



ECKHARDT TRADING COMPANY

*Science of Trading*

Celebrating its 32<sup>nd</sup> year, ETC is a research driven manager with a systematic, technically-based, evolutionary approach to global markets, employing trend and non-trend strategies with an average trade length of 9 days. Led by Bill Eckhardt and based on over 40 years of scientific system development and evolutionary computing, we manage a diversified portfolio of global exchange-traded financial and commodity futures over multiple time frames. ETC has low correlation to equity markets and offers diversification potential for traditional and alternative portfolios.

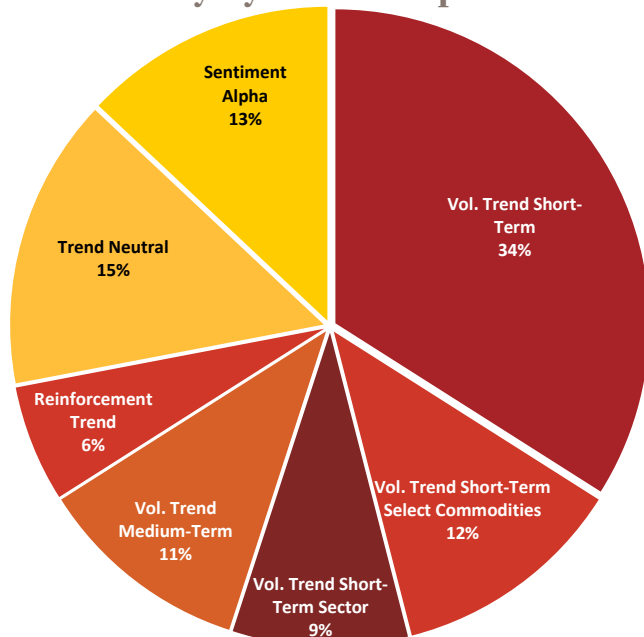
## Monthly Commentary

Year-end rallies in fixed income and equities were the main drivers of performance in December, with conditions suiting our approach to Alpha capture. Gradually waning inflation, moderating commodity prices, and resilient labor markets have kept the US Federal Reserve in a more dovish posture, leading forecasts for a soft landing for the US economy.

The Short-term volatility driven trend systems, which saw the release of improvements in November, delivered good long-side gains in US and European fixed income products, reversing the negative sector performance from the prior month. Reinforcement Learning Trend, Sentiment Alpha, and Medium-term Trend systems continued to add to equity market profits from the prior month. Short-term trend and in addition the Sentiment Alpha systems also made gains in currencies on the long side of Swiss Francs, Japanese Yen, and Australian dollars and on the short side of the US Dollar Index. December's give-backs, while limited, were concentrated in commodities markets. Long positions in precious metals, corn, wheat, and the soybean complex lost ground as inflation subsided.

2023 proved to be a difficult year for shorter-term programs in general. Our systems had some challenges in European fixed income, commodities, and currencies. However, with inflation trending back to normal parameters and improvements to our core Short-term and Medium-term Vol. Trend systems, we expect to see improved performance in the new year.

## Commitment by System Group



Commodity trading involves substantial risk of loss. Past Performance is not necessarily indicative of future results.

Please see important additional risk disclosures on the next page.

Tel: +1 312 765 0565 • ben@EckhardtTrading.com • website: [www.EckhardtTrading.com](http://www.EckhardtTrading.com)

