



BROAD COMMODITY INDEX

COMMENTARY
+ PROFILE

APRIL 2023

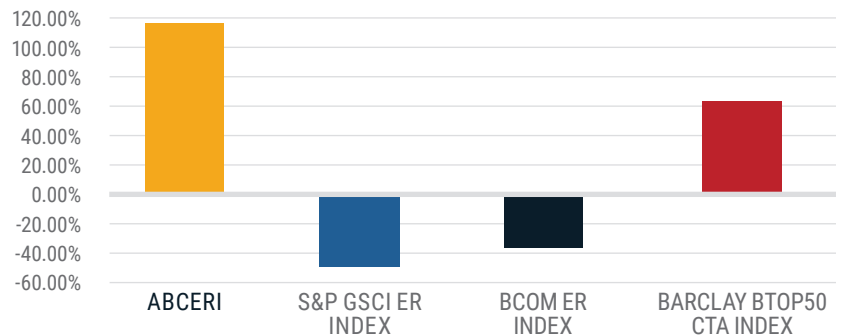
All performance data, portfolio information and pricing contained herein is as of April 30th, 2023.

AUSPICE Capital Advisors

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CUMULATIVE PERFORMANCE (SINCE JANUARY 2007)



Correlation	0.64	0.76	0.36
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Source: Bloomberg and Auspice Investment Operations. The performance of Auspice Broad Commodity Index prior to 9/30/2010 is simulated and hypothetical as published by the NYSE. See Important Disclaimers and Notes on last page. You can not invest directly in an index. Past performance is not indicative of future results.

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3 Year Morningstar Rating™ for Direxion Auspice Broad Commodity Strategy Fund ETF (COM), which tracks ABCERI. Overall Morningstar Rating™ out of 100 US Fund Commodities Broad Basket funds based on risk adjusted returns as of 12/31/2022¹

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SUMMARY

Source of data is Bloomberg unless otherwise indicated.

April was another month where not only asset class diversification provided differing results but within asset classes themselves, significantly differing results. Nowhere is this more apparent and (potentially) opportune than commodities. As such, we implore investors to not look at this highly diverse sector as only Oil and or Gold – you will greatly limit the opportunity set. While Energies remained weak, Metals were strong – yet precious outperformed base metals. While Grains weakened other Aqs moved strongly, something we will focus this month's Outlook and Blog on.

As such, the long-only benchmarks were softer yet again with the energy heavy GSCI falling 1.14% similar to the more diverse Bloomberg Commodity Index (BCOM) off 1.13%. Some tactical approaches like ABCERI again performed better.

Global equity markets generally added to yearly gains. The S&P500 and MSCI ACWI rose 1.5% and 1.4% respectively while the tech heavy NASDAQ was neutral. The S&P/TSX60 gained 3.3%.

US CPI inflation softened to 5.0% (from 6.0% in February) per Chart 2. Further downward rate pressure existed given unknowns surrounding the extent of the US regional banking crisis. Bond yields fell slightly with the benchmark US 10-year note rate closing at 3.43% from 3.47% ending March while short term rates remain strong. The inverted yield curve (higher rates in the short end) is a dominant factor that is hard for any investor to ignore. Of note, cash heavy investments like commodity futures and CTAs are able to take advantage of this factor. April is laden with central bank meetings and will be important to assess the implications of the actions. The US Dollar weakened 0.9% vis-à-vis global currencies with the Euro and Pound gaining over 1% while the commodity tilted Canadian and Aussie dollars lagged.

