global stock markets corrected led by the buoyant US benchmarks for the first time since the initial COVID sell-off in Q1. This caused a general "risk-off" and corrective effect across many asset classes. The S&P500 lost 3.92% while the NASDAQ lost 5.16% yet both remain positive for the year, +4.09% and 24.46% respectively. The Canadian TSX/S&P60 softened 2.35% and remains negative in 2020.

Although commodity benchmarks fell, there were pockets of exceptional strength in commodities. While energies and metals sold off, Ags led by Grains marched higher. As such while the Bloomberg Commodity index lost 3.36% and the energy weighted GSCI fell 3.65%, the tactical Auspice Broad Commodity Index outperformed and added 0.65%.

Bond futures were slightly higher in line with central banks stating "lower for longer" on rates. The US dollar gained back some ground while global currencies pulled back against recent trends.

OUTLOOK

This fall somehow feels a lot different than recent memory. It has not been as simple as kids back in school and back to work or business. The implications of COVID are vast and arguably confusing to delineate. The equity market buoyancy and low interest rates are unprecedented. Oh yeah, and there is an important election just over a month away.

What we do know is volatility abounds in both financial and commodity markets. Some can argue that while commodities are historically at low levels, equities are the opposite.

As such, we are comfortable that our portfolio remains tilted to commodity opportunities and currently does not have much equity exposure. Regardless, the agility and disciplined risk management approach will protect capital, first and foremost regardless of the path ahead - and there will be a path ahead.

Chart 1 HISTORICAL GROWTH OF \$1000 INVESTMENT

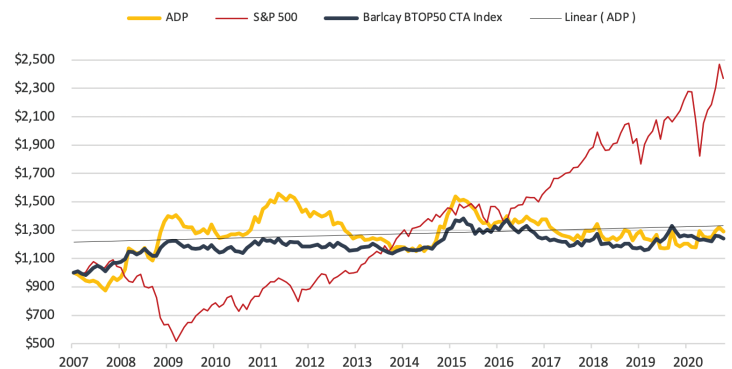
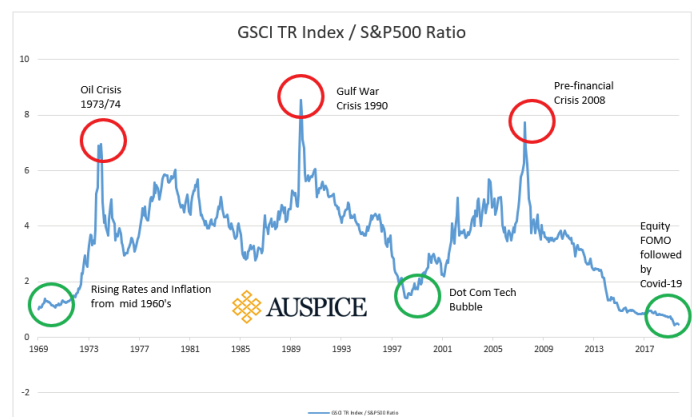


Table 1 ABSOLUTE PERFORMANCE

	Auspice Diversified	Barclay BTOP50 CTA Index	S&P 500	TSX 60
1 Month	-2.15%	-1.43%	-3.92%	-2.35%
2020 YTD	7.03%	-1.39%	4.09%	-4.70%
1 yr (Oct 19)	7.40%	-3.67%	12.98%	-3.07%
3 yr (Oct 17)	4.75%	4.03%	33.49%	4.93%
5 yr (Oct 15)	-4.61%	-4.84%	75.15%	23.30%
10 yr (Oct 10)	-0.82%	3.78%	194.69%	35.27%
13 yr (Oct 07)	39.47%	18.81%	120.27%	18.34%
Annualized (Jan 07)				
Return	1.90%	1.58%	6.48%	1.94%
Std Deviation	11.67%	6.56%	15.44%	13.31%
Sharpe Ratio	0.24	0.27	0.52	0.24
MAR Ratio	0.07	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

While this doesn't always happen, the Profit and Loss Attribution (chart 2) and the changes to our risk budget lined up very well in September. We have continued to add long commodity exposure, reducing some sectors and increasing others. Energies and Metals were reduced while Grains increased. Similarly, in financial markets, we reduced Currency risk.

