



# BROAD COMMODITY INDEX

COMMENTARY  
+ PROFILE

MARCH 2025

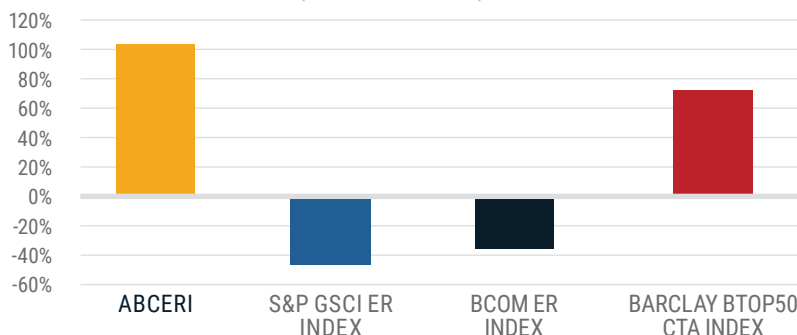
All performance data, portfolio information  
and pricing contained herein is as of  
March 31st, 2025.

**AUSPICE** Capital Advisors

SUITE 510 - 1000 7TH AVE SW  
CALGARY, ALBERTA CANADA T2P 5L5



## 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.

## INVEST WITH AUSPICE

Call us at **888.792.9291**

Visit us online **auspicecapital.com**



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\*

Futures trading is speculative and is not suitable for all customers. Past results are not necessarily indicative of future results. This document is for information purposes only and should not be construed as an offer, recommendation or solicitation to conclude a transaction and should not be treated as giving investment advice. Auspice Capital Advisors Ltd. makes no representation or warranty relating to any information herein, which is derived from independent sources. No securities regulatory authority has expressed an opinion about the securities offered herein and it is an offence to claim otherwise. There is a risk of loss in trading commodity futures.

## SUMMARY

Source of data is Bloomberg unless otherwise indicated.

Commodity benchmarks continue to outperform most other asset classes with another positive month to end the quarter. The more diverse Bloomberg Commodity Index (BCOM ER) added 3.6% for 7.7% year-to-date while the energy tilted Goldman Sachs Commodity Index (GSCI ER) gained 2.5% for 3.8% per Table 1. Metals, both precious and base, led commodity performance during the month alongside Energies and some Softs.

Global equity markets were lower lead by North American markets and joined by the recently outperforming European Euro Stoxx benchmark. Asian and Emerging markets showed continued strength. Markets continue to be volatile but showing specific weakness as US tariff plans become clearer to North American and European trade partners. The S&P500 and the Nasdaq lost 5.8% and 8.2% while the global benchmark MSCI ACWI and the Canadian TSX60 were more moderate correcting 3.9% and 2.3%. The MSCI Singapore added 2.0% leading Asian markets while the Hang Seng gained 0.8% alongside the China A50 adding 0.9%.

While the Canadian and European central banks cut rates in response to looming tariffs and inflationary risks during the month, the US Fed held steady despite economists' concern that the US economy may be moving towards stagflation (declining growth and increased inflation)<sup>1</sup>.

The US year-over-year CPI again fell from 3.0% to 2.8% (for the February reading see Chart 2) yet the seasonally adjusted CPI-U rose 0.2% following a 0.5% gain in January<sup>2</sup>, concerning consumers, businesses and central bankers alike.

The rate curve steepened with the short end dropping while the long-end rose, yet the benchmark US 10-year Note was neutral, lacking direction and holding at 4.2%. The US Dollar Index continued to weaken, down 3.1%, vis-à-vis global currencies while the Canadian Dollar gained 0.5%, lagging the strength in the Euro and Pound, adding 4.2% and 2.7% respectively.

## RESULTS

Per Table 1, Auspice Broad Commodity Excess Return Index (ABCERI) gained 3.4% in line with the more diverse BCOM long-only benchmark, and outperforming the GSCI for the month.

ETFs that track ABCERI (NYSE "COM" and TSX "CCOM") gained 3.5% in March 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 had 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 – better risk-adjusted and absolute returns leading to better client experience than beta benchmark indices or products that track them.