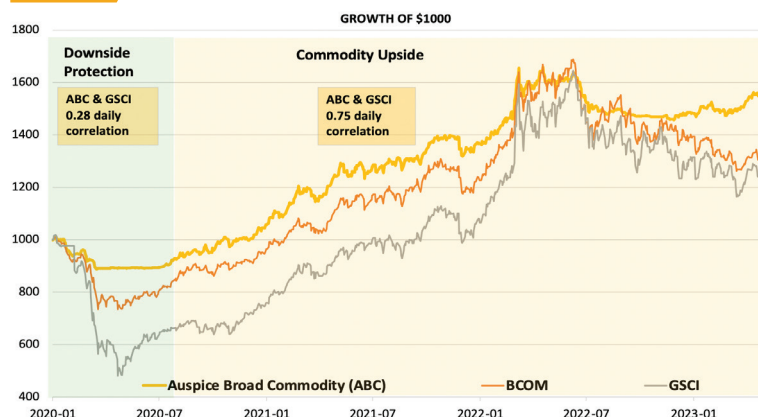
RESULTS

The Auspice Broad Commodity Index held exposures in April unchanged. Per Table 1, Auspice Broad Commodity gained 2.07%, again adding to the year-to-date outperformance over the benchmarks, BCOM and GSCI. Currently ABCERI is positive 5.21% in 2023 while benchmarks are both down over 7% for a 12%+ spread. Per Table 1, ABCERI has outperformed on most timeframes on absolute and risk-adjusted terms even though the strategy operates at a fraction of the risk in terms of volatility and drawdown.

Chart 1 provides a clear visual of the strategy results through both periods of commodity weakness and strength. Since pulling back in Q2 2022, the Auspice index has trended higher while benchmarks continued to slide. This is clear to see in the first four months of 2023 when the strategy has outperformed by participating tactically in markets moving higher, remaining on the sidelines in markets that are weakening.

For portfolio managers and asset allocators, the Auspice strategy not only has provided better absolute and risk-adjusted results but has resulted in a more accretive addition and experience for client portfolios.

CHART 1 COMMODITY & CRISIS ALPHA



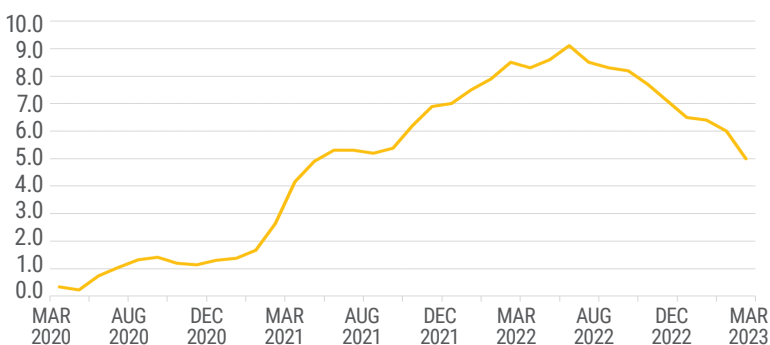
Source: Bloomberg and Auspice Investment Operations. Past performance is not indicative of future results. You can not invest directly in an index.

TABLE 1 ABSOLUTE PERFORMANCE

	ABCERI	BCOM ER INDEX	S&P GSCI ER INDEX	MSCI ACWI INDEX
1 Month	2.07%	-1.13%	-1.14%	1.44%
2023 YTD	5.21%	-7.53%	-7.13%	8.85%
1 yr (May 22)	-2.96%	-19.44%	-17.96%	2.06%
3 yr (May 20)	74.96%	71.29%	135.38%	40.65%
5 yr (May 18)	46.68%	16.43%	11.39%	40.45%
10 yr (May 13)	14.66%	-21.94%	-35.99%	114.08%
15 yr (May 08)	52.53%	-49.98%	-66.61%	130.99%
Ann. Return (Jan 07)	4.85%	-2.82%	-4.17%	5.70%
Std Deviation	10.50%	16.66%	23.46%	16.63%
Sharpe Ratio	0.52	-0.08	-0.05	0.46
MAR Ratio	0.11	-0.04	-0.05	0.10
Worst Drawdown	-42.90%	-73.87%	-88.06%	-54.92%

Source: Bloomberg and Auspice Investment Operations. The performance of Auspice Broad Commodity Index prior to 9/30/2010 is simulated and hypothetical as published by the NYSE. See Important Disclaimers and Notes on last page. You can not invest directly in an index. Past performance is not indicative of future results.

CHART 2 CONSUMER PRICE INDEX (CPI) YOY% CHANGE



Source: Bloomberg and Auspice Investment Operations.

OUTLOOK

In April both Robusta Coffee and Sugar prices reached highs not experienced in over a decade. Cattle and Orange Juice futures made all time record highs.