Within commodities, the largest changes occurred in Grains where we added exposure to Corn, Soybean Meal and Wheat. This was the most profitable sector for the strategy.

Within Metals, we reduced exposure in Gold while exiting Zinc completely, a very profitable trade since early July. This produced a loss for the sector on the month.

In Currencies, a number of changes were made to lock in gains and reduce exposure. We exited the Swiss Franc, while reducing risk to the Canadian and Aussie Dollars, the Euro and the British Pound.

Lastly, we remain long the Equity sector but shifted where some of the exposure lies. We exited the short VIX and long positions in Canada's TSX/S&P60, Eurostoxx, S&P500. We added exposure to Japan's Nikkei while remaining long the NASDAQ. Risk remains modest here at approximately 7.0% of total portfolio risk.

Return Drivers: Trend-following strategies struggled while the non-correlated short-term strategies gained ground in September (see Chart 3).

POSITION HIGHLIGHTS

GAINS

- Existing positions in Long Soybeans and Canola.
- New Grains positions in Soybean Meal and Corn.
- Short-term strategy gains in Brent Crude.

LOSSES

- Long and exited S&P500.
- Long exposure in British Pound.
- Exited Zinc for loss on month but profitable since inception.

Chart 2 SECTOR PNL MONTHLY ATTRIBUTION

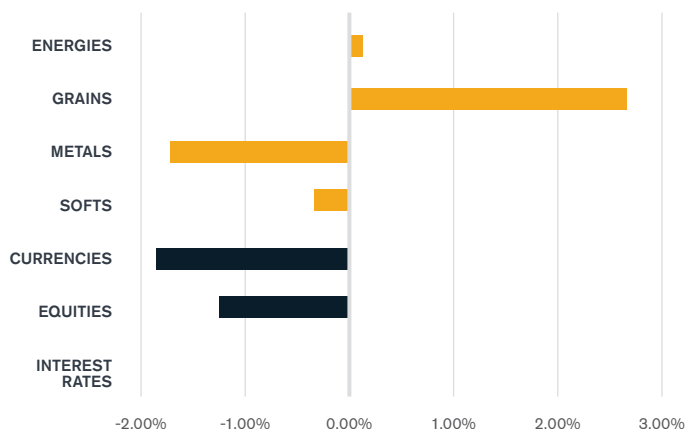
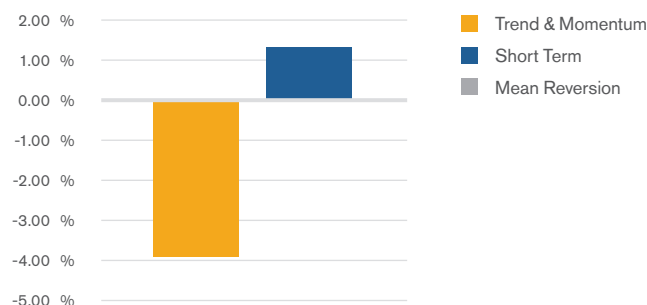


Chart 3 STRATEGY (RETURN DRIVER) ATTRIBUTION



* Strategy Attribution excludes all fees.

EXPOSURE AND RISK ALLOCATION

Commodity to Financial exposure has continued to shift to added commodity weight of 87:13 from 73:27 last month per Chart 4. This represents a higher commodity tilt than typical.

Portfolio exposure, as measured by the Margin to Equity ratio, continued to decreased substantially from 10% to versus the historical average level of 3.0% (see Chart 6 next page). This illustrates the agility of our approach and adding or reducing risk and the tilt to commodity assets.

