



BROAD COMMODITY INDEX

COMMENTARY
+ PROFILE

MARCH 2024

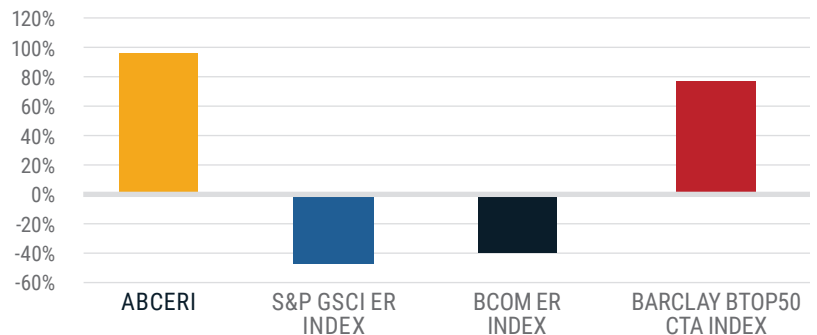
All performance data, portfolio information and pricing contained herein is as of March 31st, 2024.

AUSPICE Capital Advisors

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CUMULATIVE PERFORMANCE (SINCE JANUARY 2007)



Correlation	0.64	0.75	0.35
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Source: Bloomberg and Auspice Investment Operations. The performance of Auspice Broad Commodity Index prior to 9/30/2010 is simulated and hypothetical as published by the NYSE. See Important Disclaimers and Notes on last page. You cannot invest directly in an index. Past performance is not indicative of future results.

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3 Year Morningstar Rating™ for Direxion Auspice Broad Commodity Strategy Fund ETF (COM), which tracks ABCERI. Overall Morningstar Rating™ out of 100 US Fund Commodities Broad Basket funds based on risk adjusted returns as of 02/29/2024†

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SUMMARY

Source of data is Bloomberg unless otherwise indicated.

While the broad commodity market is never “one direction” given its diversity, March was generally a strong month for the sector. Energies and Metals led the gains yet even within those sub-sectors, a tactical approach was warranted. While petroleum energies rallied led by WTI Crude Oil up 6.8%, natural gas fell 11.6%.

The long-only commodity benchmarks gained ground with the Bloomberg Commodity Index (BCOM ER) up 2.9% while the energy tilted Goldman Sachs Commodity Index (GSCI ER) added 4.3%. This brings both benchmarks positive to end Q1 and start 2024 alongside positive 3 and 5 year results per Table 1.

Global stock indices continued their record rally. The S&P500 and Nasdaq added 3.1% and 1.8% respectively, Canada’s TSX60 kept up adding 3.4%, and the global benchmark MSCI ACWI was up 3.1%. Asian markets were also strong led by Japan’s Nikkei up 3.1% for over 20% year-to-date - some attribute the Nikkei rally to recent interest rate increases and an end to “ZIRP” (“zero interest rate policy”), potentially putting decades of deflation behind the nation.

In North America and many other parts of the world, disappointing year-over-year inflation data, as measured by US CPI, gaining to 3.2% (for the February reading see Chart 2), led many to believe central banks will be in no rush to cut rates. This was reiterated by the US Fed and Bank of Canada as both held rates steady yet again.

While rates were mostly steady in March with the benchmark US 10-year Note at 4.20%, the trend remains rising from 3.88% ending 2023. The US Dollar rallied yet another 1% vis-à-vis global currencies with the Yen falling (another) 2.9% despite Japan’s end to yield curve controls. The Canadian Dollar fell 1.3% while the Euro lost 0.5%.

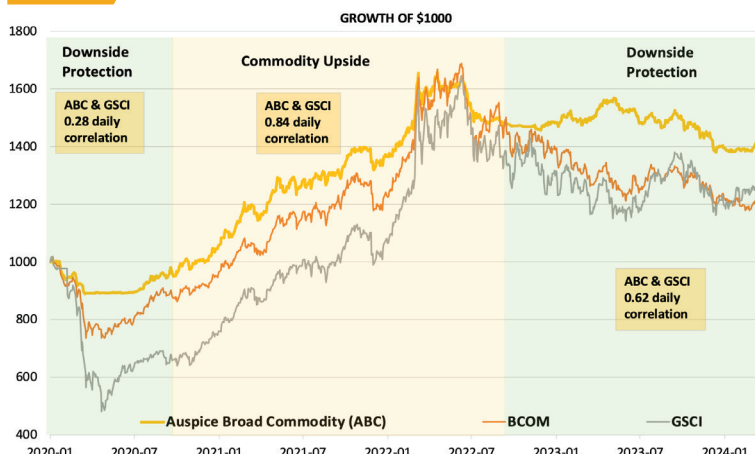
RESULTS

Per Table 1, Auspice Broad Commodity gained 2.14% performing alongside the long-only benchmarks.

