



# DIAMOND

Capital Management, LLC

May 2018  
Performance Update

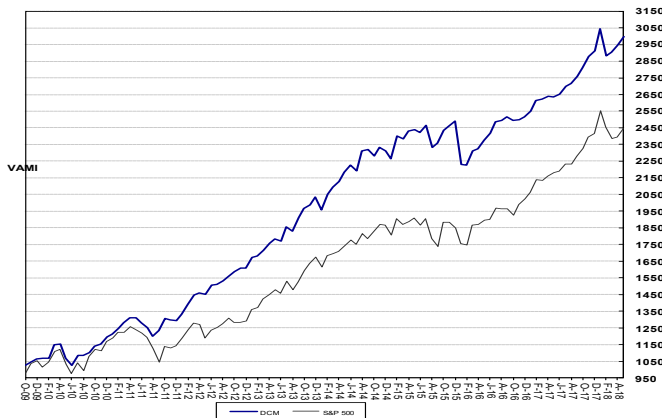
## Diamond Enhanced S&P Program (ESP)

### Monthly Performance Outline

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
<b>2018</b>	4.52	-5.28	0.80	1.44	1.65								<b>2.90</b>
<b>2017</b>	1.38	2.48	0.44	0.55	-0.08	0.61	1.82	0.58	1.63	1.82	2.44	1.11	<b>15.78</b>
<b>2016</b>	-10.44	-0.06	3.70	0.57	2.28	1.79	2.77	0.32	0.84	-0.87	0.18	0.68	<b>1.02</b>
<b>2015</b>	-2.12	6.09	-0.71	1.97	0.30	-0.64	1.76	-5.33	1.12	3.12	1.10	1.11	<b>7.59</b>
<b>2014</b>	-3.71	4.89	1.91	1.78	2.57	1.87	-1.43	5.30	0.42	-1.65	2.17	-0.81	<b>13.73</b>
<b>2013</b>	4.03	0.59	1.94	2.37	1.47	-0.76	4.93	-1.43	4.43	2.99	1.09	2.22	<b>26.42</b>
<b>2012</b>	2.80	4.43	3.89	0.98	-0.61	3.90	0.38	1.16	1.92	1.79	1.46	-0.14	<b>24.14</b>
<b>2011</b>	1.43	2.79	2.76	2.41	0.05	-2.53	-2.34	-3.91	2.81	5.71	-0.40	-0.31	<b>8.39</b>
<b>2010</b>	0.31	-0.03	7.40	0.38	-7.37	-3.72	5.77	-0.04	1.44	3.36	1.12	3.80	<b>12.21</b>
<b>2009</b>										2.32	2.24	1.77	<b>6.46</b>

Past performance is not necessarily indicative of future results. Trading futures & options involves substantial risk of loss & is not suitable for all investors.

### Diamond Enhanced S&P Program (ESP) Performance Vs S&P 500



### ESP Features & Investment Terms

- Separate Managed Accounts offering full liquidity and transparency
- Majority of gains qualify for IRC 1256 tax treatment
  - 60% qualifies for long term capital gains
  - 40% qualifies for short term capital gains
- Positions adjusted based on risk/return objectives
- No Lock-Up Period
- Monthly Fee Structure
  - Minimum Investment: \$150,000
  - Management Fee: 2%
  - Incentive Fee: 20% Subject to High Water Mark
- Notional funding allowed

### Capsule Summary as of May 31, 2018

Inception of Trading for ESP:	October 1, 2009
Number of open accounts in program:	49
Total assets traded pursuant to the program:	\$12,046,848
Largest monthly drawdown:	(10.44%) Jan 2016
Worst peak-to-valley drawdown:	(10.81%) May 2010-June 2010
Number of profitable accounts that have closed:	56
Performance range for profitable closed accounts:	0.22%-58.31%
Number of losing accounts that have closed:	13
Performance range for losing closed accounts:	(0.22%-10.49%)

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A brief description of the Enhanced S&P Program can be found on the next page. Please review the current disclosure document prior to making investment decisions.



## Enhanced S&P Program Description

### Diamond Capital Enhanced S&P Program (ESP)

#### Trading Methodology

The Enhanced S&P Program (ESP) is a trend following system enhanced with an option overlay.

#### Trend-Following System

This system utilizes a computerized technical trend-following strategy with various levels of money management techniques. The principal objective is to profit from sustained futures price trends. Trend following is a method of trading which seeks to establish and maintain market positions based on major price movements.

The system first determines whether the S&P market is in a bull or bear trend, then trades with the trend until stopped out. A stop would occur when the S&P moves out of the current trend but has not yet entered into the opposite trend. Within the Trend Following System, proprietary short-term counter-trend signals may be used to exit the current position, create a neutral position, or trade against the trend on a short-term basis.

#### Premium Capture System

To enhance and balance returns within this program, DCM will also write covered and/or uncovered options to capture premiums and increase the potential profits. (Option positions may also increase the risk of market exposure from time to time.) Each month puts and calls that meet risk parameters will be written – the goal being to capture the premium either by letting the written options expire or by purchasing them back at lower price.

