



# DIVERSIFIED TRUST

COMMENTARY +  
FUND PROFILE

MARCH 2025

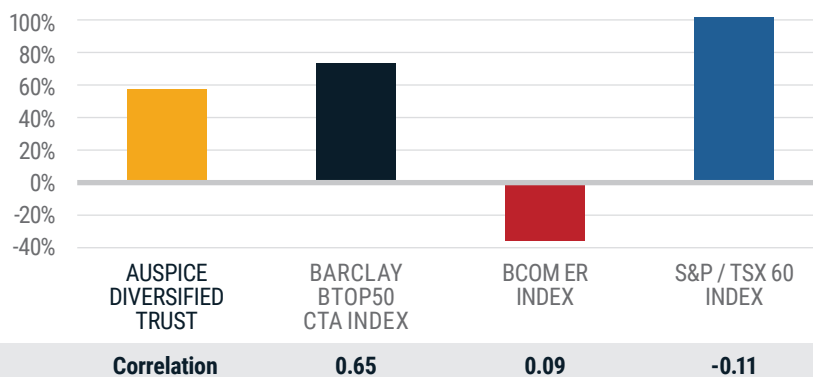
All performance data, portfolio information  
and pricing contained herein is as of  
March 31st, 2025.

**AUSPICE** Capital Advisors

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



## CUMULATIVE PERFORMANCE (SINCE JANUARY 1<sup>ST</sup> 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 portfolios 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. There is a risk of loss in trading commodity futures.

## SUMMARY

Source of data is Bloomberg unless otherwise indicated.

Auspice Diversified Trust ("ADT") softened 0.6% per Table 1. Caution was warranted as markets continue to be choppy, what we describe as "bad volatility" as US tariff plans become clearer to North American and European trade partners and hence weak equity markets, yet relatively inconclusive on a global basis effecting many commodity trends. ADT performed inline with the mixed sector benchmarks, the SG Trend Index was down 1.3% while the BTOP50 was up 0.8%.

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. 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%.

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 per Table 1. Metals, both precious and base, led commodity performance during the month alongside Energies and some Softs.

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>1</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.

## OUTLOOK

Recent data shows consumer sentiment and spending dropping to a two-year low<sup>2</sup>, while inflation expectations have jumped to a 32 year 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.

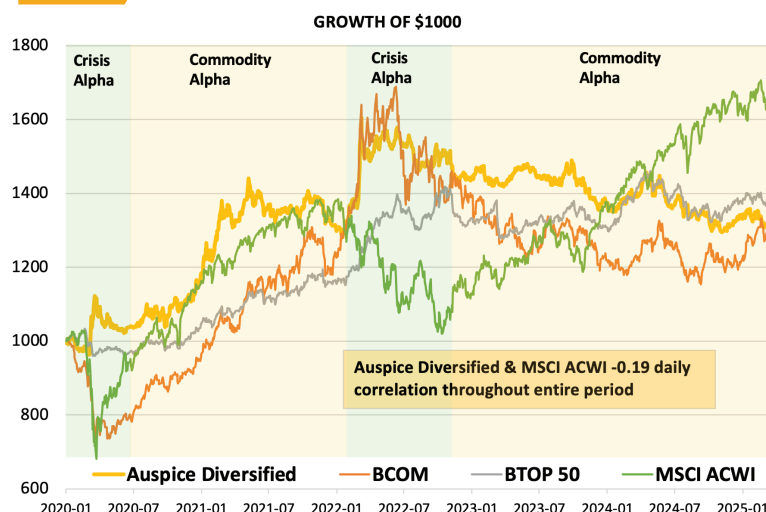
While U.S. equity markets have been amongst the weakest since the trade war began, commodities have begun to rally. And while we know a weak USD is not required for a commodity rally, recent weakness may indeed be supportive at this time and going forward.

