

## The Alternative Commodity Algorithmic Program (ACAP)

RTM Analytics introduces the Alternative Commodity Algorithmic Program (ACAP), a next generation commodity index-like program that provides a more reasoned way to access the benefits available from the commodity asset class.

The index characteristics of ACAP include:

- Full transparency
- High liquidity
- Composed of US Exchange listed futures contracts (no counter-party risk)
- Fixed long/short/flat positioning methodology (no style drift) includes:
  - Trend algorithm
  - Seasonality factor
  - Volatility risk-parity weighting scheme
- Monthly position and rebalancing roll methodology
- Max allowable leverage 1.15. Historic average leverage .91
- Collateralized returns

Below are the hypothetical returns associated with the ACAP - Total Return (collateralized) program net of expected management fees and transaction costs.

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2000	+ 0.26%	+ 0.70%	+ 0.17%	- 1.56%	+ 3.31%	+ 3.62%	+ 1.89%	+ 1.28%	+ 0.08%	+ 2.81%	+ 1.56%	+ 1.06%	+ 16.15%
2001	+ 4.44%	+ 2.99%	- 1.46%	- 0.08%	- 0.98%	+ 0.86%	+ 1.07%	+ 0.78%	+ 2.89%	- 4.76%	- 1.95%	+ 1.76%	+ 5.35%
2002	- 0.77%	+ 0.04%	+ 1.85%	+ 0.31%	+ 2.31%	- 0.79%	+ 0.65%	+ 3.84%	+ 3.09%	+ 0.61%	+ 1.24%	+ 1.45%	+ 14.61%
2003	- 0.61%	+ 3.35%	+ 0.06%	+ 1.54%	+ 3.44%	+ 0.72%	+ 3.65%	+ 0.23%	- 2.42%	- 0.74%	+ 4.07%	+ 0.04%	+ 13.91%
2004	+ 1.04%	+ 3.06%	+ 2.67%	+ 3.18%	+ 1.73%	+ 1.37%	+ 0.37%	+ 0.66%	+ 4.53%	+ 0.45%	+ 0.29%	+ 0.51%	+ 21.64%
2005	+ 0.97%	- 1.88%	+ 2.79%	+ 1.09%	+ 2.94%	- 0.06%	+ 1.74%	+ 5.41%	+ 0.82%	+ 2.45%	+ 2.73%	- 0.99%	+ 19.34%
2006	+ 1.72%	+ 0.66%	+ 2.47%	+ 2.43%	+ 1.67%	+ 1.87%	+ 0.54%	+ 1.52%	+ 2.19%	+ 3.43%	+ 2.54%	+ 0.44%	+ 23.69%
2007	+ 1.44%	+ 1.15%	- 0.64%	+ 2.56%	+ 0.33%	- 0.40%	- 0.74%	+ 3.05%	+ 1.58%	- 0.29%	+ 2.08%	+ 3.68%	+ 14.56%
2008	+ 3.25%	+ 5.43%	+ 6.21%	+ 1.86%	- 1.07%	+ 3.47%	+ 7.59%	+ 3.28%	+ 5.51%	+ 0.12%	- 0.88%	- 2.05%	+ 37.37%
