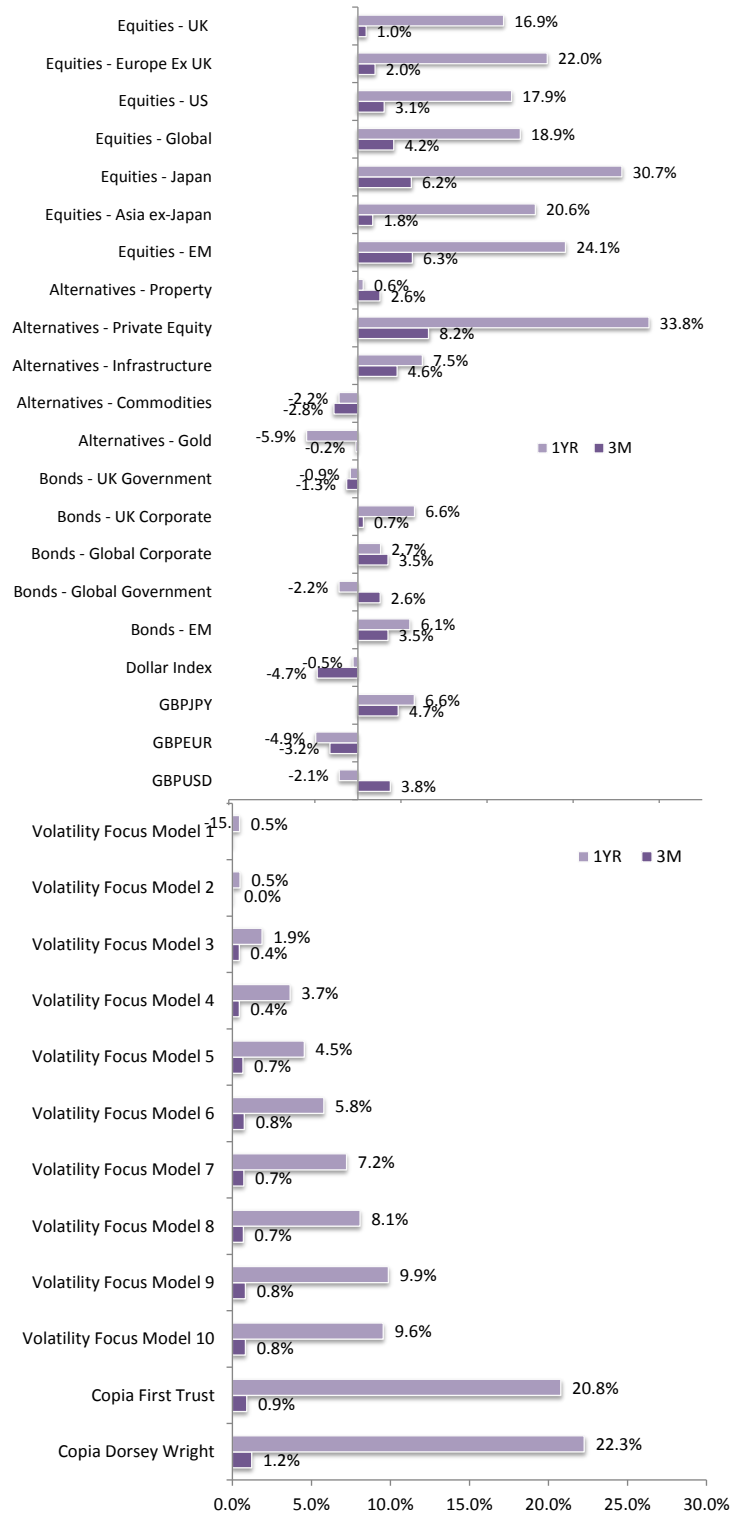


All Copia model portfolios posted positive returns in the quarter ending 30 June 2017.



Global Financial Markets in Q2, 2017

- Political uncertainty in Europe subsided in Q2, 2017 as Macron was elected the French President. Eurozone GDP beat consensus estimates, growing at 1.9% YoY while earnings outlook and macro-economic data improved in the region.
- The Euro rallied 7% against the Dollar as ECB president Draghi indicated the central bank will look to end the monetary stimulus program in the near term.
- The Republican government in the US continued to struggle in passing a new healthcare bill, casting doubt on the government's ability to drive reform. US Equity markets grinded higher and were up 3.1% in Q2.
- There was an unexpected increase in the number of Bank of England policymakers supporting an increase in interest rates from estimated 7-1 to 5-3. Governor Carney indicated that rates may need to be hiked if inflation nears 3%, leading to a rally in Pound Sterling against the Dollar ending the quarter up 3.8%.
- Crude Oil entered into bear market territory as US production continued to rise, nullifying efforts from OPEC in stabilizing oil prices. Oil was down 8.5% in Q2, 2017.
- The US yield curve continued to flatten and reached a level last seen in 2007, as Fed raised rates by 0.25%, short-term rates rally, while long term rates remain subdued as inflation expectations still remain low.
- Alternative asset classes remain less correlated to Equity and Bond markets enhancing diversification within portfolios.