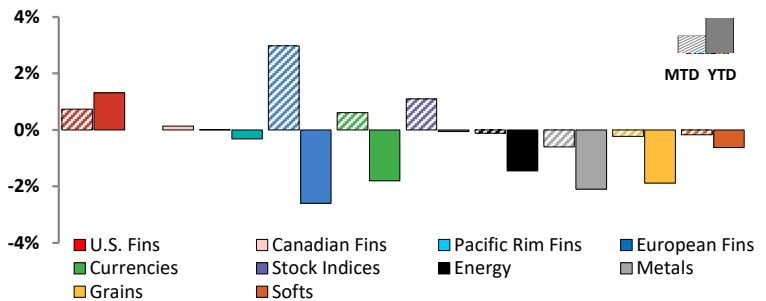
## Net Returns and Assets

	Dec-23	YTD	Assets (MM)
<b>Evolution Strategies</b>	<b>4.23%</b>	<b>-7.06%</b>	<b>\$156.6</b>
Composite			
Galaxy Eckhardt Master Fund LP	4.65%	-6.00%	\$56.9
Evolution Strategies Cayman Master			
<b>US Feeder Fund</b>	<b>4.65%</b>	<b>-6.39%</b>	
<b>Cayman Feeder Fund</b>	<b>4.52%</b>	<b>-7.15%</b>	
<b>ETC Total AUM</b>	<b>\$156.6 MM</b>		
Advisory Fees	1.5/20 (1/20 for over \$5MM)		

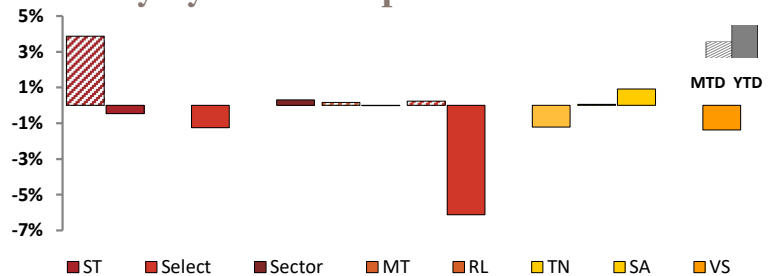
## Stats Since Inception

	Inception	Correlations	Inception
Annual Return	<b>10.3%</b>	US Stocks [S&P 500TR]	<b>0.01</b>
Annualized Vol.	<b>17.7%</b>	US Bonds [FTSE USBIG]	<b>0.25</b>
Sharpe	<b>0.50</b>	Non-US Stocks [MSCI EAFE]	<b>0.02</b>
Avg Margin*	<b>9.7%</b>	Hedge Funds [Credit Suisse]	<b>0.16</b>
Avg Round Turns*	<b>1,858</b>	Managed Futures [BTOP 50]	<b>0.63</b>