As measured by US CPI, Inflation has softened since 2022 highs, but we believe this trend could come to an end - we have seen this cycle before. After surpassing 6% in 1970 inflation cooled below 3% in 1972 before surging again to over 12% in 1974. Inflation then softened a second time to 5% in 1976 before reaching a record 14.6% in 1980.

Over recent years we have been pointing to the CAPEX heavy metals and energy sectors' structural shortages and declining CAPEX. However, commodity shortages are much broader based in our opinion, and we are seeing new evidence of that today in markets typically not in the headlines.

While the recent rally in precious metals has dominated news headlines, global shortages in agricultural markets and resulting "Agflation" is likely to become a dominant driver of what we believe could be a rebound higher and at the very least, sticky and prolonged levels of elevated inflation.

ATTRIBUTIONS AND TRADES

April was another month where doing less is doing more. The portfolio was again stable in April with exposures in Metals and Ags while remaining without any Energy exposure.

Per Chart 4, the attribution was positive led by a strong gain in Ags.

The strategy is holding 5 of the 12 components or 42% of available components (see Chart 5) and able to add significantly to the commodity markets broadly as individual market merit develops.

SECTOR HIGHLIGHTS

ENERGY

Both Natural Gas and petroleum markets softened with both Gasoline and Heating oil falling over 5% and 9% respectively. The strategy remains without an exposure in the sector.

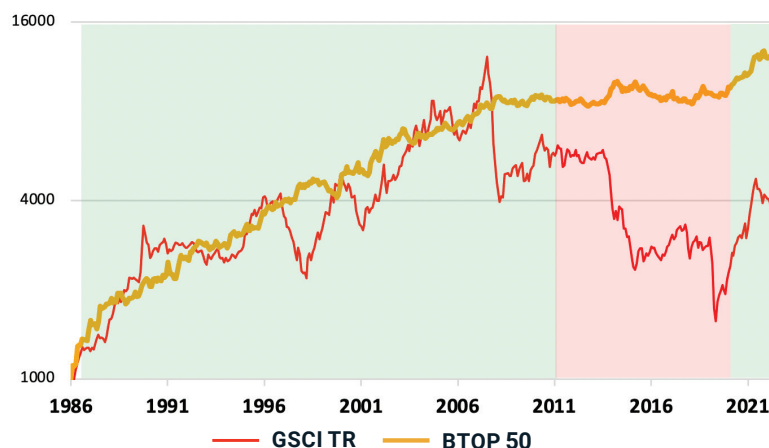
METALS

Metals provided a tiny gain as precious markets rallied while base metals, led by Copper, softened. Silver again outperformed adding over 5%.

AGRICULTURE

Grains were again weak while Sugar rallied over 20% for a strong sector gain. Soybeans fell 4.8% but has been the most resilient of the sector and hence remains a long exposure in the strategy. Corn and Wheat were down 7.2% and 10.6% and remain without a weighting.

CHART 3 GSCI COMMODITY & BTOP 50 CTA INDEXES



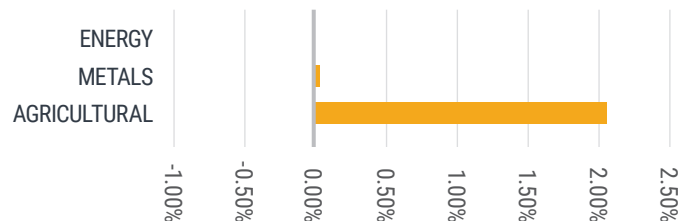
Source: Bloomberg and Auspice Investment Operations. You can not invest directly in an index.

