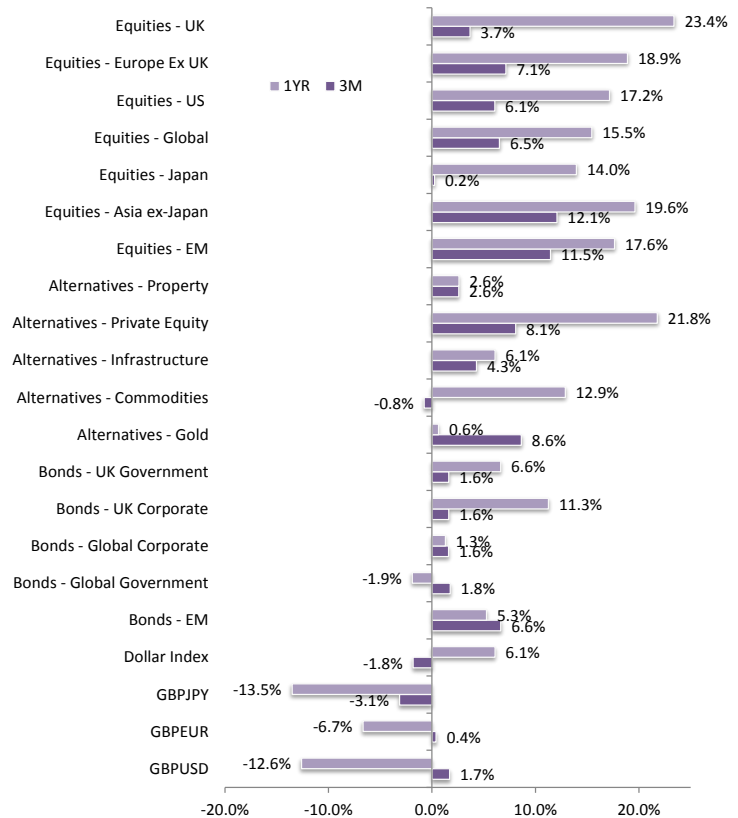


All Copia model portfolios posted positive returns in the Quarter ending 31 March 2017.

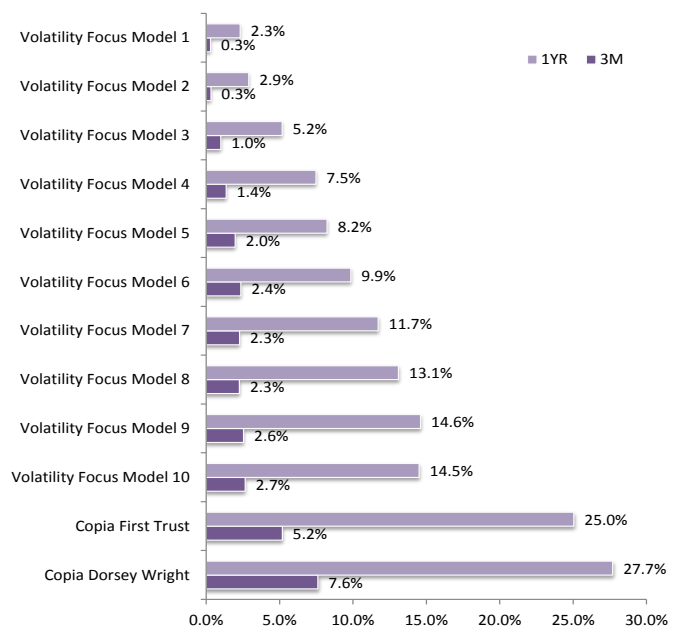


Global Financial Markets in Q1, 2017

- Q4, 2016 ended with a rush into US equities and out of safe havens such as Gold and US bonds based on increased expectations of a fiscal expansion brought by the new administration led by President Trump. This rotation has been termed the “*Trump Trade*”.
- Q1, 2017 saw a slight reversal of this *Trump Trade* as the new administration could not deliver its promise to repeal and replace the US health care bill, popularly known as “*Obamacare*”, leading to doubts that the Trump administration will be able to deliver the fiscal stimulus that is expected.
- European Markets outperformed US peers as valuations in Europe remain attractive and the possibility of a new populist French government decreased. Analysts around the world are extremely positive about European equities as fund flows start to pick up in Europe.
- Triggering of Article 50 remained a non-event as the market had the event completely priced in. Pound Sterling remained range bound trading in Q1, 2017 between 1.21 and 1.26 vs. USD.
- Emerging markets saw a bounce back in Q1, 2017 as the possibility of a US trade war with China dissipated and the debt crisis in China appears contained.
- The US Fed raised rates in March 2017 to 1%, increasing policy divergence with Central Banks around the world. The spread between US and German 10-year bond yields remained at 200 bps.
- Alternative asset classes remain less correlated to Equity and Bond markets, enhancing diversification within portfolios.



