



# DIVERSIFIED TRUST

COMMENTARY +  
FUND PROFILE

NOVEMBER 2023

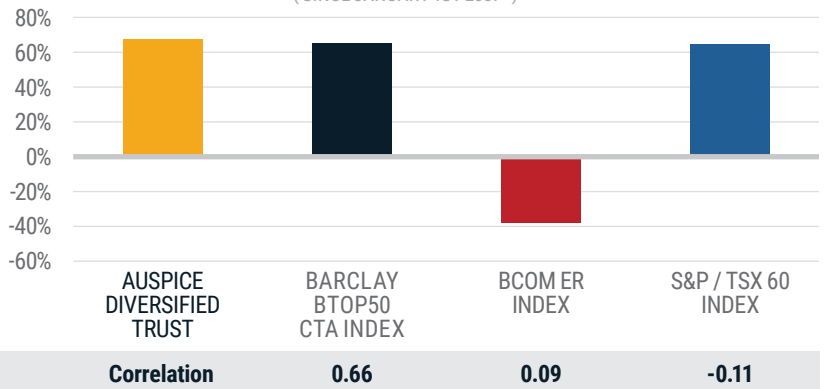
All performance data, portfolio information and pricing contained herein is as of November 30th, 2023.

**AUSPICE** Capital Advisors

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CALGARY, ALBERTA CANADA T2P 5L5



## CUMULATIVE PERFORMANCE (SINCE JANUARY 1ST 2007\*)



Source: Bloomberg and Auspice Investment Operations. \*The returns for Auspice Diversified Trust ("ADT") are net of fees. Returns represent the performance for Auspice Diversified Trust, Series X. Prior to December 2019, the returns were from Auspice Managed Futures LP, Series 1. Past performance is not indicative of future results. You cannot invest directly in an index. \*Correlation is a statistical measure that calculates the degree to which two portfolio or securities move in relation to one and the other, and can range between -1.0 and +1.0. A 0 correlation would indicate 0 similarity, a 1.0 correlation would indicate 100% correlation.

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Prior to February 28, 2023, this Fund was offered via offering memorandum only and this Fund was not a reporting issuer during such prior period. The expenses of the Fund would have been higher during such prior period had the Fund been subject to the additional regulatory requirements applicable to a reporting issuer. Auspice obtained exemptive relief on behalf of the Fund to permit the disclosure of the prior performance data for the Fund for the time period prior to it becoming a reporting issuer.

## SUMMARY

Source of data is Bloomberg unless otherwise indicated.

Auspice Diversified Trust (ADT) corrected 3.3% while stock markets rallied sharply alongside bonds. The result was in line with benchmarks for the month as the BTO50 index lost 2.6% per Table 1 and SG CTA Index softened 3.3%.

The long-only commodity benchmarks Bloomberg Commodity Index (BCOM) and Goldman Sachs Commodity Index (GSCI) continued to correct, down 2.7% and 4.1% respectively in November, while the trend-following and tactical Auspice Broad Commodity Index mitigated losses, down only 1.9%. Tracking ETFs (COM and CCOM.TO) remain positive on the year.

After three months of sell-off, most global equity benchmarks took off. The tech heavy Nasdaq added 10.7% while the S&P500 and Canadian TSX60 gained 8.9% and 7.7% respectively. However, the Asian markets remain weak: the Hang Seng dropping 0.4% and China's FTSE A50 off 2.0% to be down 13.8% and 9.6% year-to-date respectively.

Year-over-year inflation (US CPI) softened but remains elevated at 3.2% year-over-year, per Chart 2. For a second time in a row the US Federal Reserve held rates steady on November 1st, but then a week later stated it "won't hesitate to tighten policy further if appropriate and reiterated that the central bank isn't fully confident that it has tightened enough to return inflation to 2%<sup>1</sup>". Bonds rallied, pulling rates down during the month, while the curve remains inverted (higher short-term rates).

The US dollar corrected 2.9% alongside considerable volatility in global currencies.

## OUTLOOK

Post three years of strong trends, commodities "broadly" have continued to consolidate in 2023. Energies particularly have been highly volatile without direction.