TABLE 2 CTA REGIME ANALYSIS

	1987-2010	2011-2019	2020-2023
Average CPI	2.9	1.8	4.7
Average VIX ¹	20.4	16.2	24.5
Ann. CTA Return	9.17%	0.78%	7.78%

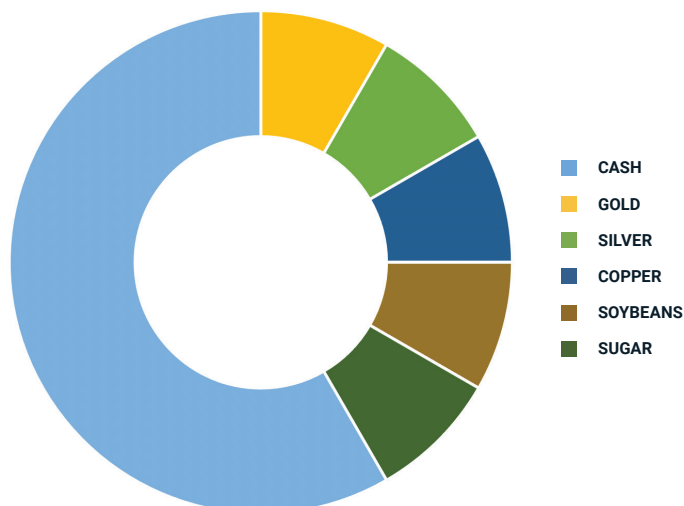
1 - VIX Data commences in 1990. Source: Bloomberg and Auspice Investment Operations. You can not invest directly in an index.

CHART 4 INDEX RETURN ATTRIBUTION



Source: Bloomberg and Auspice Investment Operations.

CHART 5 COMPONENT EXPOSURE: LONG / CASH



Source: Auspice Investment Operations.

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.

WHY AUSPICE INDICES

The Auspice Broad Commodity Index aims to capture upward trends in the commodity markets while minimizing risk during downtrends.

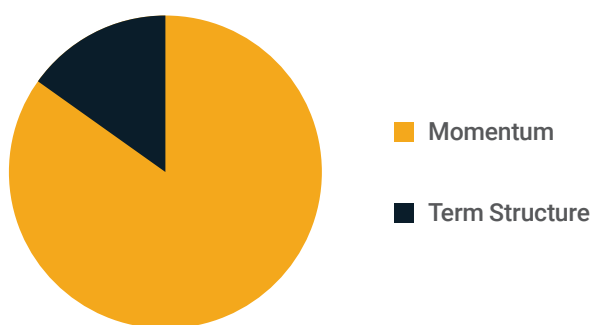
The index is tactical long strategy that focuses on Momentum and Term Structure to track either long or flat positions in a diversified portfolio of commodity futures which cover the energy, metal, and agricultural sectors. The index incorporates dynamic risk management and contract rolling methods. The index is available in total return (collateralized) and excess return (non-collateralized) versions.

THE MAIN POINTS OF DIFFERENTIATION INCLUDE:

Auspice Broad Commodity combines tactical commodity exposure with capital preservation. We believe that traditional passive long-only commodity indices do not provide investors with an optimal long term investment solution.

- Seeks to capture upward trends in the commodity markets while minimizing risk during downtrends
- Tactical exposure to a diversified basket of commodities that can individually position long or flat (no position)
- Rules-based quantitative methodology combined with dynamic risk management and contract roll optimization to deliver superior returns

RETURN DRIVERS



Source: Auspice Investment Operations.

AUSPICE BROAD COMMODITY INDEX

Long / Flat Approach

Positions can be changed on an intra-month bases

Accounts for Short-term Price Trends

Practices a Smart Roll-Yield to minimize impact of contango and backwardation

Broadly diversified (when exposed) and less concentrated in any one commodity sector

Rebalanced monthly based on volatility of each underlying commodity

LONG-ONLY COMMODITY INDICES

Long-Only Approach

Positions are always 100% long

Doesn't take into account downward price trends

Contracts typically roll into next contract month

Poorly diversified amongst single sectors

Most rebalance annually based on predetermined weightings for commodity sector

OTHER DETAILS

Calculated and published by NYSE since 2010.