Source: Bloomberg, Copia Capital Management

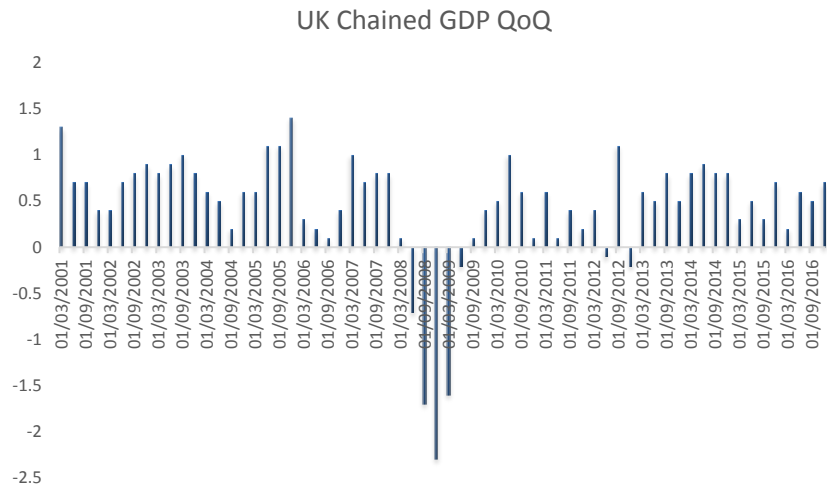


Source: Bloomberg, Copia Capital Management

Quarterly performance update continued

UK growth continues to remain stable

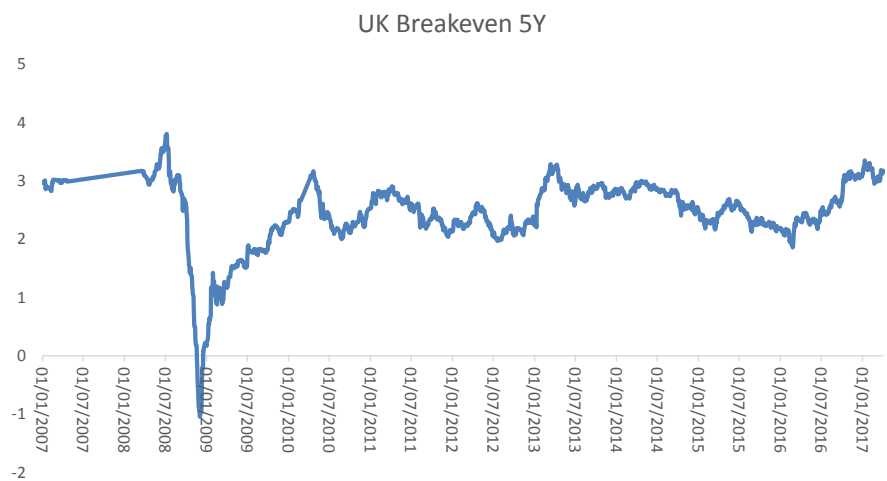
- The UK economy continued to expand, with the quarterly growth rate remaining steady between 0.2% and 1%.
- The growth can be attributed to positive business confidence in the face of Brexit uncertainty.
- The Bank of England continues to maintain its expansionary monetary policy and has stated that it will prioritise economic stability over any increases in short-term inflation due to adverse currency effects.



Source: Bloomberg, Copia Capital Management

Inflation expectations remain high

- Pound Sterling continues to be the market lever to price any positive or negative outcome from Brexit.
- The lower Sterling has caused a jump in inflation expectations with 5 year expectations currently at 3%, with the current inflation rate remaining at 2.3%.
- Modestly low increases in commodity prices have acted favourably helping inflation stay under control.



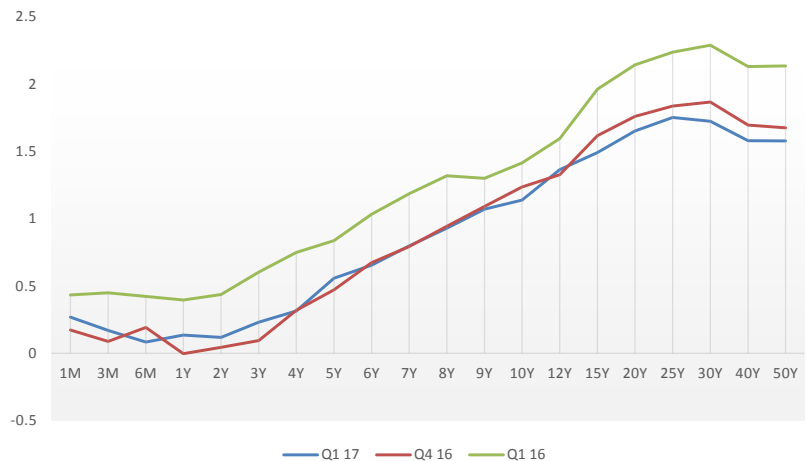
Source: Bloomberg, Copia Capital Management

Quarterly performance update continued

Yield curve continues to remain steep

- The UK Yield Curve continues to remain steep with 10 year bond yields at 1% - while the 2 year yield remains low at 0.12%.
- Long-term inflation outlook remains stable, improving the forecast for equity markets.
- Although Article 50 has been triggered, uncertainty on Brexit negotiations continues to linger but bond markets are showing no signs of an impending recession.