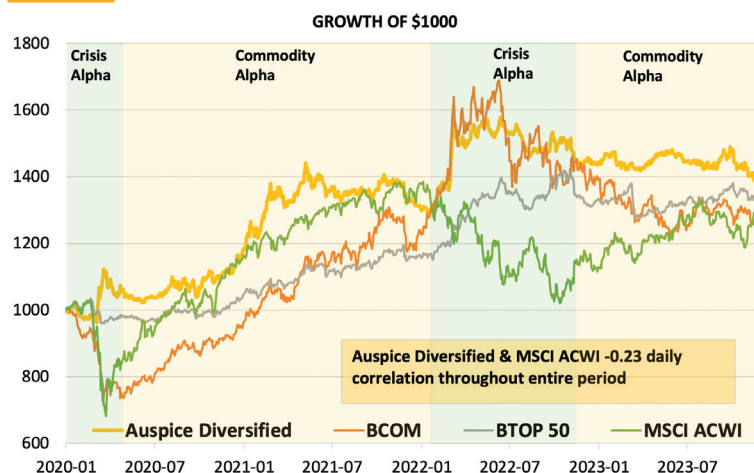
Underneath the hood it increasingly is a different story, however. Gold and precious metals have been experiencing upward price momentum, gold flirting with a multiyear technical breakout.

The benchmark agricultural commodity index, the DBIQ AGTR, also closed off November near all time highs, just shy of levels reached during peak volatility surrounding Russian/Ukraine.

From a macro perspective, previous pauses in Fed rate hikes have also coincided, or led to, initial corrections for CTAs. Indeed, it has been a strong 3 years for CTAs broadly, and corrections are to be expected.

Only time will tell what lays in the future, but past pauses, initially challenging for CTAs, have led to strong ensuing performance. Equities on the other hand have corrected. See this month's Auspice blog for more.

CHART 1 COMMODITY & CRISIS ALPHA



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

TABLE 1 AUSPICE DIVERSIFIED TRUST PERFORMANCE

	Auspice Diversified Trust	Barclay BTO50 CTA Index	BCOM ER INDEX	TSX 60 INDEX
1 Month	-3.35%	-2.63%	-2.69%	7.65%
2023 YTD	-4.32%	-0.84%	-9.75%	4.33%
1 yr (Dec 22)	-4.32%	-0.35%	-12.28%	-1.63%
3 yr (Dec 20)	24.47%	30.62%	36.91%	19.15%
5 yr (Dec 18)	31.15%	41.30%	23.31%	33.53%
10 yr (Dec 13)	41.05%	42.37%	-18.04%	58.00%
15 yr (Dec 08)	22.45%	37.69%	-17.06%	116.58%
Ann. Return (Jan 07)	3.07% <sup>1</sup> / 4.07% <sup>2</sup>	3.03%	-2.87%	2.98%
Std Deviation	11.57%	6.96%	16.54%	13.51%
Sharpe Ratio	0.34	0.46	-0.09	0.31
MAR Ratio	0.12	0.19	-0.04	0.07
Worst Drawdown	-26.04%	-16.11%	-73.87%	-44.27%

Source: Bloomberg and Auspice Investment Operations. Past performance is not indicative of future results. You cannot invest directly in an index. 1/3/5/10/15 year is cumulative performance.

1. The returns for Auspice Diversified Trust ("ADT") are net of fees. Returns represent the performance for Auspice Managed Futures LP Series 1 (2% mgmt, 20% performance) including and ending November 2019. From this point, returns represent the performance for Auspice Diversified Trust Series X (1% mgmt, 15% performance) which started in July 1st, 2014.

2. "Auspice Diversified 1 and 15" is provided for indicative purposes to illustrate full cycle net returns with the current lower fee structure (Series X). Auspice Diversified 1 and 15 is based on the realized gross returns of Auspice Managed Futures LP Series 1 (2% mgmt, 20% performance) through November 30th 2019, adjusted with the current lower (1 and 15) fee structure (Series X). December 1st, 2019 forward Auspice Diversified 1 and 15 represents the realized net returns from Auspice Diversified Series X.