2009	- 0.81%	+ 0.45%	+ 1.08%	+ 1.77%	+ 1.38%	+ 3.39%	+ 1.64%	+ 2.77%	+ 1.85%	- 1.82%	+ 1.44%	- 2.16%	+ 11.37%
2010	+ 4.18%	- 0.32%	+ 2.73%	+ 0.03%	+ 1.89%	- 0.48%	- 0.04%	- 0.25%	+ 2.67%	+ 0.34%	- 0.10%	+ 1.05%	+ 12.20%
2011	- 1.56%	+ 1.07%	+ 0.81%	+ 0.16%	+ 2.28%	+ 4.07%	+ 1.90%	+ 3.10%	+ 3.75%	+ 2.32%	+ 1.27%	- 2.36%	+ 17.91%
2012	- 0.67%	+ 1.81%	- 2.10%	+ 0.29%	- 0.79%	+ 2.55%	- 0.03%	+ 2.19%	+ 1.40%	+ 1.91%	- 1.57%	+ 2.34%	+ 7.44%
2013	+ 1.28%	+ 0.74%	- 0.62%	+ 0.92%	+ 1.15%	+ 0.49%	+ 0.81%	- 0.73%	- 0.02%	- 0.81%	+ 0.68%	- 0.65%	+ 3.25%
2014	- 0.40%	+ 1.33%	- 1.03%	+ 0.71%	+ 1.38%	+ 0.70%	+ 1.42%	- 0.31%	+ 2.69%	- 2.78%	- 1.04%	+ 2.95%	+ 5.60%
2015	- 1.62%	- 0.41%	+ 0.61%	+ 1.40%	+ 0.50%	+ 4.79%	+ 4.05%	+ 1.70%	+ 0.43%	+ 1.05%	- 0.18%	+ 2.17%	+ 15.29%
2016	- 0.76%	- 0.29%	+ 1.79%	+ 2.80%	+ 0.99%	- 0.08%	+ 4.27%	+ 2.48%	- 1.70%	+ 0.86%	+ 3.85%	+ 1.84%	+ 17.05%
2017	- 0.30%	+ 0.79%	+ 2.67%	+ 4.09%	- 1.49%	+ 2.72%	+ 4.45%	+ 0.38%	+ 1.74%	+ 1.11%	- 0.72%	+ 0.13%	+ 16.50%
2018	- 1.55%	+ 0.09%	+ 3.64%	+ 2.36%	+ 0.01%	+ 3.77%	+ 4.17%	+ 0.72%	+ 2.76%	+ 5.00%	+ 4.40%	+ 0.74%	+ 29.15%
2019	- 0.29%	+ 0.45%	- 0.13%	+ 1.56%	+ 5.71%	- 0.40%	+ 1.33%	+ 2.77%	- 0.81%	+ 0.74%	+ 2.56%	+ 1.88%	+ 16.30%
2020	+ 3.38%	+ 3.12%	+ 1.27%	- 1.11%	- 0.11%	- 1.51%	+ 3.67%	+ 2.62%	+ 0.59%	- 0.57%	+ 4.25%	+ 5.14%	+ 22.49%
2021	- 2.71%	+ 4.92%	+ 2.98%	- 0.78%	+ 1.16%	+ 1.37%	- 0.89%	+ 1.26%	+ 1.14%	- 1.19%	+ 5.24%	+ 2.83%	+ 16.08%
2022	+ 2.44%	+ 5.98%	+ 4.18%	+ 3.75%	+ 0.32%	+ 3.84%	+ 1.27%	+ 0.17%	+ 2.49%	+ 3.84%	+ 0.88%	+ 1.54%	+ 35.17%
2023	+ 2.82%	- 0.18%	+ 1.25%	+ 4.52%	+ 2.09%	+ 0.57%	+ 3.53%	- 0.32%	+ 3.43%	+ 2.49%	+ 2.64%	+ 0.05%	+ 25.26%
2024	+ 3.39%	+ 3.09%	+ 2.43%	- 2.08%	- 1.39%	+ 0.27%	- 0.37%	- 0.57%	- 2.06%	- 0.99%	+ 2.82%	- 0.78%	+ 3.59%
2025	+ 0.58%	- 1.10%	+ 0.96%	+ 2.92%	+ 0.59%								+ 3.98%
NOTE: Returns shown are HYPOTHETICAL, NET of an expected 2.00% in annualized management fees and expected transactions costs.													Annualized since 2000 > + 16.42%