UK Yield Curve

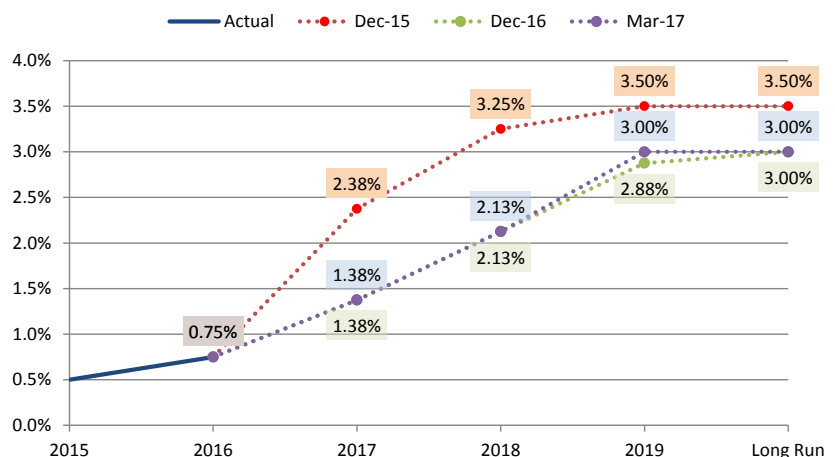


Source: Bloomberg, Copia Capital Management

The Fed Rate Hike

- The Fed followed through with its rate projections and hiked rates in Q1 citing that a strong labour market and the economic expansion warranted a hike in rates.
- The Fed Fund Rate currently stands at 1%.
- Fed's guidance remains fairly unchanged as two more rate hikes are planned for the year.
- Divergence continues between the US Fed and Central Banks around the world, pushing the US dollar to new highs.

Median Fed Fund Rate Projection As of



Source: Bloomberg, Copia Capital Management

Quarterly performance update continued

Table 1: Performance of Copia Volatility Focus portfolios as of 31 March 2017

Copia Volatility Focus					Discrete				
	3M	6M	1Yr	3Yr	Since Inception (28-Oct-2013)	Since Inception (28-Oct-2013) (Annualized)	Year 1 31-Mar-14 to 31-Mar-15	Year 2 31-Mar-15 to 31-Mar-16	Year 3 31-Mar-16 to 31-Mar-17
Model 1	0.30%	-0.77%	2.32%	6.33%	6.62%	1.89%	3.24%	0.66%	2.32%
Model 2	0.32%	-1.09%	2.90%	6.04%	5.90%	1.69%	2.83%	0.22%	2.90%
Model 3	1.00%	-0.73%	5.18%	10.16%	11.22%	3.15%	8.95%	-3.86%	5.18%
Model 4	1.37%	0.32%	7.48%	13.46%	15.18%	4.21%	10.51%	-4.48%	7.48%
Model 5	1.98%	0.90%	8.23%	12.96%	15.01%	4.17%	10.58%	-5.62%	8.23%
Model 6	2.37%	2.10%	9.86%	13.73%	15.45%	4.28%	11.26%	-6.95%	9.86%
Model 7	2.27%	3.09%	11.72%	15.11%	17.10%	4.72%	12.16%	-8.14%	11.72%
Model 8	2.27%	4.09%	13.11%	16.17%	17.64%	4.86%	12.50%	-8.70%	13.11%
Model 9	2.55%	5.27%	14.60%	18.50%	20.09%	5.49%	12.62%	-8.18%	14.60%
Model 10	2.66%	4.96%	14.51%	17.89%	19.54%	5.35%	12.54%	-8.52%	14.51%

Returns based on Total return, assuming income is re-invested immediately and realigned on due dates

Table 2: Performance of Copia Smart Beta portfolios as of 31 Mar 2017

Copia Smart Beta					Discrete		
	3M	6M	1Yr	3Yr	Since Inception (14-Mar-2016)	Since Inception (14-Mar-2016) (Annualized)	Year 1 31-Mar-16 to 31-Mar-17
First Trust	5.19%	12.10%	25.05%	#N/A	26.80%	25.47%	25.05%
Dorsey Wright	7.62%	13.05%	27.69%	#N/A	28.91%	27.46%	27.69%

Returns based on Total return, assuming income is re-invested immediately and realigned on due dates

Disclaimer

Exchange Traded Funds used in Copia models typically have high share prices. Small investments are unlikely to be able to invest into the asset allocation intended by the quantitative model due to the typically high share prices of ETFs and therefore a small investment may not achieve the investment returns expected.

The performance shown represents the results of the model portfolio managed by Copia Capital Management. Copia model performance and comparisons are shown gross and take no account of the Novia platform charge or Copia Capital Management charge. Individual investor performance will differ due to factors specific to the investors account, trading drag and charges and the effect of Platform, Investment management and Adviser charges.

This illustrative document is intended for investors where advice has been given by Advisers. The value of investments may go down as well as up, investors may not get back the amount invested. Figures quoted relate to the past and past performance is not a reliable indicator of future performance. Models are prepared in accordance with tolerance to risk and not client circumstances and information is from given sources to be reliable and accurate, which Copia cannot warrant for accuracy or completeness.