<sup>1</sup> <https://www.bloomberg.com/news/articles/2023-11-09/powell-says-fed-won-t-hesitate-to-tighten-more-if-appropriate>

## ATTRIBUTIONS AND TRADES

Per Chart 3, financial sectors caused the bulk of the negative portfolio result. Strong shifts and corrections to trends occurred in Equities, Currencies and Bonds leading to significant position changing. While we entered the month short equities, the rally had us cover and spin to small net long. In currencies, we still hold our net long US Dollar and short currencies exposures but at a greatly reduced level. Lastly, in Rates, we similarly reduced short positions.

While diverse commodity markets remain volatile and choppy with broad headline corrections, there were pockets of gaining markets including both base and precious Metals, Soybeans, Coffee, Rubber and Iron Ore. Offsetting the commodity weakness, short exposures benefitted in Carbon Emissions, Natural Gas and Palladium and moderated the commodity result.

### BY SECTOR

**Energies:** Petroleum energies pulled back but were offset by the existing short in Carbon Emissions and a new exposure short Natural Gas. Positions held.

**Metals:** Strong sector overall. Shifted to long Gold while reducing shorts in Silver and Copper. Exited short Platinum while holding Iron Ore long and Palladium short, both which performed.

**Grains:** Small gain. Sector strength with the exception of Corn which fell 2.9%. Added to Corn shorts while holding long exposures in Soybeans. Covered short in Canola while holding Wheat.

**Softs:** Negative attribution from long Cotton which was shifted to short while Sugar was held long. Rallies in Coffee and Rubber provided gains.

**Equities:** Exited short positions and shifted to long for a small loss.

**Rates:** Sector loss as bonds rallied. Short positions reduced.

**Currencies:** Negative attribution from losses in currency shorts vis-à-vis the US Dollar. Most positions reduced.

### RETURN DRIVERS:

Losses were driven by trend-following strategies while the Auspice non-correlated short-term (non-trend) strategies were slightly negative. See Chart 4.

## POSITION HIGHLIGHTS

### GAINS

- Carbon Emissions and Natural Gas fell 10.4% and 25.2%.
- Coffee rallied over 14%.
- Iron Ore rallied 10.4% while Palladium fell 10.4%.

### LOSSES

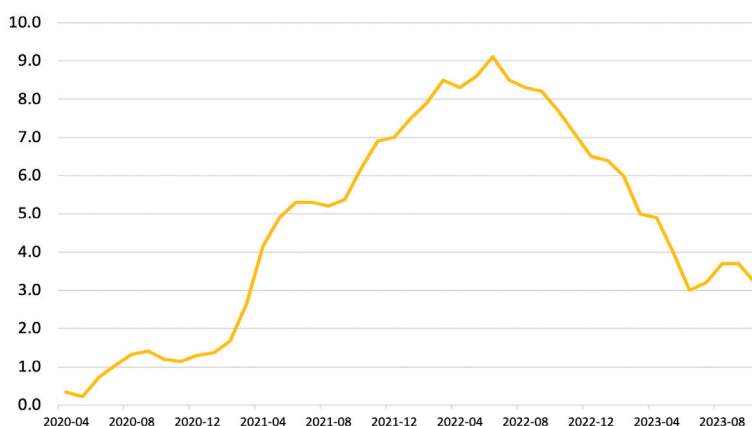
- Currencies rallied 2 to 4% vis-à-vis the US Dollar.
- Shorts in Equities were covered as markets rallied.
- Silver rallied over 10% against shorts.

TABLE 2 AUSPICE DIVERSIFIED TRUST PERFORMANCE

Auspice Diversified Trust Series	Annualized Return				NAVPU CAD \$
	1yr	3yr	5yr	10yr	
Series X	-4.32%	7.57%	5.57%	n/a	14.0297
Series A	-5.31%	6.96%	4.84%	2.92%	11.1831
Series F	-4.30%	6.82%	5.07%	3.28%	11.9704
Series I	-3.28%	10.76%	7.96%	5.54%	16.4587

