



A Unique Commodity Investment Opportunity:

Diversified Pattern & Trend Managed Futures Program:

Reduce Risk, Improve Asset Diversification & Increase Risk-Adjusted Performance

Industry Resource:



www.Investment-Options.ca

PI Financial Corp.

Established in 1982, PI Financial is a leading employee owned Canadian Investment Dealer serving over 39,000 clients from our offices in Vancouver, Toronto, Calgary, Winnipeg, Regina & Victoria. Our business is driven from individual, corporate and institutional clients throughout North America. We are proud to serve over 500 professional money managers.

Portfolio Management Team: David Derwin | Joseph Alkana | Adam Pukalo

Since 1995, our three person team has grown to meet the needs of our expanding individual, farm, corporate & institutional clientele from Ontario to BC by providing:

- Equity, Option & Fixed Income Portfolio Management
- Managed Commodity Futures Programs
- Farm Commodity & Corporate Currency Risk Management
- Institutional Bond Trading & Interest Rate Hedging

Industry Resource

- **CME Group** is a supportive educational resource for PI Financial having co-presented with our team on hedging & risk management. CME is the world's largest commodity futures exchange & offers investors managed futures educational resources.

Please visit www.cmegroup.com/education/managed-futures-resource-center.html for a full range managed futures research, studies and online presentations.

Diversified Pattern & Trend Program Parameters

- ⊕ Targeted Long-Term Rate of Return: 15% (targeted performance is not necessarily indicative of future results)
 - **SEE INVESTMENT STRATEGY**
- ⊕ Anticipated Volatility: 10% Annualized Standard Deviation (approximate)
- ⊕ Anticipated Drawdowns: 10% (approximate)

Minimum Investment

- C\$200,000 Accredited Investor

Management Fee

- Performance Fee: 20% Net New Profits

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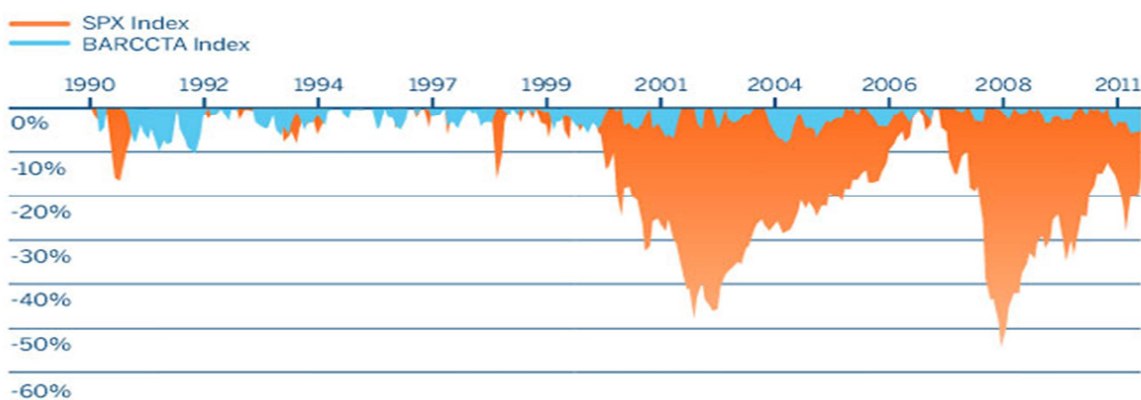
Investment Strategy

“A lower volatility, fully diversified commodity futures investment program capturing recurring price patterns that develop into profitable trends.”

● Lower Volatility

Compared to many managed futures programs, we are targeting a lower downside volatility strategy. The ability to manage risk and control drawdowns is the foundation of our proactive commodity futures investment program. In general, managed futures drawdowns tend to be **smaller, shorter in duration** and **recover more quickly** than stocks. Flexibility and discipline limit the downside and give the ability to recover quickly. (SEE CHART)

DRAWDOWN DURATIONS IN COMPARISON



● Price Patterns

For over 15 years, our team has focused on prices to build awareness of recurring patterns when entering and exiting positions. *Numerous studies support price pattern analysis in the investment decision making process.* Once a high probability pattern emerges, our trend analysis research & strategies are applied to the developing trend.

● Profitable Trends

Our experience and extensive research validates trend following as an effective investment & trading strategy:

- 1) Two Centuries of Trend Following, Capital Fund Management, 2014.

“The effect is very stable, both across time & asset classes. It makes the existence of trends one of the most statistically significant anomalies in financial markets.”

- 2) A Century of Evidence on Trend Following Investing, AQR Capital Management, 2012.

“We find that trend-following has delivered strong positive returns and realized a low correlation to traditional asset classes each decade for more than a century.”

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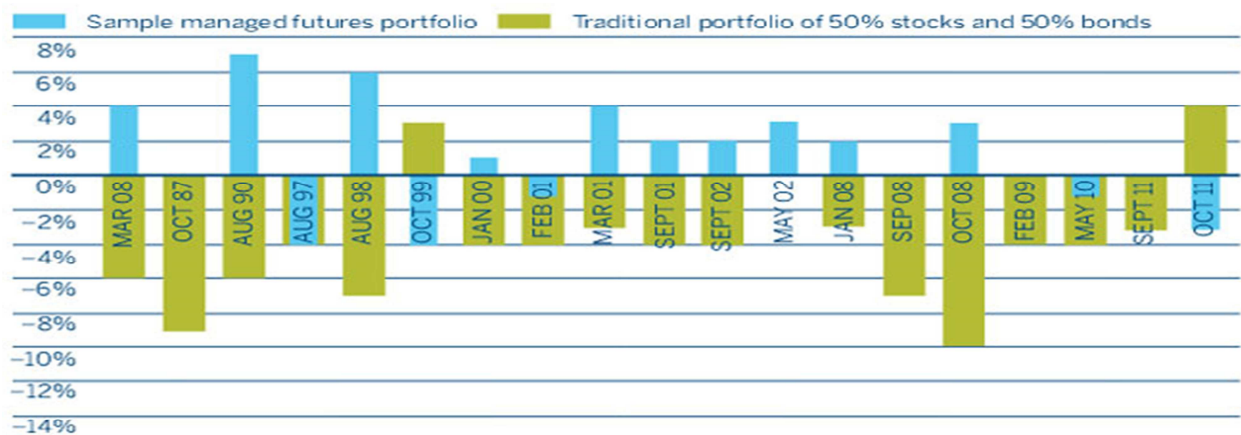
● Fully Diversified

It's not about having more; it's about having unique and different opportunities that can potentially profit in any economic environment. Our Diversified Pattern/Trend Program offers:

- 1) Over 50 unique global futures markets across 8 different sectors:
 - Grains, Livestock, Food/Fibre, Metals, Energy, Currencies, Bonds, Stocks Index
- 2) Long and short positions giving the ability to gain from both up and down markets
- 3) Various Timeframes: short, medium and longer-term holding periods

Historically, managed futures also perform positively when needed most; during periods of significant stock market declines. This is proper portfolio diversification (SEE CHART).

MANAGED FUTURES VS. A TRADITIONAL PORTFOLIO DURING STOCK MARKET DECLINES



Based on a period from 3/80 to 10/11. Managed futures: Barclay CTA Index, Stocks MSCI World, Bonds, BarCap US Agg Total Return Unhedged LBUSTRUU. Source: Bloomberg

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