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

(CONTINUED NEXT PAGE)

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 BTOP50 CTA Index	BCOM ER INDEX	TSX 60 INDEX
1 Month	-0.57%	0.80%	3.55%	-2.32%
2025 YTD	-2.44%	0.37%	7.74%	0.97%
1 yr (Apr 24)	-6.83%	-3.25%	6.95%	12.22%
3 yr (Apr 22)	-12.84%	9.39%	-14.48%	13.16%
5 yr (Apr 20)	21.45%	41.05%	72.01%	82.55%
10 yr (Apr 15)	3.72%	25.59%	8.44%	72.18%
15 yr (Apr 10)	24.86%	48.16%	-19.49%	111.75%
Ann. Return (Jan 07)	2.51% <sup>1</sup> / 3.54% <sup>2</sup>	3.07%	-2.42%	3.91%
Std Deviation	11.28%	6.99%	16.10%	13.32%
Sharpe Ratio	0.30	0.47	-0.06	0.38
Sortino Ratio	0.52	0.75	-0.08	0.53
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 on 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> Reference Link <sup>2</sup> Reference Link

## OUTLOOK (CONTINUED)

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

Per Chart 3, corrections in pervasive trends across both commodity and financial markets again pulled down the portfolio result. Gains in Metals and Meats were met by corrections in Currencies and choppy Energy markets. Some notable changes while overall direction across sectors remains unchanged.

### BY SECTOR

**Energies:** The month started with continued weakness in petroleum markets causing a reduction in risk and an exit and reversal to short in Gasoline for a small loss. Natural Gas was strong gaining 5.6%.

**Metals:** Metals led sector performance as we added to net long exposure in both base and precious metals alongside exiting remaining shorts.

**Grains:** Weak sector gain with small gains in Wheat and Soybeans offset by remaining long exposure in Corn and a 3.0% sell-off and exit in in Rapeseed (Europe). Added to net short exposure across sector.

**Softs:** Small positive attribution as gains from shorts in Orange Juice and Cheese were offset by a rally in Cotton and Sugar gaining 2.4% and 1.8% respectively. Positions largely unchanged save for profit taking in Cocoa.

**Equities:** Small negative attribution as gains in long exposures in Asia were offset by a reversal in European equity. Added modest shorts in North American equities while exiting Europe long exposure.

**Rates:** Small sector loss as rates softened against shorts in bond futures - positions held.

**Currencies:** Sector loss as US Dollar weakness and currency strength moved against trend exposures. Positions largely held while reducing currency shorts modestly including Euro, Peso and Indian Rupee.

### RETURN DRIVERS:

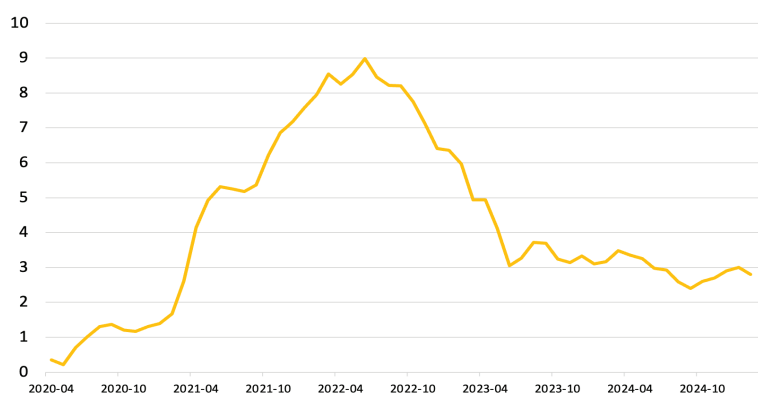
Results were slightly negative from both trend-following strategies and the non-correlated short-term (non-trend) strategies. We continue to earn on significant cash positions. See Chart 4.

TABLE 2 AUSPICE DIVERSIFIED TRUST PERFORMANCE

Auspice Diversified Trust	Annualized Return				NAVPU
	1yr	3yr	5yr	10yr	
Series X	-6.83%	-4.47%	3.96%	0.62%	13.2278
Series A	-7.78%	-5.52%	3.25%	-0.30%	10.4011
Series F	-6.82%	-4.55%	3.47%	0.40%	11.2870
Series I	-5.82%	-3.35%	6.32%	2.24%	15.7427

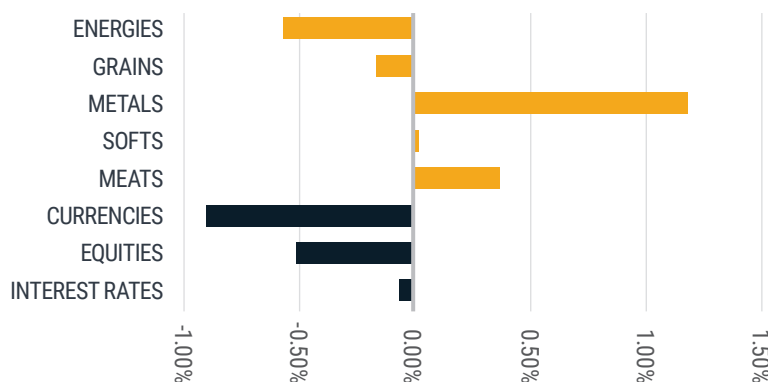
Source: Bloomberg and Auspice Investment Operations. Past performance is not indicative of future results. The returns for Auspice Diversified Trust ("ADT") are net of fees. Inception dates: Series X, July 1st, 2014; Series A, October 1st, 2009; Series F, October 1st, 2009; Series I, January 1st, 2013.