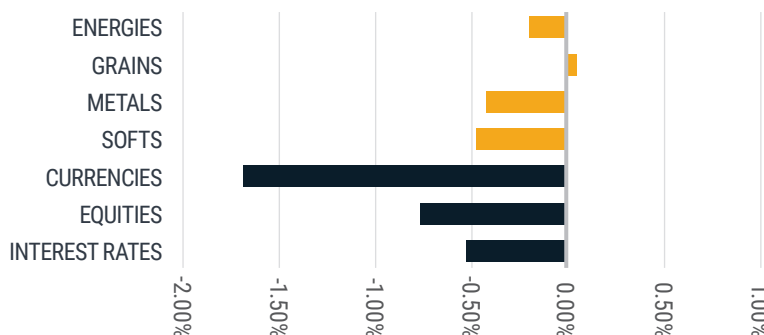
Source: Bloomberg and Auspice Investment Operations. Past performance is not indicative of future results. The returns for Auspice Diversified Trust ("ADT") are net of fees. Inception dates: Series X, July 1st, 2014; Series A, October 1st, 2009; Series F, October 1st, 2009; Series I, January 1st, 2013.

CHART 2 CONSUMER PRICE INDEX (CPI) YOY% CHANGE



Source: Bloomberg and Auspice Investment Operations. See definitions at end for more.

CHART 3 SECTOR PROFIT/LOSS AND MONTHLY ATTRIBUTION



Source: Auspice Investment Operations.

CHART 4 STRATEGY (RETURN DRIVER) ATTRIBUTION



\*Strategy Attribution excludes all fees.

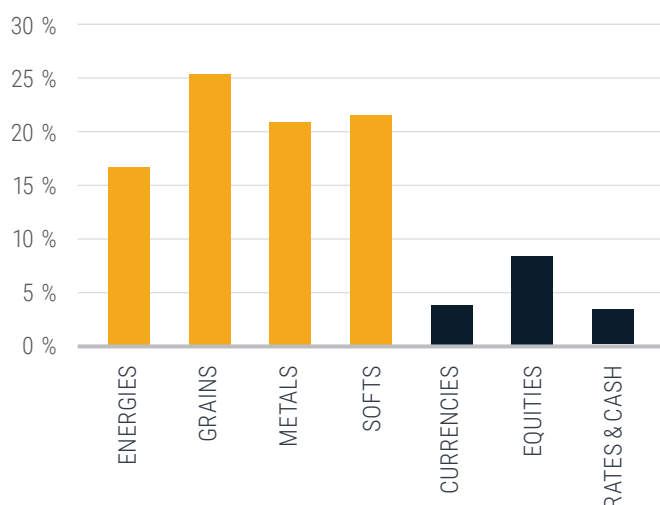
Source: Auspice Investment Operations.

## EXPOSURE AND RISK ALLOCATION

Commodity to Financial exposure increased to above average at 84:16 from 60:40 last month per Chart 5. However, it should be noted that overall portfolio risk is low. Overall portfolio exposure, as measured by the Margin to Equity ratio, has decreased to 4.4% from 7.4% last month and is at the bottom of the historical average level of 6.6% (see Chart 7 next page).

In Commodities, risk was increased in Metals and Grains while reduced in Energies. Financial exposure was decreased across the board in Equities, Currencies and Rates. See Chart 6.

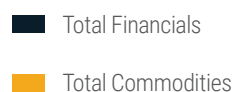
### CHART 6 CURRENT SECTOR RISK



Source: Auspice Investment Operations.

\*Sector and individual market risk is expressed relative to the overall portfolio VAR/risk. Risk based on 1-day VaR.

### CHART 5 COMMODITIES VS. FINANCIAL EXPOSURE



Source: Auspice Investment Operations.

## CURRENT RISK BY SECTOR

Largest Holdings	Aggregate Position	% of Risk
<b>ENERGIES</b>		<b>16.9%</b>
Natural Gas (HH)	Short	6.4%
Gasoline (RBOB)	Long	2.9%
Crude Oil (WTI)	Long	2.8%
<b>GRAINS</b>		<b>25.2%</b>
Soybean Meal	Long	9.6%
Corn	Short	5.8%
Wheat	Short	6.0%
<b>METALS</b>		<b>20.8%</b>
Gold	Long	9.4%
Silver	Short	3.3%
Iron Ore	Long	3.2%
<b>SOFTS</b>		<b>21.5%</b>
Coffee	Long	9.4%
Cotton	Short	7.4%
Sugar	Long	2.8%
<b>CURRENCIES</b>		<b>3.7%</b>
Aussie Dollar	Short	0.7%
Canadian Dollar	Short	0.7%
US Dollar Index	Long	0.6%
<b>EQUITIES</b>		<b>8.3%</b>
Nikkie (Japan)	Long	6.2%
CBOE VIX	Short	2.1%
<b>RATES &amp; CASH</b>		<b>3.5%</b>
Treasury Notes/5yr (USA)	Short	0.7%
Treasury Notes/10yr (USA)	Short	0.6%
Treasury Bonds/30yr (USA)	Short	0.5%

Source: Auspice Investment Operations.