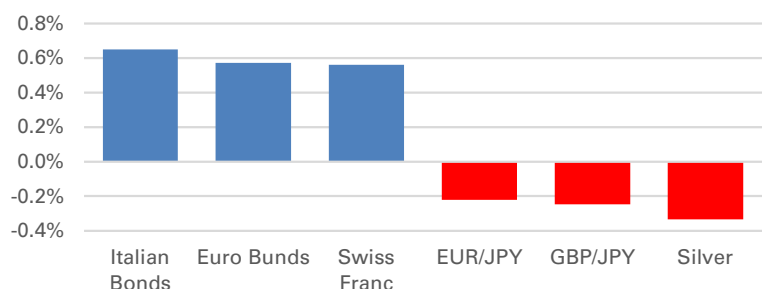
## P&L by Sector



## P&L by System Group



## Top 3 Best/Worst Markets MTD



# Evolution Strategies Net Returns since Inception

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>2023</b>	1.36%	-1.35%	-0.70%	-0.45%	-2.64%	-0.16%	-0.77%	-4.23%	0.84%	-1.53%	-1.66%	4.23%	<b>-7.06%</b>
<b>2022</b>	0.61%	3.56%	6.01%	1.23%	-0.89%	0.94%	1.99%	-1.46%	1.89%	-1.07%	-0.37%	-0.31%	<b>12.53%</b>
<b>2021</b>	-4.00%	5.79%	-2.09%	-1.03%	0.17%	-0.69%	0.51%	-2.94%	0.06%	6.88%	-1.35%	-4.93%	<b>-4.22%</b>
<b>2020</b>	3.97%	4.06%	1.19%	0.44%	-1.35%	1.96%	4.45%	-2.16%	-1.09%	-3.06%	0.91%	-0.25%	<b>9.10%</b>
<b>2019</b>	-1.23%	-1.17%	-0.41%	-0.05%	0.15%	-0.46%	1.96%	6.35%	-6.05%	-2.01%	-3.61%	-0.94%	<b>-7.67%</b>
<b>2018</b>	8.58%	-2.96%	-0.85%	-0.66%	-1.47%	0.29%	0.80%	0.35%	1.56%	-1.11%	-0.83%	1.70%	<b>5.05%</b>
<b>2017</b>	-3.45%	-1.17%	-1.93%	1.87%	0.21%	2.34%	-0.54%	0.97%	-0.18%	3.48%	-2.04%	3.40%	<b>2.72%</b>
<b>2016</b>	7.76%	3.30%	-2.13%	0.31%	-2.06%	8.53%	-0.03%	-8.80%	-2.04%	-2.71%	1.27%	3.68%	<b>5.98%</b>
<b>2015</b>	4.72%	-0.46%	-0.66%	-1.66%	2.13%	-4.82%	0.22%	-4.69%	3.06%	-0.68%	1.62%	-7.41%	<b>-8.95%</b>
<b>2014</b>	-2.38%	7.11%	-5.02%	0.72%	1.72%	0.70%	-4.36%	5.40%	1.16%	5.44%	3.63%	1.50%	<b>15.86%</b>
<b>2013</b>	3.26%	-1.27%	0.85%	0.45%	-5.03%	-4.53%	-0.73%	0.57%	1.47%	-0.10%	3.89%	2.34%	<b>0.76%</b>
<b>2012</b>	1.36%	1.68%	-2.47%	1.61%	8.23%	-6.71%	8.29%	1.72%	-0.95%	-7.91%	0.28%	-0.07%	<b>3.83%</b>
<b>2011</b>	-3.24%	3.07%	-1.48%	9.04%	-4.26%	-5.00%	0.85%	-0.32%	-8.07%	-3.92%	-2.53%	0.03%	<b>-15.64%</b>
<b>2010</b>	-6.92%	-1.12%	0.52%	2.55%	2.73%	5.53%	-1.87%	3.63%	5.09%	3.62%	-2.35%	8.45%	<b>20.60%</b>
<b>2009</b>	-1.38%	-0.23%	0.86%	-1.79%	3.41%	-5.06%	1.26%	0.48%	2.35%	-4.85%	6.74%	-5.64%	<b>-4.49%</b>
<b>2008</b>	1.85%	10.01%	0.21%	0.14%	1.70%	3.10%	-5.47%	-2.71%	2.69%	0.17%	1.20%	0.26%	<b>13.15%</b>
<b>2007</b>	0.37%	0.67%	-4.07%	3.19%	1.70%	5.21%	1.23%	-1.76%	11.81%	5.39%	3.06%	3.76%	<b>34.12%</b>
<b>2006</b>	0.67%	-2.13%	-4.36%	4.92%	1.34%	1.83%	-3.54%	1.86%	-1.79%	0.67%	5.95%	-2.33%	<b>2.54%</b>
<b>2005</b>	-3.38%	0.23%	1.33%	-1.79%	6.16%	3.25%	-0.20%	3.72%	-1.86%	0.31%	0.64%	0.34%	<b>8.69%</b>
<b>2004</b>	-2.22%	4.28%	-0.75%	-4.37%	0.04%	-3.65%	-2.69%	4.40%	0.86%	5.97%	4.39%	-1.12%	<b>4.55%</b>
<b>2003</b>	1.56%	7.26%	-0.58%	0.31%	4.78%	-0.80%	-1.55%	0.44%	0.15%	-0.70%	0.86%	2.69%	<b>15.02%</b>
<b>2002</b>	2.69%	-4.55%	-0.99%	3.92%	-0.68%	2.59%	2.24%	-0.34%	-1.01%	-1.90%	-1.40%	10.79%	<b>11.07%</b>
<b>2001</b>	1.63%	-1.07%	0.40%	-0.48%	3.40%	-3.28%	-1.42%	5.87%	-3.28%	5.58%	-2.36%	0.76%	<b>5.34%</b>
<b>2000</b>	-2.14%	-0.61%	-1.94%	-0.29%	1.88%	-1.45%	-2.71%	0.43%	1.48%	0.83%	12.30%	10.02%	<b>17.96%</b>
<b>1999</b>	1.49%	5.12%	-6.18%	-2.59%	-2.43%	1.43%	5.18%	-5.62%	3.31%	-2.86%	0.04%	-0.73%	<b>-4.55%</b>
<b>1998</b>	4.77%	2.48%	-3.20%	-5.17%	1.89%	1.57%	-1.59%	25.28%	0.18%	0.39%	-0.15%	0.65%	<b>27.10%</b>
<b>1997</b>	12.66%	6.91%	6.60%	1.24%	1.89%	5.39%	9.18%	-4.11%	6.51%	-0.41%	-3.54%	-2.35%	<b>45.99%</b>
<b>1996</b>	8.72%	-5.40%	2.60%	17.48%	-9.28%	-3.32%	-4.28%	-1.20%	17.55%	16.24%	11.43%	-5.51%	<b>47.95%</b>
<b>1995</b>	-1.39%	8.85%	14.13%	3.21%	20.13%	-1.32%	-10.31%	-3.27%	-2.80%	-5.58%	9.24%	13.01%	<b>47.33%</b>
<b>1994</b>	-18.30%	-0.70%	10.58%	2.17%	5.05%	1.66%	-0.10%	-8.59%	13.36%	-10.50%	8.74%	-10.45%	<b>-11.68%</b>
<b>1993</b>	-1.38%	9.63%	-8.28%	9.41%	3.81%	12.13%	9.41%	4.85%	-6.67%	1.74%	4.90%	9.45%	<b>57.93%</b>
<b>1992</b>	-15.27%	-7.56%	-5.70%	2.22%	-3.45%	9.35%	11.43%	7.51%	-1.18%	-4.35%	7.70%	-4.60%	<b>-7.28%</b>
<b>1991</b>								-1.00%	6.64%	0.25%	2.09%	27.92%	<b>38.21%</b>

