



BROAD COMMODITY INDEX

COMMENTARY
+ PROFILE

FEBRUARY 2025

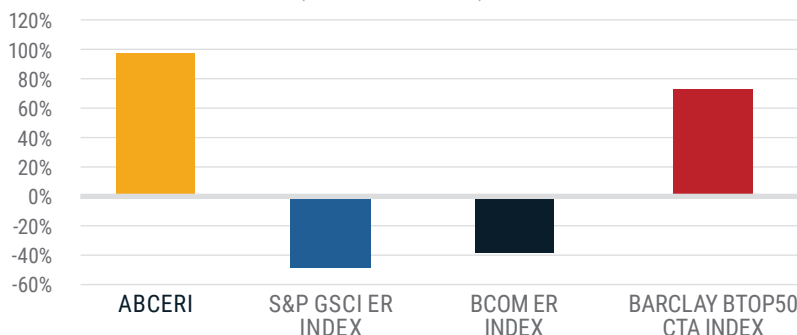
All performance data, portfolio information
and pricing contained herein is as of
February 28th, 2025.

AUSPICE Capital Advisors

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CUMULATIVE PERFORMANCE (SINCE JANUARY 2007)



Correlation	0.63	0.75	0.35
ABCERI			
S&P GSCI ER INDEX			
BCOM ER INDEX			
BARCLAY BTOP50 CTA INDEX			

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 cannot invest directly in an index. Past performance is not indicative of future results.

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5 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 09/30/2024*

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SUMMARY

Source of data is Bloomberg unless otherwise indicated.

Following a strong start to the year, commodity benchmarks were mixed in February. The more diverse Bloomberg Commodity Index (BCOM ER) added 0.5% while the energy tilted Goldman Sachs Commodity Index (GSCI ER) lost 1.7% on correcting petroleum markets per Table 1. Some metals that are often barometers for global growth including Copper were stronger during the month.

Global equity markets were mixed with North American markets weak while some Asian, European and Emerging markets showed continued strength. Markets continue to be volatile under the new American administration as global ramifications of tariffs remain nebulous. The S&P500 and the Nasdaq lost 1.4% and 4.0% while global benchmark MSCI ACWI and the Canadian TSX60 were more moderate correcting 0.6%. The Hang Seng added 13.4% leading Asian markets while the China A50 added 2.2% alongside the Euro Stoxx 50 up 3.3%.

Central banks were mostly silent in the first month of the Trump administration yet rhetoric remains cautious and concerned regarding the potential for renewed inflation. The US year-over-year CPI again rose from 2.9% to 3.0% (for the January reading see Chart 2). This is squarely at the long-term, 100-year average.

Despite the concerns, rates generally softened in February. The benchmark US 10-year Note moved lower from 4.50% to 4.20%. The US Dollar Index weakened vis-à-vis global currencies while the Canadian Dollar gained a mere 0.2% lagging the strength in the Yen and Pound, adding 2.7% and 1.4% respectively.

RESULTS

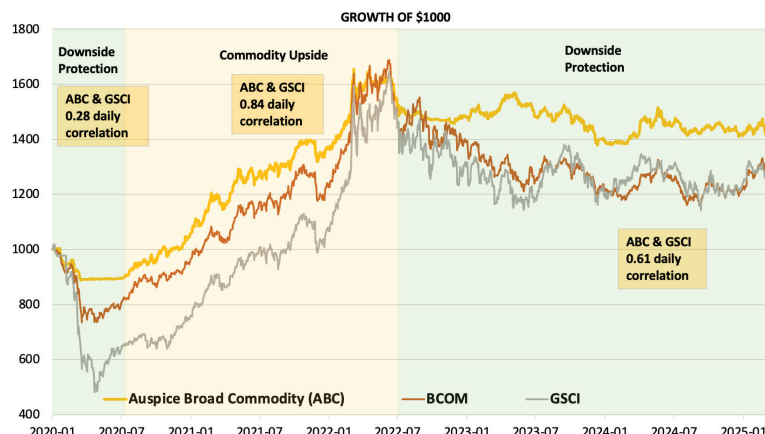
Per Table 1, Auspice Broad Commodity Excess Return Index (ABCERI) softened 0.5% in line with the mixed long-only benchmark commodity indices for the month.