ACAP compares favorably to other commodity programs and managed futures. More importantly, ACAP performance has been consistently non-correlated to equities and fixed income in all market environments, making ACAP a powerful diversification tool for inclusion in a well-structured portfolio. Investment managers primarily use commodities for diversification and have long been limited to various long-only

exposures. These allocations have suffered from diminished return expectations while increasingly becoming more correlated to equities, losing their effectiveness as a diversifier to a broad-based portfolio.

Period	Correlation to SPY		Annualized Return	
	ACAP	SPGSCI*	ACAP	SPGSCI*
2000 - 2010	(0.02)	0.27	+ 17.03%	+ 1.77%
2006 - 2015	(0.08)	0.50	+ 14.50%	- 10.56%
2010 - 2020	(0.14)	0.45	+ 14.86%	- 8.76%
2016 - 05/2025	(0.08)	0.40	+ 19.40%	+ 5.42%

\* SPGSCI is the S&P Goldman Sachs Commodity Index - Total Return

The table below shows the diversification benefits of ACAP during equity stress periods.

#### Historical Performance of Equities, Managed Futures, a S&P Goldman Sachs Commodity Index, and ACAP-S<sup>®</sup> during Crises

Period	Description of Crisis	Equity Returns <sup>1</sup>	Managed Futures Returns <sup>2</sup>	SPGSCI <sup>3</sup>	ACAP-S Returns <sup>4</sup>
SEP 2000 - NOV 2000	USS Cole; Mad Cow outbreak; Bush v Gore	- 5.93%	- 1.55%	- 1.15%	+ 2.89%
FEB 01 - MAR 01	Bush inaugurated; US and Britain attack Iraq	- 14.61%	+ 5.48%	- 5.26%	+ 1.49%
JUL 01 - SEP 01	Events leading up to 9/11 attacks	- 14.49%	+ 2.71%	- 9.89%	+ 4.81%
APR 02 - SEP 02	Enron and WorldCom; End of tech bubble	- 28.01%	+ 17.16%	+ 11.55%	+ 9.71%
DEC 02 - FEB 03	War in Iraq; SARS outbreak	- 9.22%	+ 14.90%	+ 32.63%	+ 4.20%
JUN 08 - FEB 09	Global financial crisis (The Great Recession)	- 46.32%	+ 7.18%	- 64.66%	+ 17.48%
MAY 10 - JUN 10	Greek crisis	- 12.71%	- 1.65%	- 12.83%	+ 1.40%
MAY 11 - SEP 11	Eurozone debt crisis; US credit downgrade	- 16.22%	- 3.66%	- 22.14%	+ 16.01%
APR 12 - MAY 12	Continuing European crises	- 6.63%	+ 3.12%	- 13.42%	- 0.50%
AUG 15 - SEP 15	Chinese currency crisis	- 8.49%	- 0.74%	- 6.05%	+ 2.14%
DEC 15 - JAN 16	Draghi stimulus fiasco; first Fed hike since 2006	- 6.62%	+ 2.77%	- 13.35%	+ 1.39%
FEB 20 - MAR 20	Corona Virus pandemic	- 19.42%	- 1.36%	- 35.35%	+ 4.43%
		<b>- 188.67%</b>	<b>+ 44.34%</b>	<b>- 139.92%</b>	<b>+ 65.45%</b>

<sup>1</sup> Equity Returns represented by the SPDR S&P 500 Trust ETF

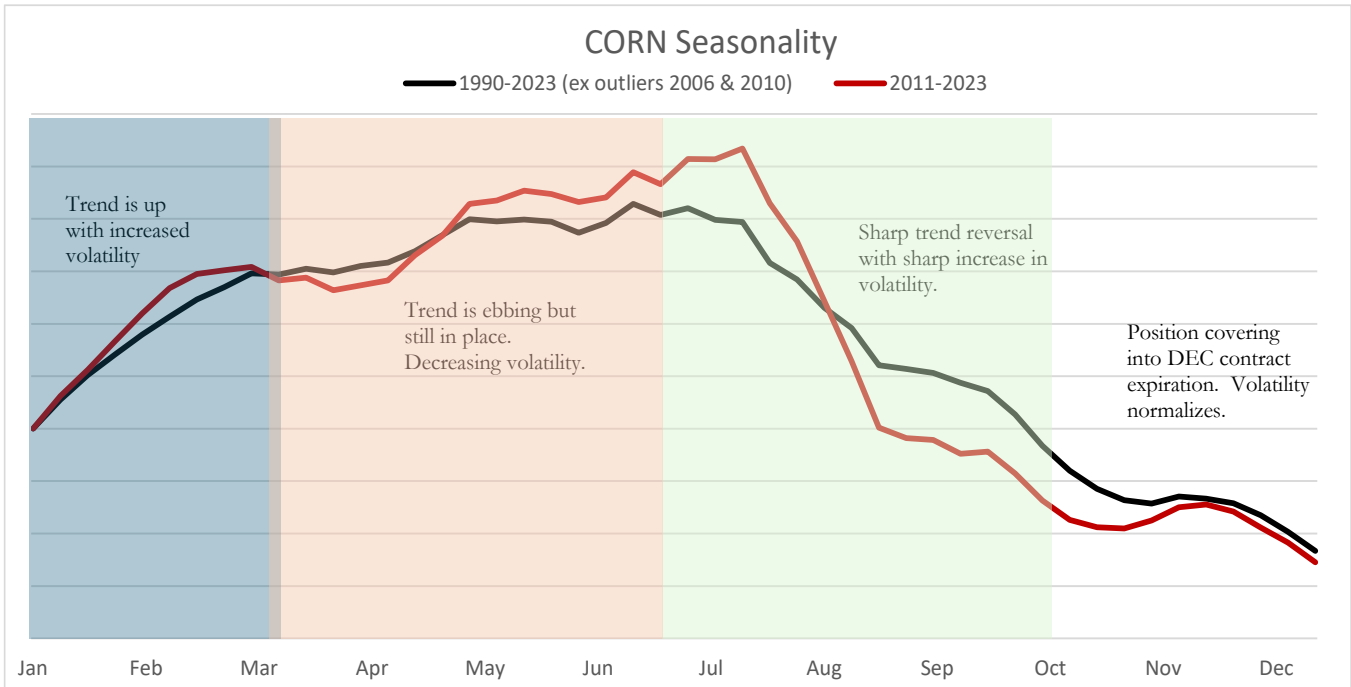
<sup>2</sup> Managed Futures Returns represented by the Societe General CTA Index