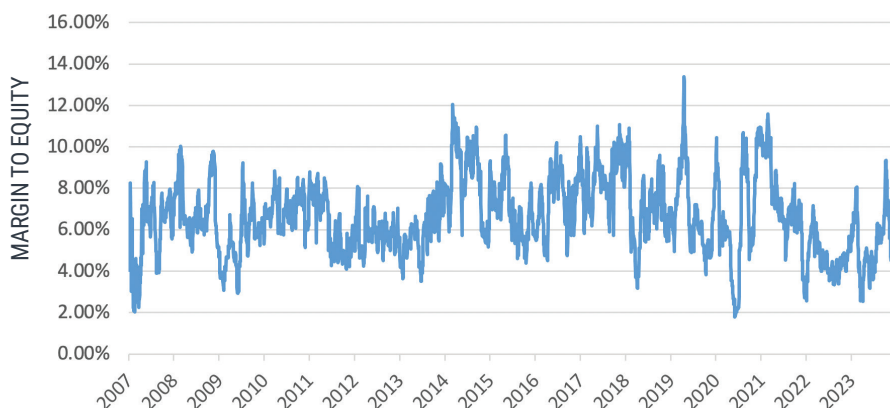
## INVESTMENT OBJECTIVE

The Fund seeks to generate returns on investment in, trading in or exposure to commodity and financial interests. Using a disciplined rules-based investment process, the fund captures dominant trends long and short, agnostic to market direction and popular consensus. Risk management and capital allocation is systematic to preserve capital as the strategy's core objective along with

providing returns that are non-correlated to traditional equity, fixed income and most alternative strategies. A core goal is to provide performance and crisis alpha in times of significant equity correction.

## FUND DETAILS

CHART 7 PORTFOLIO EXPOSURE (MARGIN TO EQUITY)



Source: Auspice Investment Operations.

Fund Details (Jan 2007)		Trade Statistics	
Annualized Return	3.07% <sup>1</sup> / 4.07% <sup>2</sup>	Avg Monthly Gain	2.89%
Annualized Std Dev	11.57%	Avg Monthly Loss	-2.12%
Largest Drawdown	26.04%	Daily Std Dev	0.69%
Sharpe Ratio <sup>3</sup>	0.34	Daily VAR (sim w/99% conf)	-0.43%
MAR Index <sup>4</sup>	0.12	Round Turns per \$million	800
Sortino	0.61	Margin to Equity ratio	6.6
Upside/Downside Deviation	0.14 / 0.05	Average Hold Period (Days)	69
Correlation to MSCI ACWI	-0.17	% Profitable	40%
Correlation to TSX60	-0.11	\$Win / \$Loss	1.58
Correlation to BCOM ER	0.09	Skew	0.94

Source: Auspice Investment Operations.  
Past performance is not indicative of future results.

Auspice Diversified Trust	Fundserv Code	Management Fee	Performance Fee	Minimum
Series X	ACA778X	1%	15%	\$1mm
Series A	ACA718A	2%	20%	\$1,000
Series F	ACA728F	1%	20%	\$1,000
Series I	ACA738I	Negotiated	Negotiated	\$25mm

Source: Auspice Investment Operations.  
Past performance is not indicative of future results.

## KEY ATTRIBUTES

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

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3. Assumes Risk free rate of 0%.

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

Program Details	
Other Structures and Platforms	Managed Account, US Delaware LLC, Innocap
Auspice Diversified Trust Liquidity	Daily
Firm Assets	\$895M

Source: Auspice Investment Operations.  
Past performance is not indicative of future results.