CHART 2 CONSUMER PRICE INDEX (CPI) YOY% CHANGE



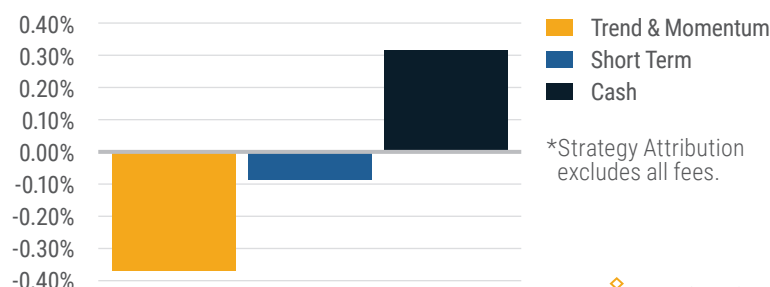
Source: Bloomberg and Auspice Investment Operations. See definitions at end for more.

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.

## POSITION HIGHLIGHTS

### GAINS

- Metals sector was the top performer led by Copper and Gold, both up approximately 10%.
- Long Cattle gained 3.4%.
- Short Orange Juice as fell over 18%.

### LOSSES

- Gasoline was weak before rallying causing us to exit long risk.
- European equity sold off, DJ Euro Stoxx down 3.9%.
- In Currencies, reduced Euro short in face of 4.2% rally.

## EXPOSURE AND RISK ALLOCATION

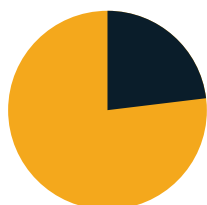
Commodity to Financial exposure increased slightly to 77:23 from 71:29, in line with the long-term average per Chart 5. The overall portfolio risk as measured by the Margin to Equity ratio, dropped again to 5.0%, moving further below the historical average level of 6.6% (see Chart 7 next page).

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

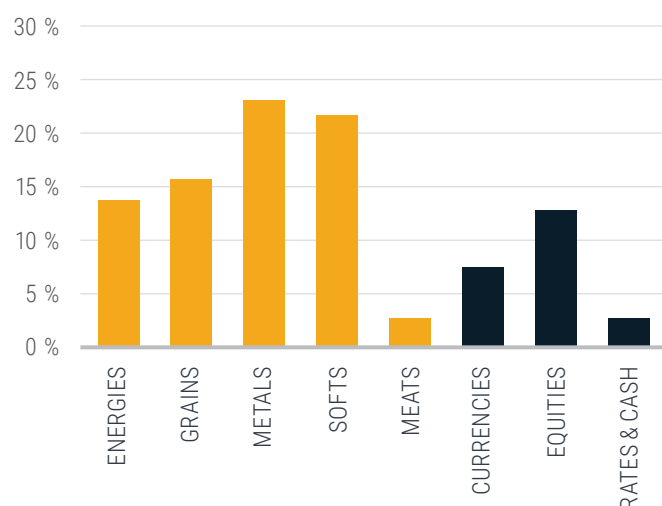
**CHART 5** COMMODITIES VS. FINANCIAL EXPOSURE

■ Total Financials  
■ Total Commodities

Source: Auspice Investment Operations.