The Volatility Index (also known as the VIX) will be used to determine the number of options to sell and what strike prices to be utilized. Strict risk controls will be in place to limit the downside risks and achieve a desirable risk/reward ratio.

Investment in this strategy is speculative and involves a high degree of risk, including potential unlimited risk of loss associated with uncovered option writing. There can be no assurance that DCM's investment objective will be achieved, and investment results may vary significantly year to year.

**Awarded Top Performing CTA (5 Yrs) in the 2017 AI Hedge Fund Awards sponsored by BarclayHedge. Ranked #3 for last 5 yrs & #5 for last 3 yrs in 2016 Preqin Global Hedge Fund Report under Most Consistent Performing CTAs as of 12/31/2015.**

<p><b>#1</b> <b>Diamond Capital Mgmt.</b> <b>(Enhanced S&amp;P)</b> <b>Net Return for Year 2013</b> Sector: Stock Index (Net Return) <small>*This trading program was ranked based on <b>BarclayHedge's</b> managed futures database</small></p>	<p><b>Diamond Capital Mgmt. Enhanced S&amp;P</b> <b>Top 20 - Top Performing CTA</b> <b>Past Year, 3 Years, and 5 Years Ranked By Compound Annual Return</b> 1 Year Ending Dec 2013, 3 Years Ending Mar 2014, Jun 2014, Sep 2014, Dec 2014 5 Years Ending Sep 2014, Dec 2014, June 2015, Sep 2015, Dec 2015, Mar 2016, Jun 2016, Sep 2016, Dec 2016, Jun 2017, Sep 2017, <b>Dec 2017</b> <small>*This trading program was ranked based on <b>BarclayHedge's</b> managed futures database</small></p>		
<p><b>#1</b> <b>Diamond Capital Mgmt.</b> <b>(Enhanced S&amp;P)</b> <b>Net Return For Mar 2010</b> <b>and July 2013</b> Sector: Stock Index <small>*This trading program was ranked based on <b>BarclayHedge's</b> managed futures database</small></p>	<p><b>Top 10</b> <b>Diamond Capital Mgmt.</b> <b>(Enhanced S&amp;P)</b> <b>Net Return for the Year 2010,</b> <b>2011, 2012, 2013 &amp; 2014, 2017</b> Sector: Stock Index <small>*This trading program was ranked based on <b>BarclayHedge's</b> managed futures database</small></p>	<p><b>Monthly Top 10 - Diamond Capital Enhanced S&amp;P</b> <b>Net Return</b> Mar 2010, Jul 2010, Oct 2010, Dec 2010, Feb 2011, Mar 2011, Apr 2011, Sep 2011, Oct 2011, Jan 2012, Feb 2012, Mar 2012, Jun 2012, Sep 2012, Oct 2012, Jan 2013, Mar 2013, Apr 2013, May 2013, Jul 2013, Sep 2013, Oct 2013, Nov 2013, Dec 2013, Feb 2014, Apr 2014, May 2014, June 2014, Aug 2014, Nov 2014, Feb 2015, Apr 2015, Oct 2015, Mar 2016, May 2016, Jul 2016, Jan 2017, Feb 2017, Sep 2017, Oct 2017, Nov 2017, <b>Jan 2018</b> Sector: Stock Index <small>*Program was ranked based on <b>BarclayHedge's</b> managed futures database</small></p>	

The above ranking awards from Barclay Hedge do not include the entire universe of CTAs. Submissions are voluntary and not independently verified.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. TRADING FUTURES AND OPTIONS INVOLVES SUBSTANTIAL RISK OF LOSS AND IS NOT SUITABLE FOR ALL INVESTORS. AN INVESTOR COULD POTENTIALLY LOSE MORE THAN THE INITIAL INVESTMENT. AN INVESTOR MUST READ AND UNDERSTAND THE COMMODITY TRADING ADVISORS CURRENT DISCLOSURE DOCUMENT BEFORE INVESTING. SELLING OPTIONS INVOLVES UNLIMITED RISK OF LOSS. THERE IS NO GUARANTEE OF PROFIT NO MATTER WHO IS MANAGING YOUR MONEY. THIS MATTER IS INTENDED AS A SOLICITATION TO INVEST IN MANAGED FUTURES. A COMPLETE DISCUSSION OF FEES AND CHARGES ARE REPORTED IN THE CTA'S DISCLOSURE DOCUMENT.

ONE SHOULD RECOGNIZE THAT AN INTRODUCING BROKER MAY CHARGE A FRONT-END START OF FEE OF UP TO 3% OF THE INITIAL CONTRIBUTION. PLEASE NOTE THAT THIS CHARGE IS NOT REFLECTED IN THE PERFORMANCE OF THE COMMODITY TRADING ADVISOR AND COULD HAVE A SIGNIFICANT IMPACT ON THE CUSTOMER'S ABILITY TO ACHIEVE SIMILAR RETURNS. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE SUCCESS.