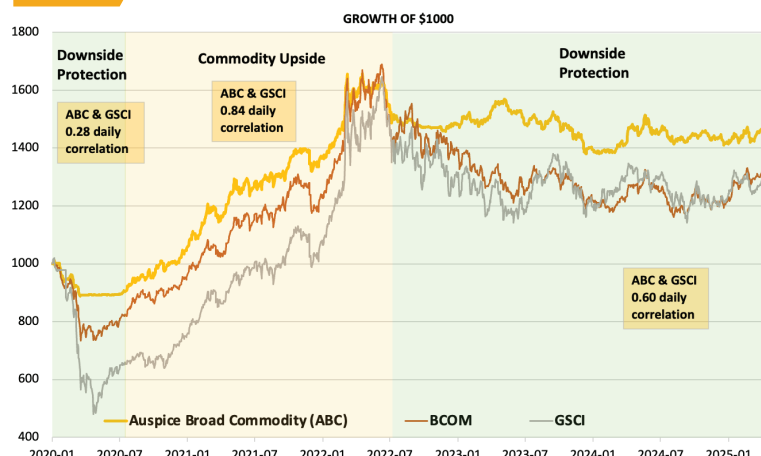
## OUTLOOK

Recent data shows consumer sentiment and spending dropping to a two-year low<sup>3</sup>, while inflation expectations have jumped to a 32 year

(CONTINUED NEXT PAGE)

<sup>1</sup>. Reference Link    <sup>2</sup>. Reference Link    <sup>3</sup>. Reference Link

**CHART 1** COMMODITY & CRISIS ALPHA



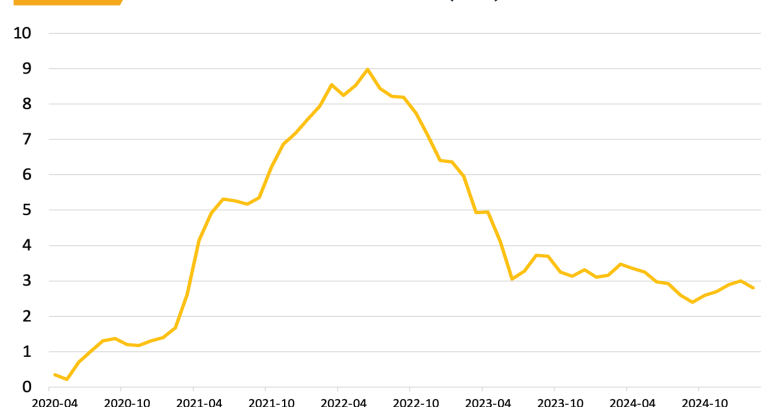
Source: Bloomberg and Auspice Investment Operations. Past performance is not indicative of future results. You cannot invest directly in an index.

**TABLE 1** ABSOLUTE PERFORMANCE

	ABCERI	BCOM ER INDEX	S&P GSCI ER INDEX	MSCI ACWI INDEX
1 Month	3.44%	3.55%	2.53%	-3.95%
2025 YTD	3.53%	7.74%	3.78%	-1.32%
1 yr (Apr 24)	3.60%	6.95%	-1.10%	7.15%
3 yr (Apr 22)	-7.29%	-14.48%	-9.13%	22.21%
5 yr (Apr 20)	64.65%	72.01%	124.16%	102.68%
10 yr (Apr 15)	26.81%	8.44%	6.61%	133.26%
15 yr (Apr 10)	34.98%	-19.49%	-29.86%	258.81%
Ann. Return (Jan 07)	3.98%	-2.42%	-3.46%	6.61%
Std Deviation	10.14%	16.10%	22.58%	16.23%
Sharpe Ratio	0.45	-0.06	-0.03	0.52
Sortino Ratio	0.74	-0.08	-0.04	0.75
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

high alongside business growth stalling. American business is now warning that higher prices due to the Trump tariff policy is causing it to cut expansion plans, raise prices for consumers and affect the bottom line. This aligns with our long-advocated view that the lever central banks have in controlling inflation, raising rates, may be effective for demand-pull inflation (demand for manufactured goods), not cost-push inflation driven by commodities and wages. While U.S. equity markets have been amongst the weakest since the trade war began, commodities have begun to rally. And while we know a weak USD is not required for a commodity rally, recent weakness may indeed be supportive at this time and going forward.

Most investors have in their mind that commodities perform poorly relative to equities. In the past two years this may be true.

Further back, commodities had a “lost decade” from 2010 to 2019 (similar to equities in the early 2000s). But while equities performed exceptionally well during this period of quantitative easing, low interest rates and a lack of inflation, if you look back further, you see a different story. From 1960 to the end of 2024, the Bloomberg Commodity index benchmark (BCOM) actually outperformed the S&P 500 and importantly with a low correlation to it.