ETFs that track ABCERI (NYSE "COM" and TSX "CCOM") were flat on average in February where they have the benefit of earning a cash return on over 90% of the AUM, a structural alpha and edge in managing the portfolio using futures contracts.

Per Chart 1, while commodities have broadly moderated since 2022, note that the Auspice strategy has similar upside participation with far lower volatility and better downside protection while holding on to gains.

With a long-term volatility near 10% per Table 1, the outperformance is highlighted when adjusted for risk in terms of volatility and drawdown. This represents a more "bond-like" volatility, far less than the BCOM or global equities (MSCI) at over 16%, and GSCI over 22%. This has led to recent (5-year) and long-term outperformance where on a 10- and 15-year basis, Auspice Broad Commodity (and related ETFs) provides a positive result to the negative benchmark results. Since 2007, the annualized gain is positive versus negative benchmarks, with a significant annualized spread of over 6%.

CHART 1 COMMODITY & CRISIS ALPHA



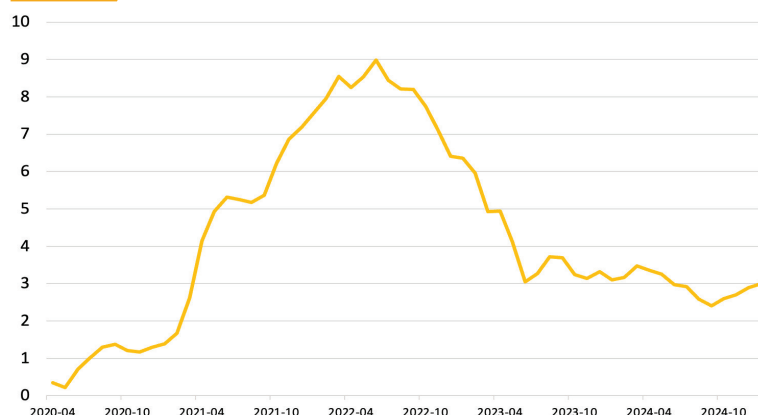
Source: Bloomberg and Auspice Investment Operations. Past performance is not indicative of future results. You cannot invest directly in an index.

TABLE 1 ABSOLUTE PERFORMANCE

	ABCERI	BCOM ER INDEX	S&P GSCI ER INDEX	MSCI ACWI INDEX
1 Month	-0.48%	0.45%	-1.67%	-0.60%
2025 YTD	0.08%	4.04%	1.22%	2.73%
1 yr (Mar 24)	2.30%	6.26%	0.60%	15.06%
3 yr (Mar 22)	-4.61%	-10.30%	-2.87%	29.99%
5 yr (Mar 20)	54.57%	44.76%	54.22%	82.53%
10 yr (Mar 15)	20.58%	-0.66%	-3.10%	139.08%
15 yr (Mar 10)	31.17%	-23.22%	-30.27%	297.61%
Ann. Return (Jan 07)	3.80%	-2.62%	-3.61%	6.88%
Std Deviation	10.14%	16.11%	22.63%	16.24%
Sharpe Ratio	0.44	-0.08	-0.04	0.54
Sortino Ratio	0.71	-0.10	-0.05	0.78
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 cannot 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

Since 1988, when investors bought the S&P 500 at P/E (Price to Earning) ratios in line with today's multiple of approximately 22x, they consistently earned 10-year returns between only +2% and -2% in stocks¹. If history is any guide, caution in equities may be warranted.

Alongside, in January the U.S. CPI rose by 0.5% month-over-month, surpassing the anticipated 0.3% increase. This marks the most significant monthly rise in nearly 18 months, suggesting renewed inflationary trends.