<sup>3</sup> SPGSCI is the S&P Goldman Sachs Commodity Index - Total Return - a long only, production weighted commodity index

<sup>4</sup> ACAP-S represents HYPOTHETICAL returns for the Alternative Commodity Algorithmic Program - Strategy

ACAP utilizes a proprietary seasonality algorithm that is a key input to the monthly positioning portion of the program. RTM Analytics personnel have been involved in commodities for over 40 years, and drawing on this experience allowed ACAP to intelligently incorporate seasonality factors into its methodology. An additional benefit of having seasonality factors as part of the program allows for a more equitable weighting scheme to be used. Many long-only commodity allocations, passive and active, suffer from underperformance in those very sectors where seasonality exists.

The following chart shows the CORN seasonality pattern that has historically been exhibited in the market since 1990. The data shown is derived using the December CORN futures price for each year from 1990 to 2023.



Traditional trend following methodologies would get long during the early rising price period in January and likely remain long through at least August (likely longer) depending on the length of the trend variable parameters. The suddenness of the trend reversal causes many trend following systems to suffer significant losses, often losing any profits made year-to-date and missing the trend reversal opportunity.

ACAP accounts for the historical seasonality associated with many commodities. This seasonality factor is not limited to just price but also volatility. The ACAP methodology takes both of these important variables into consideration when determining not only its monthly positioning, but also in assigning each component weight for the upcoming period.

The Alternative Commodity Algorithmic Program – Strategy (ACAP-S) is the hypothetical performance of ACAP accounting for estimated management, performance, and transaction fees. It is presented in the following tables to provide a more apples-to-apples comparison versus investable comparable ETF and mutual fund programs, all shown net of fees.

Alternative Commodity Algorithmic Program - Strategy (ACAP-S) vs Comparable Investable Commodity Programs