Tickers: Bloomberg ABCERI, Reuters ABCERI

PRODUCT AVAILABILITY

Licensing and/or sub-advisory of the strategy

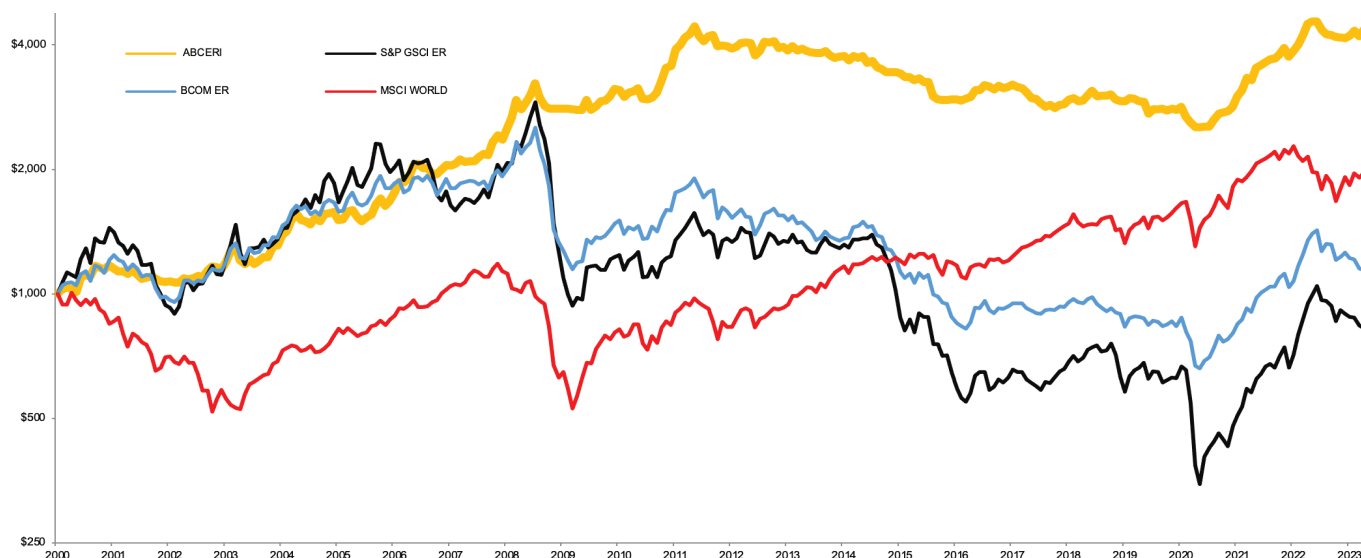
Bespoke product design

ETFs: through partner firms

40 Act Mutual Funds: US investors through partner firms

Separately Managed Accounts

COMPARATIVE BROAD COMMODITY INDEX PERFORMANCE



Source: Bloomberg and Auspice Investment Operations. The performance of Auspice Broad Commodity Index prior to 9/30/2010 is simulated and hypothetical as published by the NYSE. See Important Disclaimers and Notes on last page. You can not invest directly in an index. Past performance is not indicative of future results.

