

# CTA | Simplify Managed Futures Strategy ETF

## FUND OVERVIEW

The **Simplify Managed Futures Strategy ETF (CTA)** seeks long-term capital appreciation by systematically investing in commodity and financial futures (excluding equities and currencies) in an attempt to create an absolute return profile that also has a low correlation to equities and can provide support in risk-off events.

To this end, CTA deploys a suite of systematic models that have been designed by Altis Partners, a commodity trading advisor with over 20 years of experience.

## PERFORMANCE REVIEW

CTA posted one of its strongest quarters in its history, delivering a 10.11% total return and outperforming the benchmark SG CTA Index by 10.26%. Performance was driven by continued gains in Cocoa due to weather-related supply chain concerns as well as Cattle Feeder futures which are facing reduced herd sizes, droughts and potential weakness from tariffs and immigration reform in 2025. The positive allocations to Gold, Silver, and Copper were a drag on performance as metals saw a pullback. WTI Crude Oil and Heating Oil were small detractors.

The fund maintained its short position to front-end interest rates throughout most of the quarter, although it reduced some of this short positioning in mid-December as the U.S. interest rate curve un-inverted with rhetoric from the Fed for fewer rate cuts in 2025.

The fund continues to deliver uncorrelated returns to equities, a key benefit for those seeking diversification and the ability to deliver attractive returns regardless of the market's direction.

### Performance as of 12/31/24 | Inception Date: 03/07/22

	CUMULATIVE TOTAL RETURN				ANNUALIZED TOTAL RETURN	
	3 mo	6 mo	YTD	Since Inception	1 Year	Since Inception
<b>NAV</b>	10.11%	7.12%	24.18%	33.97%	24.18%	10.93%
<b>Market Price</b>	10.12%	7.58%	24.15%	32.93%	24.15%	10.64%
<b>SG CTA Index</b>	-0.15%	-4.59%	2.36%	6.00%	2.36%	2.09%

The performance data quoted represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. In addition, investment returns and the principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. For performance data current to the most recent month-end, please call (855) 772-8488 or go to <https://www.simplify.us/etfs>.

## FUND DETAILS as of 12/31/24

### TOP TEN HOLDINGS\*

POSITION	ALLOCATION
TREASURY BILL DN 4/25	29.74%
TREASURY BILL DN 1/25	21.65%
TREASURY BILL DN 3/25	19.14%
LCG5 COM	16.36%
TREASURY BILL DN 4/25	13.99%
LCJ5 COM	11.98%
FCH5 COM	10.24%
TREASURY BILL DN 2/25	5.53%
LCM5 COM	4.39%
FCJ5 COM	3.99%
Cash	1.71%

Gross Expense Ratio	0.76%
SEC 30-Day Yield	2.64%

\*Holdings are subject to change without notice.

### DEFINITIONS

**Backwardation:** The pattern of higher futures prices for shorter expiration futures contracts.

**Contango:** The pattern of higher futures contract prices for longer expiration contracts.

**Market Price:** The current price at which shares are bought and sold. Market returns are based upon the last trade price.

**NAV:** The dollar value of a single share, based on the value of the underlying assets of the fund minus its liabilities, divided by the number of shares outstanding. Calculated at the end of each business day.

**Risk-Off:** A model that looks to protect the portfolio from an equity drawdown by quickly buying bonds in weaker equity markets and remaining out of bond in stronger equity markets. This is distinct from a long bond trend signal given its typically shorter forecasting horizon and reliance on equity index signals rather than a bond signal.

**SEC 30-Day Yield:** The yield is calculated with a standardized formula and represents net investment income earned by a fund over a 30-day period, expressed as an annual percentage rate based on the fund's share price. The yield includes the effect of any fee waivers and/or reimbursements. Without waivers, yields would be reduced. This is also referred to as the "standardized yield", "30-Day Yield" and "Current Yield". The unsubsidized SEC 30-Day Yield does not reflect the effect of any fee waivers and/or expense reimbursements.

**SG CTA Index:** Provides the market with a reliable daily performance benchmark of major commodity trading advisors (CTAs).

## **IMPORTANT INFORMATION:**

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**Investors should carefully consider the investment objectives, risks, charges and expenses of Exchange Traded Funds (ETFs) before investing. To obtain an ETF's prospectus or Summary prospectus containing this and other important information, please call (855) 772-8488 or view or download a prospectus online. Please read the prospectus carefully before you invest.**

### **An investment in the fund involves risk, including possible loss of principal.**

The fund is actively-managed and subject to the risk that the strategy may not produce the intended results. The fund will also rely on the Futures Adviser's judgments about the value and potential appreciation of particular securities which if assessed incorrectly could negatively affect the Fund.

The Fund's use of futures may involve different or greater risks than investing directly in securities and the contract may not correlate perfectly with the underlying asset. These risks include leverage risk which means a small percentage of assets invested in futures can have a disproportionately large impact on the Fund. This risk could cause the Fund to lose more than the principal amount invested. Futures contracts may become mispriced or improperly valued when compared to the adviser's expectation and may not produce the desired investment results. The Fund's exposure to futures contracts is subject to risks related to rolling. Extended periods of contango or backwardation can cause significant losses for the Fund. Any short sales of the futures contracts by the fund theoretically involves unlimited loss potential since the market price of securities sold short may continuously increase.

Investments linked to commodity or currency futures contracts including exposure to non-U.S. currencies can be highly volatile affected by market movements, changes in interest rates or factors affecting a particular industry or commodity. Changes in currency exchange rates can be unpredictable or change quickly which will affect the value of the Fund.

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