Chart 4 COMMODITIES VS. FINANCIAL EXPOSURE

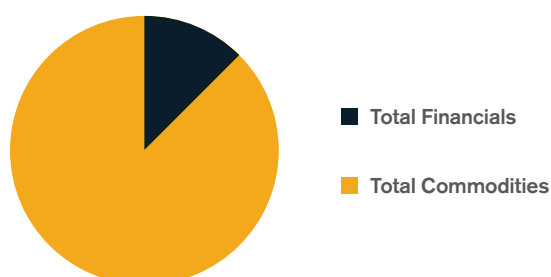
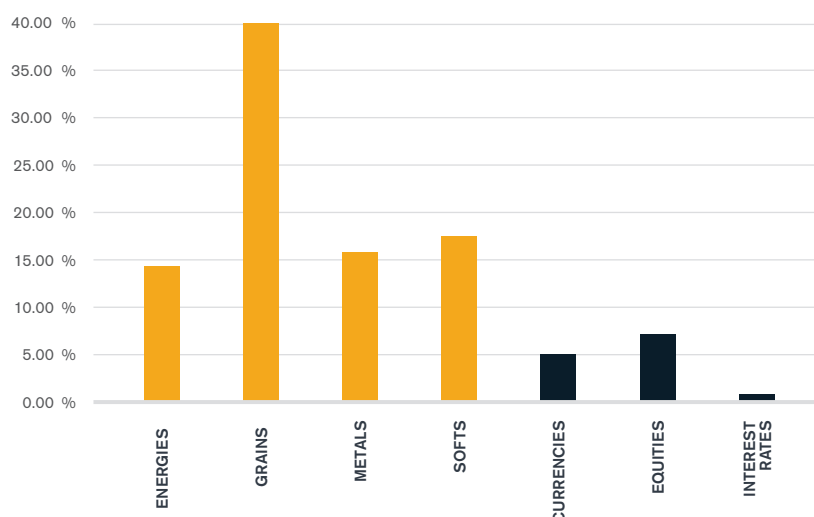


Chart 5 CURRENT SECTOR RISK



CURRENT RISK BY SECTOR

ENERGIES 14.14%

Largest Holdings	Position	% of Risk
RBOB Gasoline	Long	4.49%
WTI Crude Oil	Long	4.00%
Heating Oil	Long	1.64%

GRAINS 40.12%

Largest Holdings	Position	% of Risk
Soybeans	Long	14.51%
Canola	Long	8.82%
Corn	Long	7.68%

METALS 15.71%

Largest Holdings	Position	% of Risk
Copper	Long	9.52%
Silver	Long	4.19%
Gold	Long	1.83%

SOFTS 17.44%

Largest Holdings	Position	% of Risk
Sugar	Long	9.07%
Cotton	Long	8.37%

CURRENCIES 5.01%

Largest Holdings	Position	% of Risk
US Dollar Index	Short	1.14%
Canadian Dollar	Long	1.03%
Euro	Long	1.00%

EQUITIES 7.05%

Largest Holdings	Position	% of Risk
NASDAQ Index	Long	3.53%
Nikkei (Japan)	Long	3.51%

INTEREST RATES 0.53%

Largest Holdings	Position	% of Risk
Treasury Note/10yr (USA)	Long	0.28%
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)

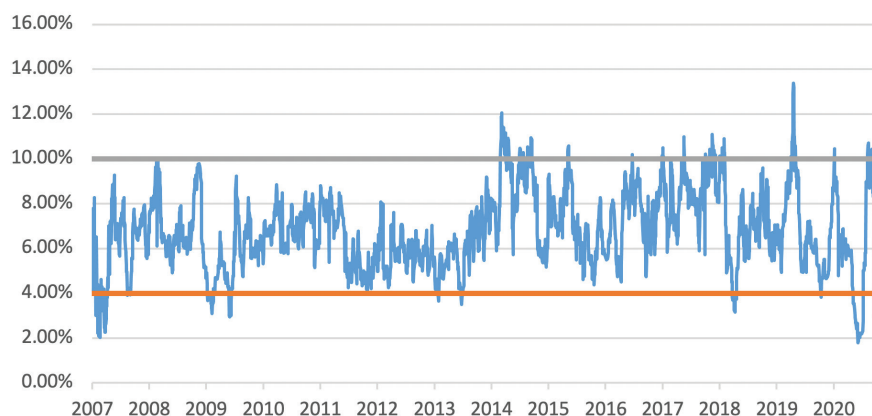


Table 3 NAVS AND RETURNS

Auspice Diversified Trust			
NAV		MTD	YTD
Class A	8.7977	-2.24%	6.18%
Class F	9.4961	-1.93%	7.03%
Class S	8.5859	-2.24%	6.19%
Class I	11.6221	-2.06%	7.86%
Class X*	10.8691	-2.15%	7.03%

Program Statistics (from Jan 2007)		Trade Statistics	
Annualized Return	1.90%	Avg Monthly Gain	2.88%
Annualized Std Dev	11.67%	Avg Monthly Loss	-2.12%
Largest Drawdown	-26.04%	Daily Std Dev	0.68%
Sharpe Ratio ¹	0.24	Daily VAR (sim w/99% conf)	-2.57%
MAR Index ²	0.07	Round Turns per \$million	800
Sortino	0.42	Margin to Equity ratio	6.78
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	\$209MM
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%				7.03%
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 (1.5% 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 (1.5% 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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