Now may be an opportune time to add diversification and inflation protection to portfolios. See this month's Auspice blog for considerations regarding Gold, broad commodity index beta, and tactical commodity exposure.

ATTRIBUTIONS AND TRADES

The Auspice Broad Commodity Index portfolio had one change in February, adding Copper. The strategy now holds 8 of the 12 components or 67% of available components (see Chart 5) and continues to be able to add commodity markets broadly as individual market merit develops.

The portfolio continues to hold exposures in all three sub-sectors: Energies, Metals and Ags with a distinct tilt to Energy and Metals. Despite this, per Chart 4, the monthly positive attribution came from Ags while Energies and Metals corrected.

SECTOR HIGHLIGHTS

ENERGY

Natural Gas was explosive gaining over 27% which almost pulled up the sector to positive given weakness in the petroleum markets. WTI Crude Oil and Gasoline fell over 3% while Heating Oil lost 1.2%.

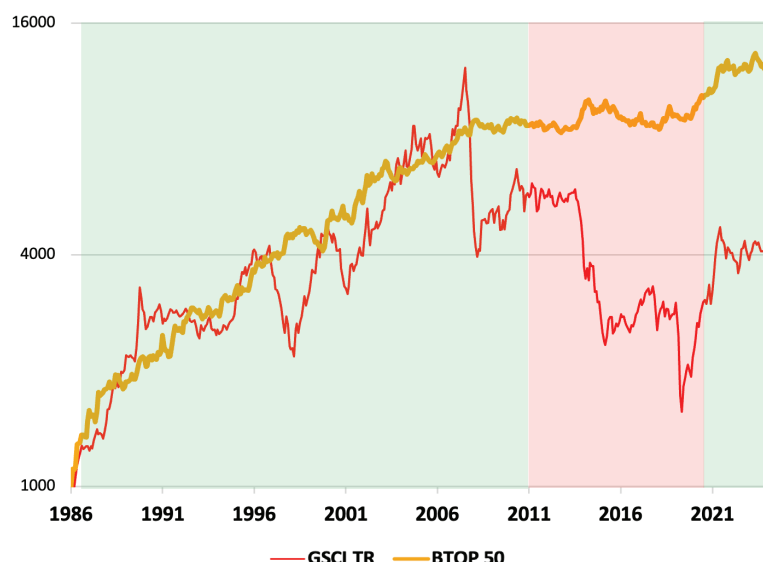
METALS

While Gold gained 0.5%, Silver fell over 3% pulling down the sector result. Copper was added and gained over 5% for the month.

AGRICULTURE

The ever diverse Ag sector had a gain from Corn exposure further out on the curve while near-term weakness across Grains was gladly avoided. In Softs, Sugar gained while Cotton weakened, and we remain on the sidelines.

CHART 3 GSCI COMMODITY & BTOP 50 CTA INDEXES



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

TABLE 2 CTA REGIME ANALYSIS

	1987-2010	2011-2019	2020-2025
Average CPI	2.9	1.8	4.2
Average VIX ¹	20.4	16.2	21.2
Ann. CTA Return	9.2%	0.2%	6.4%

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

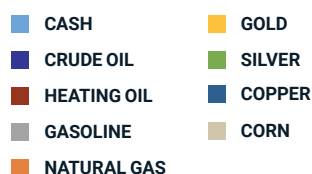
CHART 4 INDEX RETURN ATTRIBUTION



Source: Bloomberg and Auspice Investment Operations.

CHART 5 COMPONENT EXPOSURE: LONG / FLAT

ETFs that track ABCERI historically >90% invested in cash and earn a cash return, regardless of the number of active (long) positions.



Source: Auspice Investment Operations.

¹ Reference Link

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.