Yet when looking at only gold, we know it is not a reliable inflation hedge, rather a diversifier, currency or store of value. In fact, as inflation hit and exploded from the time of COVID in the summer of 2020, gold did not perform for two years. It was only after inflation began to slow (disinflation) that gold started to perform (alongside equities and even bitcoin).

We may be entering a similar period of inflation – where bonds do not hedge equities and commodity exposure (beyond gold) leads to exceptional non-correlated performance.

We encourage investors to seek diversification and broad commodity inflation protection in their portfolios at this time.

## ATTRIBUTIONS AND TRADES

The Auspice Broad Commodity Index portfolio had one change in March, exiting Gasoline. The strategy now holds 7 of the 12 components or 58% 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. Per Chart 4, the monthly positive attribution came from Metals, complimented by Energies.

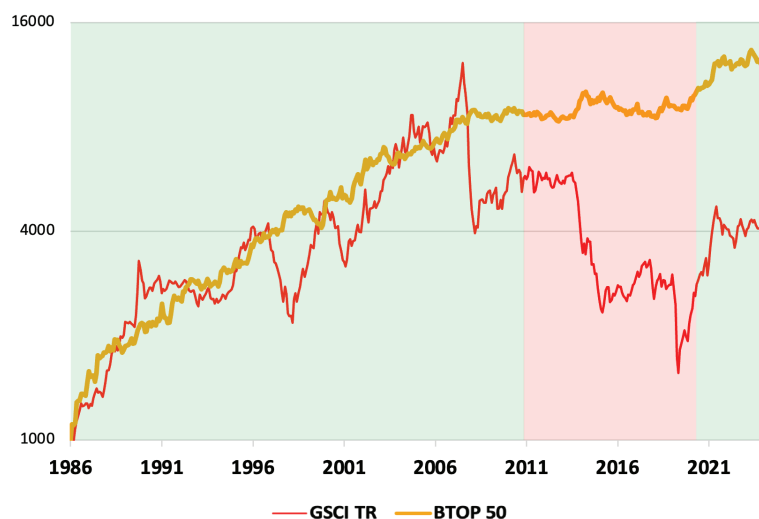
## SECTOR HIGHLIGHTS

**ENERGY** Natural Gas led the energy attribution gaining 5.6% while WTI Crude Oil and Heating Oil added value. Gasoline was weak to start the month and was exited.

**METALS** Metals led gains with all components performing, Copper rallied over 10% and was complimented by Silver and Gold, both up over 9%.

**AGRICULTURE** The diverse Ag sector experienced weakness in Grains and strength in the Softs covered. The sole exposure remains Corn which corrected 2.6%. Cotton and Sugar added 2.4% and 1.8% respectively yet both remain on the sidelines at this time.

**CHART 3** GSCI COMMODITY & BTOP 50 CTA INDEXES



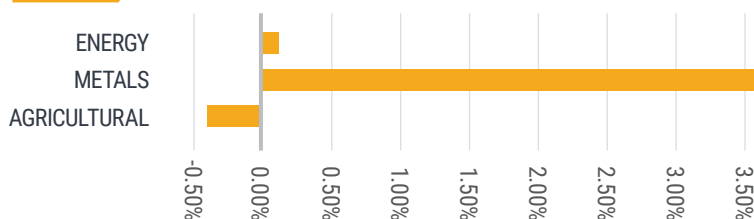
Source: Bloomberg and Auspice Investment Operations.  
You cannot invest directly in an index.

**TABLE 2** CTA REGIME ANALYSIS

	1987-2010	2011-2019	2020-2025
Average CPI	2.9	1.8	4.2
Average VIX <sup>1</sup>	20.4	16.2	21.2
Ann. CTA Return	9.2%	0.2%	6.3%

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

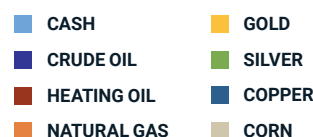
**CHART 4** INDEX RETURN ATTRIBUTION



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.