MONTHLY PERFORMANCE TABLE\*

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2023	2.15%	-3.64%	0.34%	2.92%	0.87%	-2.21%	-0.36%	-0.80%	3.37%	-3.36%	-3.35%		<b>-4.32%</b>
2022	2.20%	4.32%	7.95%	3.54%	-1.84%	0.55%	-2.90%	-0.17%	2.43%	-0.51%	-4.30%	0.00%	<b>11.19%</b>
2021	2.67%	9.55%	-0.89%	4.61%	0.61%	-1.50%	-1.77%	0.98%	0.49%	1.32%	-4.28%	-1.89%	<b>9.62%</b>
2020	-2.06%	-0.19%	9.72%	-3.16%	-0.47%	0.28%	3.36%	2.08%	-2.15%	0.99%	2.69%	6.73%	<b>18.46%</b>
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%	<b>-6.75%</b>
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%	<b>-0.61%</b>
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%	<b>-5.31%</b>
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%	<b>1.15%</b>
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%	<b>-7.47%</b>
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%	<b>24.76%</b>
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%	<b>-6.01%</b>
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%	<b>-10.24%</b>
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%	<b>-3.66%</b>
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%	<b>12.53%</b>
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%	<b>-7.93%</b>
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%	<b>44.30%</b>
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%	<b>-3.11%</b>

Source: Auspice Investment Operations.  
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Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in share and/or unit value and reinvestment of all dividends and/or distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

RISK RATING

Auspice Capital Advisors Ltd. has rated the volatility of this fund as **medium**.

This rating is based on how much the Fund's returns have changed from year to year. It does not tell you how volatile the Fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.

LOW	LOW TO MEDIUM	<b>MEDIUM</b>	MEDIUM TO HIGH	HIGH
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For more information about the risk rating and specific risks that can affect the Fund's returns, refer to the risk section of the Fund's simplified prospectus.

## BENCHMARK DESCRIPTIONS

The BTOP50 seeks to replicate the overall composition of the managed futures industry with regard to trading style and overall market exposure. The largest investable trading advisor programs, as measured by assets under management, are selected for inclusion in the BTOP50. For 2022 there are 20 CTA funds in the Barclay BTOP50 Index. The BTOP 50 is the most comparable index for Auspice Diversified Trust, however there are significant differences, such as the average exposure to commodity futures (versus financial futures), and average trade length. Reference to the BTOP50 benchmark does not imply that Auspice Diversified Trust will achieve similar performance.

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. Second to the BTOP50, the SG CTA is the most comparable index for Auspice Diversified Trust, however there are significant differences, such as the average exposure to commodity futures (versus financial futures), and average trade length. Reference to the SG CTA benchmark does not imply that Auspice Diversified Trust will achieve similar performance.

The Bloomberg Commodity Index Excess Return (BCOM ER) Index is a broadly diversified commodity price index that tracks prices of futures contracts on physical commodities on the commodity markets. Like Auspice Diversified Trust, the index is designed to minimize concentration in any one sector. No one commodity can compose more than 15% of the BCOM ER index, no one commodity and its derived commodities can compose more than 25% of the index, and no sector can represent more than 33% of the index. There are significant differences however, most importantly, that the BCOM ER index is passive, and 100% commodities, whereas Auspice Diversified Trust is active, and also trades financial futures. Reference to the BCOM ER benchmark does not imply that Auspice Diversified Trust will achieve similar performance.

The S&P Goldman Sachs Commodity Excess Return Index ("GSCI"), 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. Like Auspice Diversified, it provides exposure to a number of commodities. There are significant differences however. Importantly, the GSCI index is passive, concentrated in energy, and 100% commodities. Auspice Diversified Trust is active long and short, diversified equally across seven sectors, and also trades financial futures. Reference to the GSCI benchmark does not imply that Auspice Diversified Trust will achieve similar performance.

The S&P/TSX 60 ("TSX 60") Index is a stock market index of 60 large companies listed on the Toronto Stock Exchange. Maintained by the Canadian S&P Index Committee, a unit of Standard & Poor's, it exposes the investor to 60 stocks in nine industry sectors. There is a low degree of similarity between the TSX 60 and Auspice Diversified Trust. As the main benchmark for equity performance in Canada its inclusion is typically used to illustrate how Auspice Diversified Trust is notably different from equities, an important consideration for portfolio managers and investors alike.

