

March 2015

The Auspice Diversified Program gained 0.47% in March to end the quarter with a 3.15% gain outperforming equity and CTA benchmarks (see Table 1). The month was highlighted by gains from short positions in commodities and financial markets along with further risk reduction and profit taking. The short commodity exposure has been profitable in Q1 yet we continue to trim this risk.



Making fear work for you

Over our careers we have spoken to a lot of investors ranging from corporate, institutional, and financial advisors, to individuals both high-net-worth and those just starting out. They all have different goals, - some under pressure to meet fixed investment performance goals, others seeking yield to match corporate liabilities and many are modest and just want a nice quiet life.

But the common thing is they are all fearful.

Emotions rule most of our behaviour, and investing is no different. The fear of losing money or reputations, the fear of underperformance, the fear of losing clients - all conspire to cause us to make poor decisions when it matters most.

Our goal is to help you remove those fears by investing in ways that remove the emotion from our investment decisions.

We believe that disciplined, scientific, rules-based investing creates the environment that removes stress and poor decision-making driven by fear and greed. This creates opportunities and puts the volatility created by human behaviours to good use.

The result is an investment that produces non-correlated returns to both traditional (equity and bond) and alternative assets. It reduces the impact and severity of the inevitable corrections that occur and often adds value when you need it most.

Chart 1: Auspice Diversified Program since 2007

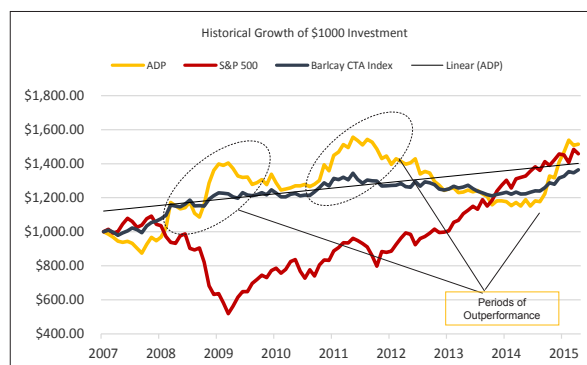


Table 1: Recent Program Performance

	Auspice Diversified	TSX 60	S&P 500	Barclay CTA Index
1 Month	0.47%	-2.37%	-1.74%	1.30**
2015 YTD	3.15%	1.69%	0.44%	2.86**

Table 2: Long-term Program Performance

	Auspice Diversified	TSX 60	S&P 500	Barclay CTA Index
8 Year Annualized Return	6.08%	1.82%	4.80%	*4.23%
Cumulative Return	60.37%	15.52%	45.53%	39.34%
Annualized Std Dev	12.05%	14.47%	16.21%	5.43%
Sharpe Ratio	0.50	0.13	0.30	0.78
MAR Ratio	0.23	0.04	0.09	0.43
Largest Drawdown	26.03%	44.27%	52.55%	9.92%
Correlation to Auspice Diversified	1.00	-0.15	-0.25	0.79

*Performance for the Barclays CTA Index is estimated using the performance for the Newedge CTA Index

Sectors and Trades

March marked another month of adjustments as positions were exited to capture long term gains in both Financial and Commodity sectors. Most significantly, we exited shorts in Aussie Dollar, Copper and Canola complimented by exiting a long position in the US 30 Year Bond. These exits look good in the context of capturing these long term trends. The most profitable positions were short Euro, Sugar, and WTI Crude Oil while the largest losses came from profits taken in Canola and Bonds.

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AUSPICE Program Commentary & Performance

Key Positions

Energies

Energy markets fell

- After cutting significant exposure, taking profits in shorts last month, our remaining shorts in WTI Crude Oil and Natural Gas were profitable as the market continues to soften albeit at a slower rate.
- Natural Gas had less downside and appeared to be consolidating.

Metals

Metals were mixed

- While Copper and Zinc found a base and moved higher against shorts, this was more than offset by continued weakness in Nickel.
- We have exited Copper profitably, a trade entered in October. This was complimented by precious metal weakness from Platinum.
- Happy with this sector's gain given choppy conditions illustrating the strategy agility.

Grains

Grains continue to be choppy for a sector loss

- We entered short positions in Corn and Wheat which reversed sharply causing us to exit quickly for small losses.
- Exited the remaining long position in Canola to crystallize a profitable trend entered in December. No sector exposure at month end.

Soft Commodities

Softs were soft for a sector gain

- The breakfast blend: Coffee and Sugar continued to slide while a recent long position in Rubber offset some of these gains.

Currencies

Currencies remain weak and profitable

- After trimming the British Pound in February, we added back shorts on renewed weakness in March. This added to gains short the Euro, the most profitable portfolio position during the month.
- Profits were taken in Aussie dollar late in the month, a very profitable short trade entered in September.
- Continue to hold short positions in Yen, Euro, and Canadian Dollar.

Interest Rates

Losses in Rates as the curve shifted and profits taken

- The short end continued to rally which was profitable for the German Schatz 2 years.
- The long end pulled back for a loss in the U.S. Long Bond which was exited early in the month for very little sector exposure.

Equity Indices

Equities were mixed and flat performance

- We continue to hold long positions in S&P, Nasdaq, Nikkei, and Eurostoxx while adding short in the VIX futures.
- This was one of the few months where the US markets were left behind global markets, trading lower to strength in Asia and Europe.

Figure 1: Attribution for Auspice Diversified

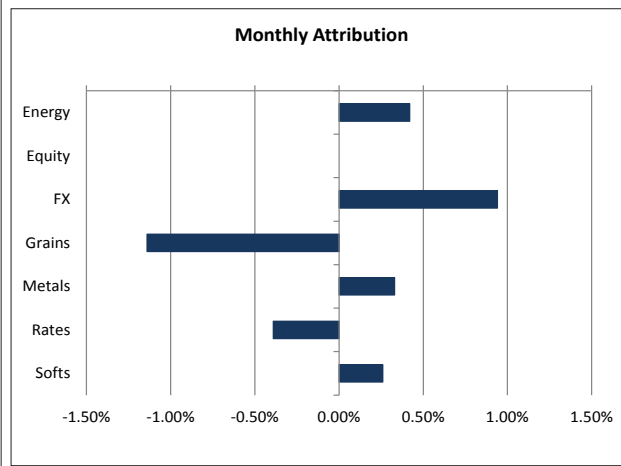


Table 3: NAVs ending March 2015

NAV	Auspice Managed Futures LP*
Series 1	1362.1202
NAV	Auspice Diversified Trust
Class A	10.7206
Class F	10.8481
Class S	10.4495
Class H	11.8566
Class X	12.4300

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