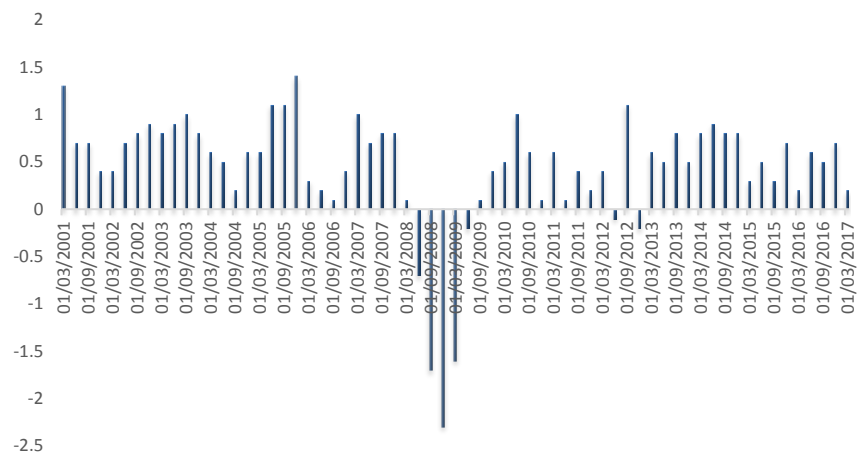
Source: Bloomberg, Copia Capital Management

Quarterly performance update continued

UK growth remains stable

- The UK economy continued to expand with the annual growth rate remaining steady between 0.2% and 0.7% QoQ.
- Business investment increased for the first time in over a year, with the services sector growing 2.3%.
- The Bank of England has hinted there may be the possibility of a rate hike as the economy shows resilience to Brexit uncertainty and the current rate of monetary stimulus would only risk overheating the economy.

UK Chained GDP QoQ

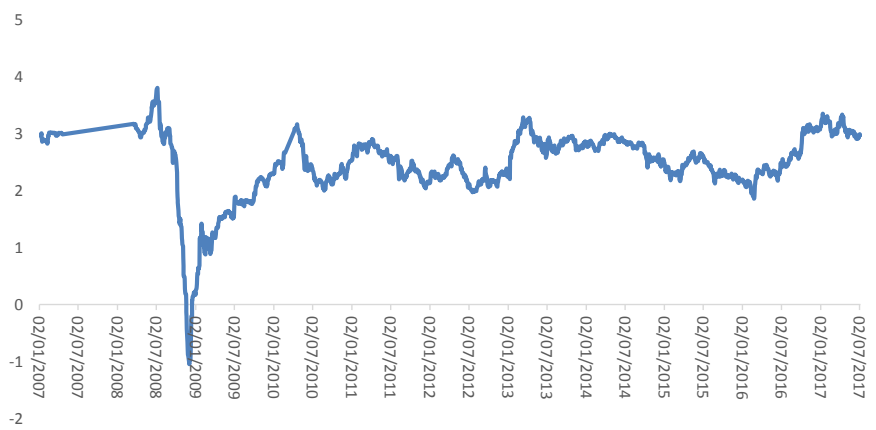


Source: Bloomberg, Copia Capital Management

Inflation expectations remain high

- Latest CPI reading in the UK came in at 2.9%, highest rate since June 2013 as the economy grows steadily and a weaker Pound Sterling pushed inflation higher.
- BOE governor Mark Carney indicated that BOE will most likely hike rates if inflation breaches the 3% mark.
- Consumer spending continued to increase and is at its all-time high of £310 Bn while consumer confidence remains low.