Updated through 5/30/25

Program	Symbol	AUM	Inception Date	Expense						Since Inception	Sharpe Ratio	Max Drawdown	Correl to SPY 1	Div Portfolio Sharpe Ratio <sup>2</sup>
				Ratio	MTD	YTD	3 yr*	5yr*	10 yr*					
Alternative Commodity Algorithmic Program - Strategy	ACAP-S	-	11-28-2014 (10.50yrs)	1.20% est	+0.59%	+3.98%	+15.71%	+19.45%	+19.81%	+19.17%	2.53	-7.00%	-0.08	0.94
Invesco Optimum Yield Diversified Commodity Strategy <sup>1</sup>	PDBC	\$4,528,470,000	11-28-2014 (10.50yrs)	0.59%	+0.80%	-3.46%	-7.40%	+14.06%	+2.88%	+1.35%	-0.03	-44.52%	+0.40	0.56
Alternative Commodity Algorithmic Program - Strategy	ACAP-S	-	10-31-2013 (11.58yrs)	1.20% est	+0.59%	+3.98%	+15.71%	+19.45%	+19.81%	+17.49%	2.33	-7.00%	-0.09	1.01
First Trust Global Tactical Commodity Strategy Fund	FTGC	\$2,193,260,000	10-31-2013 (11.58yrs)	1.02%	-0.70%	+0.90%	-0.90%	+15.06%	+2.47%	+0.50%	-0.10	-57.64%	+0.42	0.62
Alternative Commodity Algorithmic Program - Strategy	ACAP-S	-	02-28-2006 (19.25yrs)	1.20% est	+0.59%	+3.98%	+15.71%	+19.45%	+19.81%	+16.87%	2.29	-7.00%	-0.08	0.91
Invesco DB Commodity Index Tracking Fund	DBC	\$1,441,190,000	02-28-2006 (19.25yrs)	0.87%	+1.51%	-2.34%	-6.93%	+14.53%	+3.04%	+0.47%	-0.06	-74.55%	+0.47	0.52
Alternative Commodity Algorithmic Program - Strategy	ACAP-S	-	10-31-2014 (10.58yrs)	1.20% est	+0.59%	+3.98%	+15.71%	+19.45%	+19.81%	+18.89%	2.49	-7.00%	-0.08	0.95
iShares GSCI Comd Dyn Roll Sgry ETF	COMT	\$871,820,000	10-31-2014 (10.58yrs)	0.48%	+2.27%	-2.13%	-6.41%	+12.61%	+2.60%	+0.25%	-0.09	-46.59%	+0.41	0.55
Alternative Commodity Algorithmic Program - Strategy	ACAP-S	-	07-31-2006 (18.83yrs)	1.20% est	+0.59%	+3.98%	+15.71%	+19.45%	+19.81%	+16.72%	2.26	-7.00%	-0.08	0.93
iShares S&P GSCI Commodity-Indexed Trust	GSG	\$900,320,000	07-31-2006 (18.83yrs)	0.75%	+2.02%	-2.76%	-5.44%	+16.61%	+0.00%	-4.54%	-0.27	-88.68%	+0.46	0.45
Alternative Commodity Algorithmic Program - Strategy	ACAP-S	-	01-31-2012 (13.33yrs)	1.20% est	+0.59%	+3.98%	+15.71%	+19.45%	+19.81%	+15.99%	2.20	-7.00%	-0.07	1.12
LoCorr Long/Short Commodity Strategies Fund	LCSIX	\$631,880,000	01-31-2012 (13.33yrs)	0.00%	-0.91%	+0.34%	-3.53%	+1.14%	+4.67%	+3.39%	0.24	-22.96%	-0.15	0.87

<sup>1</sup> SPY is the SPDR S&P 500 Trust ETF

<sup>2</sup> Diversified Portfolio is comprised of 51% SPY ETF, 34% iShares Core US Aggregate Bond ETF, and 15% of the listed program

\* Annualized Return. Time period covered may be less than column label

ACAP-S also provides non-correlated diversification benefits compared to many managed futures programs.

Alternative Commodity Algorithmic Program - Strategy (ACAP-S) vs Managed Futures Programs