ABCERI has yielded comparable outcomes in the recent past, but its true potential is evident over the long term and when adjusted for risk. This is because it operates with less risk in terms of volatility and drawdown. With a long-term volatility near 10%, this represents a more “bond-like” volatility, far less than BCOM or global equities (MSCI) at over 16%, and GSCI at 23%. Moreover, on a 10- and 15-year basis representing a full cycle exposure, Auspice Broad Commodity provides a positive result to the negative benchmark results. Since 2007, the annualized gain is positive versus benchmarks negative, and a spread of 7-8%.

The more recent benefits of the active Auspice Broad Commodity strategy are clearly illustrated in Chart 1: adding a layer of tactical trend-following and risk management has produced a strong result since the onset of COVID in 2020 in comparison to the passive commodity benchmarks. The chart shows a clear visual of the ABCERI index strategy protecting the downside in weakness yet participating on the upside.

CHART 1 COMMODITY & CRISIS ALPHA



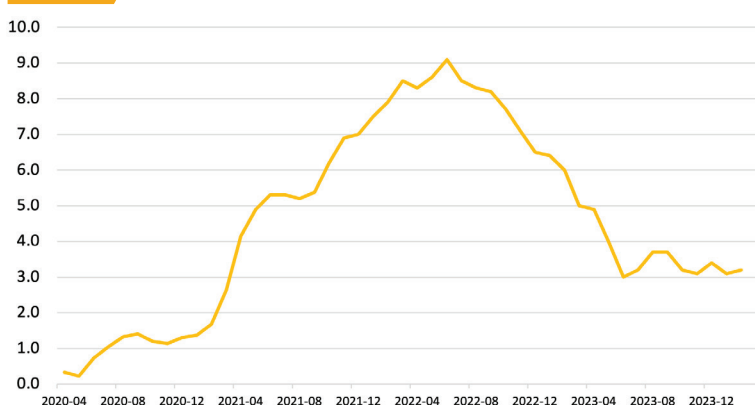
Source: Bloomberg and Auspice Investment Operations. Past performance is not indicative of future results. You cannot invest directly in an index.

TABLE 1 ABSOLUTE PERFORMANCE

	ABCERI	BCOM ER INDEX	S&P GSCI ER INDEX	MSCI ACWI INDEX
1 Month	2.14%	2.89%	4.30%	3.14%
2024 YTD	1.59%	0.85%	8.92%	8.20%
1 yr (Apr 23)	-7.35%	-5.70%	5.40%	23.22%
3 yr (Apr 21)	22.26%	19.23%	51.04%	22.35%
5 yr (Apr 19)	37.69%	22.69%	31.29%	67.87%
10 yr (Apr 14)	8.17%	-26.04%	-35.68%	129.48%
15 yr (Apr 09)	44.38%	-9.38%	-10.84%	420.67%
Ann. Return (Jan 07)	4.00%	-2.94%	-3.59%	6.58%
Std Deviation	10.35%	16.41%	23.16%	16.54%
Sharpe Ratio	0.45	-0.09	-0.03	0.51
MAR Ratio	0.09	-0.04	-0.04	0.12
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.

RESULTS (CONTINUED)

ETFs that track ABCERI (NYSE "COM" and TSX "CCOM") have benefitted by earning a cash return on over 90% of the ETF AUM. Year-to-date this has added 1.2% of additional gains over the underlying ABCERI index (which does not include collateral cash return). COM and CCOM ended up 2.6% and 2.5% in March and are both positive year-to-date.