UK Breakeven 5Y

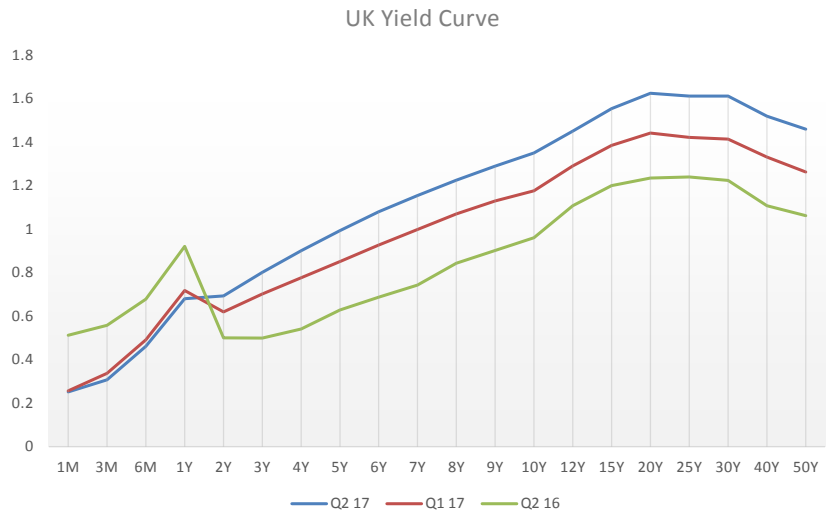


Source: Bloomberg, Copia Capital Management

Quarterly performance update continued

Yield curve shifts higher but remains steep

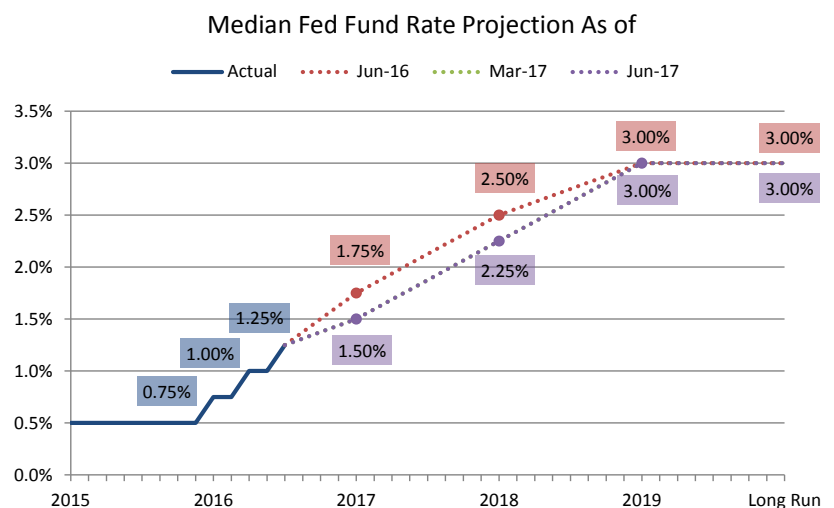
- The UK Yield Curve experienced a parallel shift as rates across most maturities increased from Q2, 2016 to Q2, 2017.
- The curve also continued to remain steep with 10 year bond yields at 1.35% while the 2 year yield remains low at 0.69%.
- A normal shaped yield curve supports a positive outlook for UK equity markets.
- Bond markets are showing no signs of an impending recession as Brexit uncertainty remains.



Source: Bloomberg, Copia Capital Management

The Fed Rate Hikes continue

- The Fed followed through with its rate projections and hiked rates in Q2 citing that a strong labour market and an economic expansion warranted a hike in rates.
- The Fed Fund Rate currently stands at 1.25%.
- Rate guidance remains unchanged from Mar 17 to Jun 17 (overlapped in chart) as 1 more rate hike is planned for the year.
- The ECB and BOE stressed on a more hawkish tone and indicated that it may soon follow the US Fed in raising rates, this pushed the US dollar to a 6 month low.



Source: Bloomberg, Copia Capital Management

Quarterly performance update continued

Table 1: Performance of Copia Volatility Focus portfolios as of 30 Jun 2017

Copia Volatility Focus					Since Inception (28-Oct-2013)	Since Inception (28-Oct-2013) (Annualized)	Discrete		
	3 M	6 M	1 Yr	3 Yr			Year 1 30-Jun-14 to 30-Jun-15	Year 2 30-Jun-15 to 30-Jun-16	Year 3 30-Jun-16 to 30-Jun-17
Model 1	0.0%	0.3%	0.5%	6.1%	6.6%	1.8%	1.2%	4.4%	0.5%
Model 2	0.0%	0.3%	0.5%	6.1%	5.9%	1.6%	0.4%	5.2%	0.5%
Model 3	0.4%	1.4%	1.9%	10.0%	11.7%	3.1%	5.3%	2.5%	1.9%
Model 4	0.4%	1.8%	3.7%	12.9%	15.7%	4.0%	6.5%	2.3%	3.7%
Model 5	0.7%	2.7%	4.5%	12.6%	15.8%	4.1%	6.5%	1.2%	4.5%
Model 6	0.8%	3.1%	5.8%	13.4%	16.3%	4.2%	7.4%	-0.2%	5.8%
Model 7	0.7%	3.0%	7.2%	14.6%	17.9%	4.6%	7.9%	-1.0%	7.2%
Model 8	0.7%	3.0%	8.1%	15.2%	18.4%	4.7%	8.5%	-1.7%	8.1%
Model 9	0.8%	3.4%	9.9%	17.7%	21.1%	5.3%	8.7%	-1.5%	9.9%
Model 10	0.8%	3.5%	9.6%	17.2%	20.5%	5.2%	8.8%	-1.6%	9.6%

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

Table 2: Performance of Copia Smart Beta portfolios as of 30 Jun 2017

Copia Smart Beta					Since Inception (14-Mar-2016)	Since Inception (14-Mar-2016) (Annualized)	Discrete
	3 M	6 M	1 Yr	3 Yr			Year 1 30-Jun-16 to 30-Jun-17
First Trust	0.9%	6.1%	20.8%	#N/A	28.0%	21.0%	20.8%
Dorsey Wright	1.2%	8.9%	22.3%	#N/A	30.5%	22.8%	22.3%

Returns based on Total return, assuming income is re-invested immediately and rebalanced 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. 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.