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). There is a low degree of similarity between the S&P 500 and Auspice Diversified Trust. As the main benchmark for equity performance in the US its inclusion is typically used to illustrate how Auspice Diversified Trust is notably different from US equities, an important consideration for portfolio managers and investors alike.

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. There is a low degree of similarity between the MSCI ACWI and Auspice Diversified Trust. As the main benchmark for global equity performance its inclusion is typically used to illustrate how Auspice Diversified Trust is notably different from global equities, an important consideration for portfolio managers and investors alike.

The Nasdaq Composite Index is the market capitalization-weighted index of over 3,000 common equities listed on the Nasdaq stock exchange. There is a low degree of similarity between the Nasdaq and Auspice Diversified Trust. As the main benchmark for technology stock performance its inclusion is typically used to illustrate how Auspice Diversified Trust is notably different from technology stocks, an important consideration for portfolio managers and investors alike.

The Hang Seng Index is a freefloat-adjusted market-capitalization-weighted equity 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. Price Return data is used (not including dividends), which is not the same basis as the fund's return, which includes distributions. There is a low degree of similarity between the Hang Seng and Auspice Diversified Trust. As the main benchmark for equity performance in Hong Kong its inclusion is typically used to illustrate how Auspice Diversified Trust is notably different from equities, an important consideration for portfolio managers and investors alike.

The FTSE China A50 Index is a stock market index by the FTSE Group. The components were chosen from the Shanghai Stock Exchange and Shenzhen Stock Exchange, which issue A-shares. B-shares (shares for foreigners) are not included. Price Return data is used (not including dividends), which is not the same basis as the fund's return, which includes distributions. There is a low degree of similarity between the FTSE China A50 and Auspice Diversified Trust. As the main benchmark for equity performance in China its inclusion is typically used to illustrate how Auspice Diversified Trust is notably different from Chinese equities, an important consideration for portfolio managers and investors alike.

## GLOSSARY

1. Commodity Trading Advisors (CTAs) are professional investment managers, similar to portfolio managers in mutual funds, who seek to profit from movements in the global financial, commodity and currency markets by investing in exchange traded futures, options, and OTC forward contracts.
2. CPI - The Consumer Price Index (CPI) is a measure of the average change overtime in the prices paid by urban consumers for a market basket of consumer goods and services. It is often referenced as a measure of inflation.
3. Value at risk (VaR) is a measure of the risk of loss for investments. It estimates how much a set of investments might lose (with a given probability), given normal market conditions, in a set time period such as a day.
4. The Margin to Equity ratio represents the amount of trading capital that is being held as margin at any particular time. For example, if a CTA fund with \$100 million AUM executes trades requiring \$25 million in margin, the margin-to-equity ratio is 25%.
5. Standard deviation is a measure of how much an investment's returns can vary from its average return. It is a measure of volatility and, in turn, risk.
6. The Sharpe ratio measures the performance of an investment such as a security or portfolio compared to a risk-free asset, after adjusting for its risk. It is defined as the difference between the returns of the investment and the risk-free return, divided by the standard deviation of the investment returns.
7. The MAR Ratio is the annualized return divided by the largest drawdown.
8. Skew is the degree to which returns are asymmetric around the mean. Why does skew matter? If portfolio returns are right, or positively, skewed, it implies numerous small negative returns and a few large positive returns. If portfolio returns are left, or negatively, skewed, it implies numerous small positive returns and few large negative returns.
9. Worst Drawdown measures the maximum fall in the value of the investment, as given by the difference between the value of the lowest trough and that of the highest peak before the trough.
10. Alpha is a measure of the active return on an investment, the performance of that investment compared with a suitable market index. An alpha of 1% means the investment's return on investment over a selected period of time was 1% better than the market during that same period.
11. Crisis alpha means that an investment strategy generates positive return in periods of high financial stress. For example, if a manager is short the market when it crashes, that manager will generate positive returns when other investors lose money.
12. The DBIQ Diversified Agriculture Index Excess Return is a rules-based index composed of futures contracts on some of the most liquid and widely traded agricultural commodities.
13. The UN Food and Agriculture World Food Price Index (FAO Food Price Index) is a food price index by the Food and Agriculture Organization (FAO) of the United Nations. It records the development of world market prices of 55 agricultural commodities and foodstuffs.

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