OUTLOOK

Agricultural markets, metals, and energies have all exhibited new signs of strength recently. From Goldman, to Bloomberg, to Bank of America – there was a surge in bullish commodity outlooks during March.

However, unlike a recent Globe and Mail article "Out of nowhere, commodities are on a run"¹, as per July 2023 Auspice featured Financial Post article, the bullish commodity setup is long in the making².

We believe the recent AI driven tech boom will further feed a commodity supercycle. See this month's Auspice Blog, alongside a forthcoming research article, coming soon.

ATTRIBUTIONS AND TRADES

The Auspice Broad Commodity Index portfolio added two markets in March. The portfolio holds exposures across all diverse sub-sectors including Energy, Metals and Ags. Per Chart 4, the attribution was strong in Metals and complimented by energies while Ags corrected slightly.

The strategy is now holding 6 of the 12 components or 50% of available components (see Chart 5) and remains able to add commodity markets broadly as individual market merit develops. In fact, a preview, the strategy added yet another market on April 1.

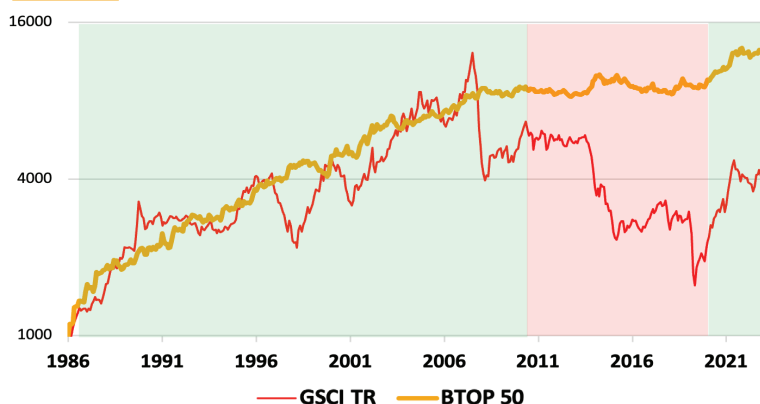
SECTOR HIGHLIGHTS

ENERGY The petroleum energy markets were strong with Gasoline adding 6% alongside WTI Crude Oil. We added Gasoline to the portfolio and Crude Oil is pending. The strategy remains without an exposure in Natural Gas which dropped over 11% for the month. The sector had a positive attribution to the portfolio.

METALS Both base industrial and precious metals have reversed course and strengthened significantly. As such, we added Copper to the sub-sector to hold a full complement of exposures. Gold and Silver gained 7.8 and 8.9% while Copper added over 4%.

AGRICULTURE The highly diverse Ags sector was volatile with strong moves in both directions. As such, after a volatile start to the month, the Cotton exposure was reduced. This benefited the portfolio as Cotton fell over 8% for the month while Sugar gained 3.8%. In Grains, Corn and Soybeans rallied yet Wheat fell 2.8%. We remain on the sidelines other than the remaining Cotton exposure at this time.

CHART 3 GSCI COMMODITY & BTOP 50 CTA INDEXES



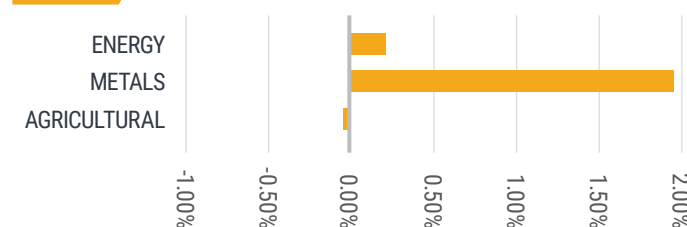
Source: Bloomberg and Auspice Investment Operations. You cannot invest directly in an index.