## 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.

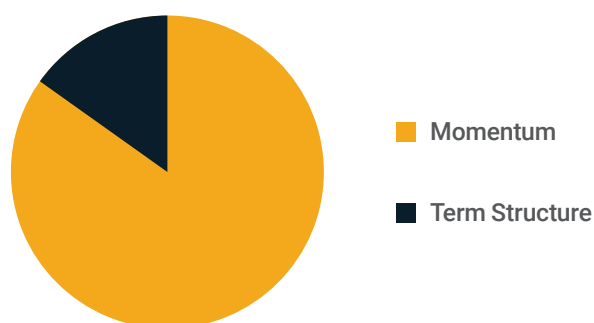
The index is tactical long strategy that focuses on Momentum and Term Structure to track either long or flat positions in a diversified portfolio of commodity futures which cover the energy, metal, and agricultural sectors. The index incorporates dynamic risk management and contract rolling methods.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

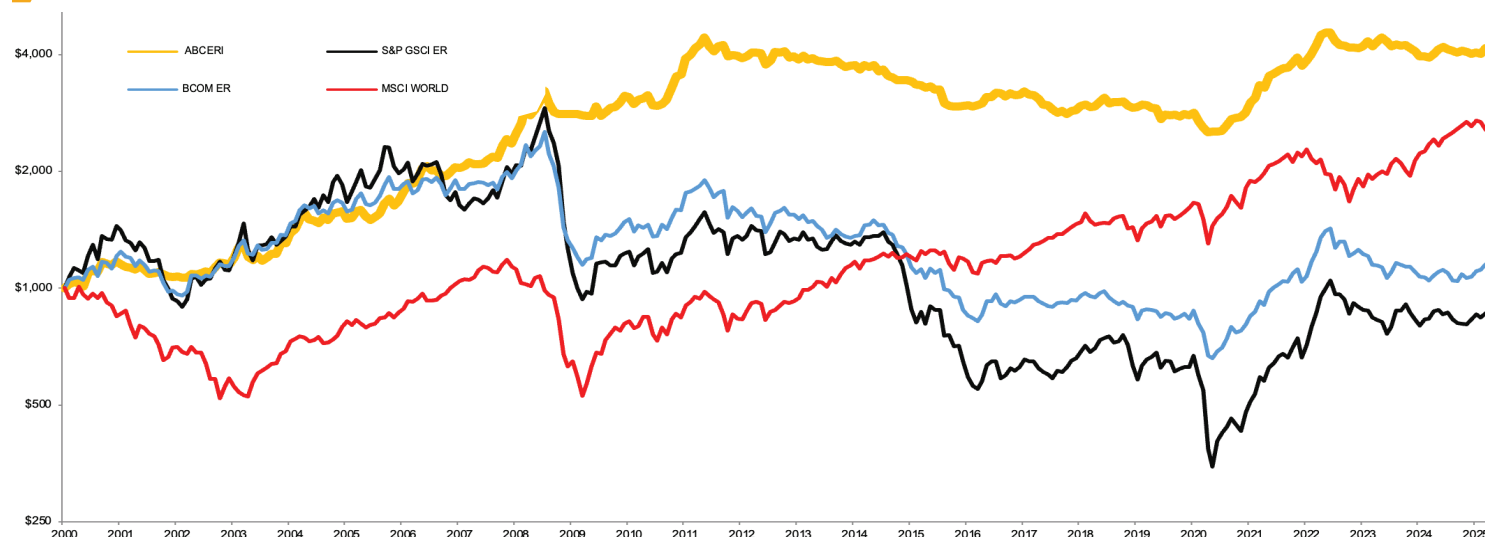
### OTHER DETAILS

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%	3.44%										3.53%
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.



## IMPORTANT DISCLAIMERS AND NOTES

Futures trading is speculative and is not suitable for all customers. Past results are not necessarily indicative of future results. This document is for information purposes only and should not be construed as an offer, recommendation or solicitation to conclude a transaction and should not be treated as giving investment advice. Auspice Capital Advisors Ltd. has made every effort to ensure the accuracy of the content of the information herein, derived from independent sources. Auspice Capital Advisors Ltd. does not make any representation that the information in any linked site is complete or accurate and will not accept any responsibility or liability for any inaccuracies in the information not maintained by them, such as linked sites. No securities regulatory authority has expressed an opinion about the securities offered herein and it is an offence to claim otherwise.

Some of the assumptions and opinions contained herein are the view or opinion of the firm and are based on management's analysis of the portfolio performance.

## 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.

Visit us online to learn more  
[auspicecapital.com](https://auspicecapital.com)