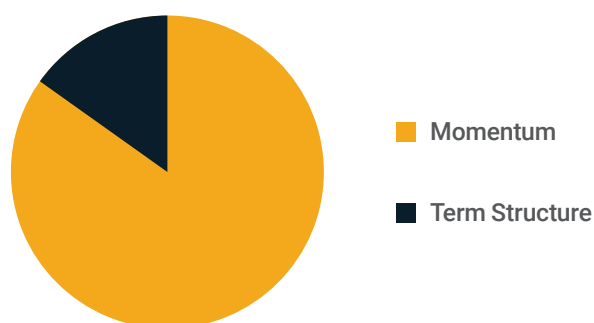
The index is tactical long strategy that focuses on Momentum and Term Structure to track either long or flat positions in a diversified portfolio of commodity futures which cover the energy, metal, and agricultural sectors. The index incorporates dynamic risk management and contract rolling methods. 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 basis

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

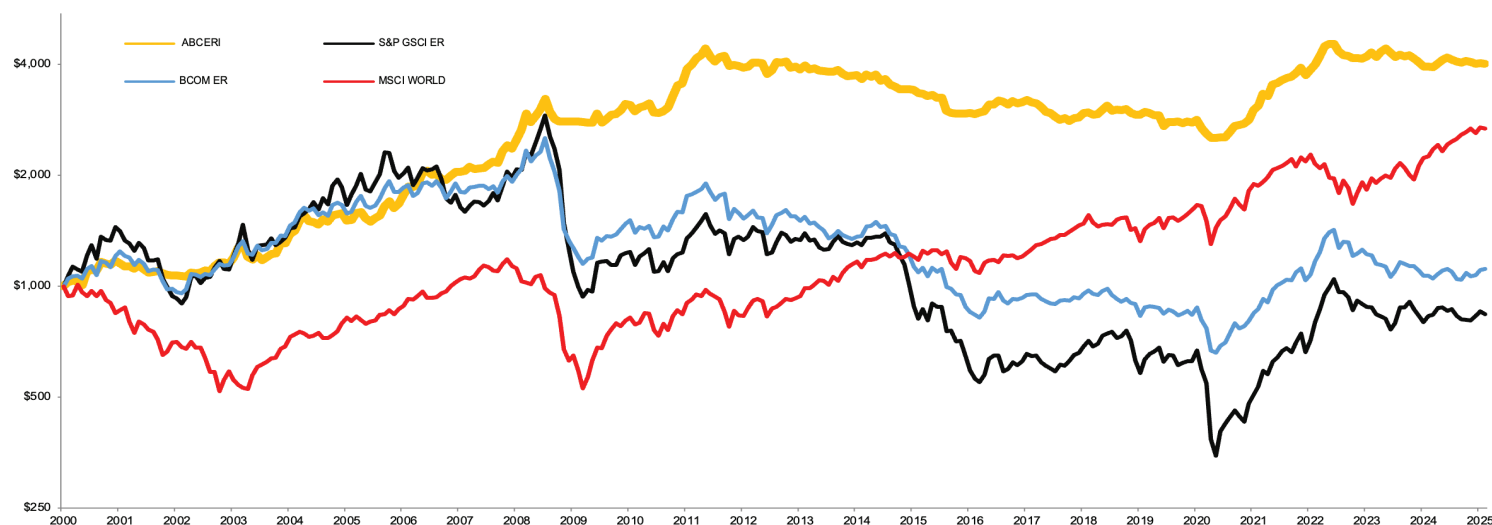
OTHER DETAILS

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 cannot 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
2025	0.56%	-0.48%											0.08%
2024	0.03%	-0.57%	2.14%	2.80%	1.22%	-1.46%	-0.78%	-0.88%	1.02%	0.86%	-1.42%	-1.20%	1.67%
2023	2.78%	-2.85%	3.23%	2.07%	-2.31%	-2.87%	1.34%	-1.09%	0.61%	-2.04%	-1.85%	-2.89%	-6.00%
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 cannot invest directly in an index. Past performance is not indicative of future results.

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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.

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 (**BCOMER**), 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 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.

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.

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.

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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