TABLE 2 CTA REGIME ANALYSIS

	1987-2010	2011-2019	2020-2024
Average CPI	2.9	1.8	4.5
Average VIX ¹	20.4	16.2	22.3
Ann. CTA Return	9.2%	0.8%	8.5%

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

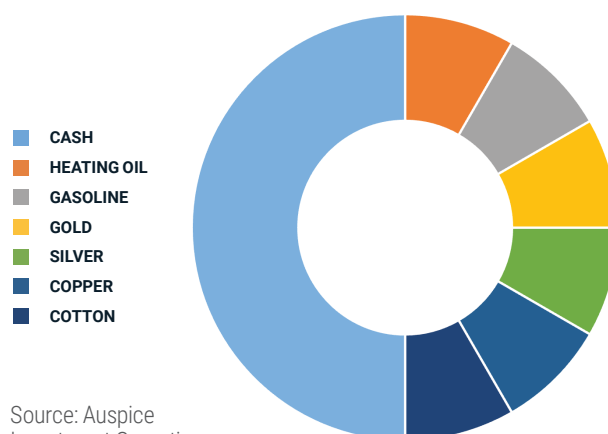
CHART 4 INDEX RETURN ATTRIBUTION



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 ² 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.

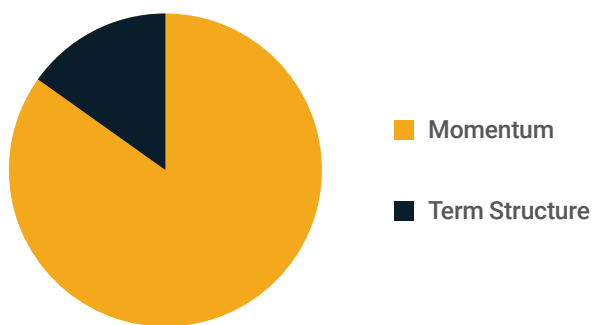
The index is tactical long strategy that focuses on Momentum and Term Structure to track either long or flat positions in a diversified portfolio of commodity futures which cover the energy, metal, and agricultural sectors. The index incorporates dynamic risk management and contract rolling methods.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

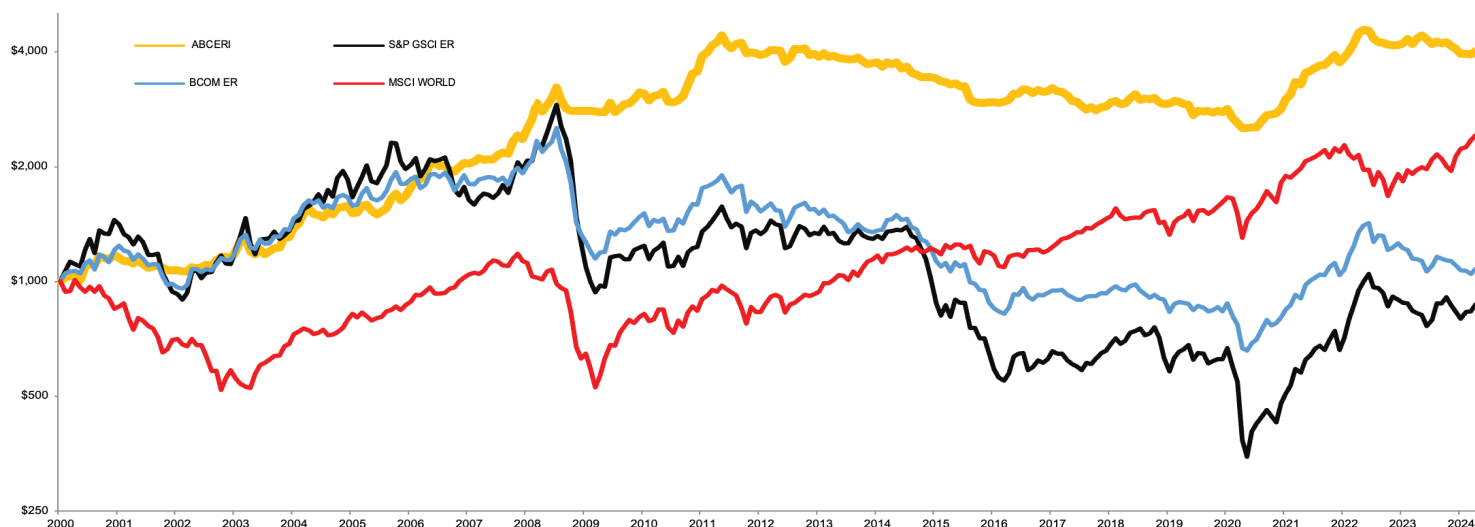
Bespoke product design

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
2024	0.03%	-0.57%	2.14%										1.59%
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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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.

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