MONTHLY PERFORMANCE TABLE*

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	RETURN
2023	2.78%	-2.85%	3.23%	2.07%									5.21%
2022	3.57%	5.21%	6.42%	1.60%	-0.19%	-4.61%	-2.46%	-0.26%	-1.18%	-0.14%	-0.25%	1.16%	8.68%
2021	3.09%	7.65%	-1.44%	7.25%	1.13%	1.90%	1.55%	0.38%	2.64%	3.41%	-4.62%	3.28%	28.83%
2020	-5.36%	-3.02%	-2.89%	0.07%	0.20%	0.19%	3.67%	3.62%	0.65%	0.67%	2.41%	6.13%	5.93%
2019	1.74%	-0.55%	-1.44%	-0.18%	-6.28%	2.52%	-0.27%	0.51%	-1.08%	1.17%	-0.71%	1.75%	-3.06%
2018	0.58%	-1.63%	0.40%	2.80%	2.68%	-3.16%	0.60%	-0.20%	0.72%	-2.60%	-1.09%	0.10%	-0.98%
2017	-1.59%	-0.44%	-2.38%	-3.08%	-0.56%	-2.35%	-2.06%	1.31%	-1.82%	1.74%	0.43%	2.78%	-7.92%
2016	-0.69%	1.01%	0.92%	4.00%	0.00%	2.64%	-0.61%	-1.75%	1.94%	-1.15%	0.49%	1.59%	8.55%
2015	-2.13%	-0.18%	-1.64%	0.99%	-1.78%	-0.08%	-7.77%	-1.59%	-0.27%	-0.01%	0.13%	0.29%	-13.45%
2014	-2.41%	2.68%	-1.23%	1.27%	-3.79%	1.03%	-3.57%	-0.96%	-1.64%	0.00%	0.00%	-0.54%	-8.97%
2013	2.45%	-2.32%	0.87%	-1.42%	-0.55%	-0.27%	-0.11%	1.03%	-2.26%	-1.57%	0.55%	0.39%	-3.27%
2012	0.90%	2.28%	0.09%	-0.38%	-6.43%	2.24%	5.41%	-0.37%	0.82%	-3.79%	0.64%	-1.92%	-1.02%
2011	2.44%	4.23%	-1.96%	4.32%	-5.11%	-2.84%	2.88%	0.73%	-6.28%	0.59%	-0.46%	-1.25%	0.54%
2010	-3.81%	2.61%	0.53%	1.87%	-5.57%	-0.40%	1.03%	2.64%	6.99%	7.35%	1.02%	9.66%	25.43%
2009	0.00%	-0.66%	-0.24%	0.01%	5.78%	-5.49%	2.20%	2.80%	0.39%	2.52%	4.00%	-0.66%	10.69%
2008	5.89%	10.60%	-5.20%	3.98%	4.05%	6.96%	-7.48%	-4.78%	-1.31%	0.00%	0.00%	0.00%	11.71%
2007	0.90%	2.39%	-1.25%	0.33%	0.13%	2.44%	1.74%	-0.83%	7.48%	4.05%	-2.42%	6.42%	23.04%
2006	5.59%	-0.45%	2.39%	6.87%	1.40%	-2.41%	0.07%	-2.92%	-0.44%	2.39%	2.74%	-0.23%	15.54%
2005	0.40%	4.37%	0.75%	-3.87%	-2.18%	2.07%	1.75%	5.95%	3.24%	-4.19%	2.93%	5.32%	17.16%
2004	2.18%	6.32%	3.54%	-3.42%	-0.70%	-1.49%	3.30%	-1.53%	3.98%	0.57%	0.77%	-4.43%	8.87%
2003	6.32%	2.27%	-7.68%	-1.86%	2.82%	-2.92%	1.80%	2.04%	0.32%	6.34%	0.16%	5.95%	15.63%
2002	-0.62%	-0.17%	2.53%	-0.50%	0.61%	1.42%	-0.78%	3.42%	2.43%	-0.20%	-1.02%	4.31%	11.85%
2001	-1.78%	-0.07%	-1.33%	2.07%	-2.34%	2.22%	0.48%	0.77%	-1.53%	-1.11%	-0.33%	0.21%	-7.04%
2000	2.41%	1.08%	-0.62%	-1.93%	8.62%	1.29%	-0.71%	5.78%	-0.97%	-0.86%	2.49%	-1.77%	15.24%

* Represents index data simulated prior to third party publishing as calculated by the NYSE.

Source: Bloomberg and Auspice Investment Operations. The performance of Auspice Broad Commodity Index prior to 9/30/2010 is simulated and hypothetical as published by the NYSE. See Important Disclaimers and Notes on last page. You can not invest directly in an index. Past performance is not indicative of future results.

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COMPARABLE INDICES

*Returns for **Auspice Broad Commodity Excess Return Index (ABCERI)** 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.

The **MSCI ACWI (Net) Index**, is designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 26 emerging markets.

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 **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.

The **EURO STOXX 50** is a stock index of Eurozone stocks designed by STOXX, an index provider owned by Deutsche Börse Group. As of April 2021, the index is dominated by France and Germany.

The **Hang Seng Index** is a freefloat-adjusted market-capitalization-weighted stock-market index in Hong Kong. It is used to record and monitor daily changes of the largest companies of the Hong Kong stock market and is the main indicator of the overall market performance in Hong Kong.

The **China FTSE A50 Index** is a stock market index by FTSE Group, the components were chosen from Shanghai Stock Exchange and Shenzhen Stock Exchange, which issue A-share; B-share were not included.

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 Broad Commodity Index prior to 9/30/2010 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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