**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.

## CURRENT RISK BY SECTOR

Largest Holdings	Aggregate Position	% of Risk
<b>ENERGIES</b>		<b>13.9%</b>
Natural Gas	Long	6.4%
RBOB Gasoline	Short	2.2%
WTI Crude Oil	Long	2.0%
<b>GRAINS</b>		<b>15.7%</b>
Wheat	Short	4.0%
Soybeans Meal	Short	3.2%
Kansas Wheat	Short	2.7%
<b>METALS</b>		<b>23.0%</b>
Gold	Long	7.8%
Silver	Long	7.7%
Copper	Long	4.7%
<b>SOFTS</b>		<b>21.7%</b>
Coffee	Long	10.3%
Cotton	Short	3.9%
Sugar	Short	2.5%
<b>MEATS</b>		<b>2.7%</b>
Live Cattle	Long	2.7%
<b>CURRENCIES</b>		<b>7.5%</b>
New Zealand Dollar	Short	3.6%
Euro Pound	Short	1.8%
Japanese Yen	Short	0.5%
<b>EQUITIES</b>		<b>12.9%</b>
Hang Seng Index-Mini-(HKFE)	Long	5.3%
MSCI Singapore Index	Long	3.0%
eMini NASDAQ 100 (USA)	Short	1.7%
<b>RATES &amp; CASH</b>		<b>2.7%</b>
5 Year Note	Short	0.5%
10 Year Note	Short	0.5%
30 Year Bond	Short	0.4%

Source: Auspice Investment Operations.

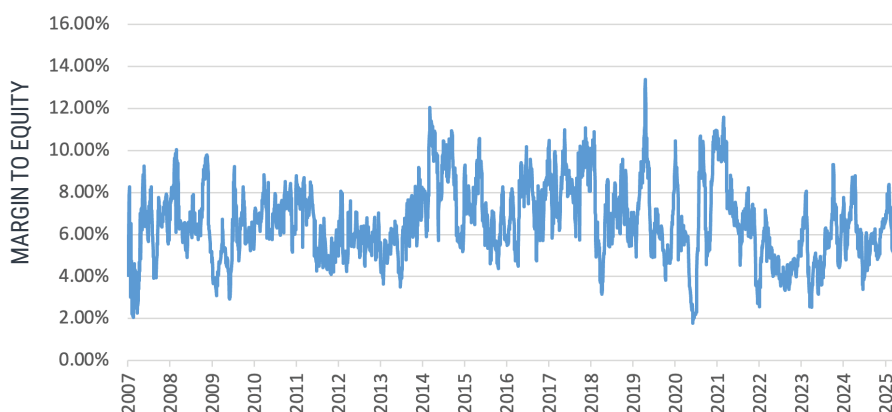
## INVESTMENT OBJECTIVE

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	2.51% <sup>1</sup> / 3.54% <sup>2</sup>	Avg Monthly Gain	2.81%
Annualized Std Dev	11.28%	Avg Monthly Loss	-2.07%
Largest Drawdown	-26.04%	Daily Std Dev	0.68%
Sharpe Ratio <sup>3</sup>	0.30	Daily VAR (sim w/99% conf)	-0.55%
MAR Index <sup>4</sup>	0.10	Round Turns per \$million	800
Sortino	0.52	Margin to Equity ratio	6.6
Upside/Downside Deviation	0.13 / 0.05	Average Hold Period (Days)	70
Correlation to MSCI ACWI	-0.16	% Profitable	39%
Correlation to TSX60	-0.11	\$Win / \$Loss	1.48
Correlation to BCOM ER	0.09	Skew	0.98

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, Innocap
Auspice Diversified Trust Liquidity	Daily
Firm Assets	\$830M

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
2025	0.64%	-2.50%	-0.57%										-2.44%
2024	-1.18%	2.95%	-0.04%	2.71%	-2.12%	-2.64%	-0.97%	-1.78%	0.85%	-3.00%	0.80%	1.73%	-2.88%
2023	2.15%	-3.64%	0.34%	2.92%	0.87%	-2.21%	-0.36%	-0.80%	3.37%	-3.36%	-3.35%	-0.49%	-4.79%
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%	11.19%
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%	9.62%
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%	18.46%
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%	-6.75%
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%	-0.61%
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%	-5.31%
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%	1.15%
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%	-7.47%
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%	24.76%
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%	-6.01%
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%	-10.24%
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%	-3.66%
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%	12.53%
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%	-7.93%
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%	44.30%
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%	-3.11%

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. Sortino Ratio measures the risk-adjusted return on a portfolio by comparing the performance relative to the downside deviation.
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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## QUALIFIED INVESTORS

Auspice Diversified Trust is available to all Canadian investors. For U.S. investors, the strategy is only available to Qualified Eligible Persons "QEPs" as defined by CFTC Regulation 4.7. Email [info@auspicecapital.com](mailto:info@auspicecapital.com) for more.

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