Updated through 5/30/25

Program	Symbol	AUM	Inception Date	Expense						Since Inception	Sharpe Ratio	Max Drawdown	Correl to SPY 1	Div Portfolio Sharpe Ratio <sup>2</sup>
				Ratio	MTD	YTD	3 yr*	5yr*	10 yr*					
Alternative Commodity Algorithmic Program - Strategy	ACAP-S	-	01-31-2014 (11.33yrs)	1.20% est	+0.59%	+3.98%	+15.71%	+19.45%	+19.81%	+17.95%	2.38	-7.00%	-0.09	1.02
PIMCO TRENDS Managed Futures Strat I2	PQTPX	\$2,520,000,000	01-31-2014 (11.33yrs)	0.00%	-2.81%	-9.93%	-6.73%	+1.90%	+2.08%	+3.03%	0.13	-24.40%	-0.28	0.77
Alternative Commodity Algorithmic Program - Strategy	ACAP-S	-	08-29-2014 (10.75yrs)	1.20% est	+0.59%	+3.98%	+15.71%	+19.45%	+19.81%	+18.55%	2.41	-7.00%	-0.09	0.95
American Beacon AHL Mgd Futs Strat Y	AHLYX	\$3,040,000,000	08-29-2014 (10.75yrs)	0.00%	-1.57%	-12.50%	-3.85%	+2.11%	+1.93%	+3.10%	0.13	-19.58%	-0.15	0.69
Alternative Commodity Algorithmic Program - Strategy	ACAP-S	-	07-31-2014 (10.83yrs)	1.20% est	+0.59%	+3.98%	+15.71%	+19.45%	+19.81%	+18.37%	2.39	-7.00%	-0.09	0.97
Abbey Capital Futures Strategy I	ABYIX	\$2,710,000,000	07-31-2014 (10.83yrs)	0.00%	-1.52%	-5.54%	-1.86%	+3.01%	+1.46%	+3.58%	0.20	-15.24%	-0.13	0.72
Alternative Commodity Algorithmic Program - Strategy	ACAP-S	-	09-30-2014 (10.66yrs)	1.20% est	+0.59%	+3.98%	+15.71%	+19.45%	+19.81%	+18.42%	2.39	-7.00%	-0.08	0.96
AQR Managed Futures Strategy Fund	AQMRX	\$1,450,000,000	09-30-2014 (10.66yrs)	0.00%	-0.45%	+2.92%	+6.70%	+8.23%	+2.34%	+3.55%	0.15	-23.91%	-0.29	0.74
Alternative Commodity Algorithmic Program - Strategy	ACAP-S	-	04-29-2011 (14.09yrs)	1.20% est	+0.59%	+3.98%	+15.71%	+19.45%	+19.81%	+16.32%	2.25	-7.00%	-0.10	1.09
LoCorr Macro Strategies I	LFMIX	\$1,600,000,000	04-29-2011 (14.09yrs)	0.00%	-0.39%	-1.67%	-0.11%	+3.47%	+3.67%	+2.23%	0.09	-22.48%	+0.00	0.80
Alternative Commodity Algorithmic Program - Strategy	ACAP-S	-	05-31-2019 (6.0yrs)	1.20% est	+0.59%	+3.98%	+15.71%	+19.45%	+18.78%	+18.78%	2.31	-7.00%	-0.04	0.83
iMGP DBi Managed Futures Strategy ETF	DBMF	\$1,006,360,000	05-31-2019 (6.0yrs)	0.85%	-0.16%	-2.91%	-1.70%	+5.69%	+6.12%	+6.12%	0.31	-17.30%	-0.21	0.68

<sup>1</sup> SPY is the SPDR S&P 500 Trust ETF

\* Annualized Return. Time period covered may be less than column label

<sup>2</sup> Diversified Portfolio is comprised of 51% SPY ETF, 34% iShares Core US Aggregate Bond ETF, and 15% of the listed program

## The Opportunity

- Passive long-only commodity allocations benchmarked to established commodity indices, such as the S&P Goldman Sachs Commodity Index (SPGSCI) and the Bloomberg Commodity Index (BCI), are estimated to be over \$250 billion.
- Alternative Commodity Algorithmic Program (VCAP), in our view, is comparable to investable commodity-based and managed futures programs.
- Managed Futures have over \$350 billion in assets<sup>1</sup>.
- Current commodity-based ETFs have over \$126 billion in AUM, mostly in Gold related programs (\$110B)<sup>2</sup>.
- Broad-based commodity-based ETFs have about \$16 billion in assets<sup>2</sup>.

<sup>1</sup> BarclayHedge: <https://www.barclayhedge.com/solutions/assets-under-management/cta-assets-under-management/>

<sup>2</sup> Morningstar: <https://www.morningstar.com/commodity-etfs>

ACAP is competitive to all comparable investable commodity-based ETFs and mutual funds and thus can serve as a superior benchmark for both the passive and active commodity asset class. RTM Analytics is seeking to begin discussions with those who may be able to utilize ACAP in some capacity.

For more information on RTM Analytics and ACAP, please visit us at [www.rtmanalytics.com](http://www.rtmanalytics.com)

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Alternative Commodity Algorithmic Program – Total Return (“ACAP”), and the Alternative Commodity Algorithmic Program Strategy (“ACAP-S”) shown in this presentation are HYPOTHETICAL returns.

### **PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS**

HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW.

ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKET'S IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.