## System Group Summaries :

### Non-Trend

*Trend Neutral* has traded since Jan 2016 and seeks short-term profit opportunities in environments without clearly defined trends. (14 day avg) (15% of commitment)

*Volatility Select* was traded between Jan 2020 and July 2023 and seeks short-term short-side profit opportunities in market dislocations without sacrificing long-side profitability in calmer markets. (4 day avg) (0% of commitment since August 2023)

*Sentiment Alpha* has traded since October 2021 and analyzes non-price market positioning data to exploit crowded trades. (14 day avg) (13% of commitment)

### Trend-Capture

*Short-Term* (9 day avg) (34% of commitment) has traded since inception and *Medium Term* (22 day avg) (11% of commitment) has traded since 2002. Both systems aim to distinguish the permanent trend (signal) components of the futures price series from the transient (noise) components and allocate risk appropriately in trending markets.

*Select Commodities* (10 day avg) (12% of commitment) has traded since Jul 2017 and *Sector Based* (8 day avg) (9% of commitment) has traded since Jan 2020. Both seek short-term trend-capture opportunities more specific to individual market groups (commodities and other sectors).

*Reinforcement Learning* (4 day avg) (6% of commitment) has traded since August 2022. Seek short-term trend-capture opportunities using a reinforcement learning approach.

Round Turns/\$MM/Yr. and daily margin are from Jan-2017 through current MTD; they fluctuate and are will continue to do so. Assets under management include notional equity. Performance is based on a composite rather than account by account, which creates an averaging effect on the results. Each individual account's performance is likely to differ, in some cases significantly, from the composite figures shown. Material differences among the accounts may be due to several factors including, but not limited to, varying advisory fees and the timing of their payment, brokerage commissions, miscellaneous expenses and the size of the account. In addition, results may vary depending on factors such as the order in which executed trades are allocated among the various accounts and/or the order in which trades for the various accounts are entered, the date the account started trading and the length of time the account was open. As a result of the variables, individual account performance may be more or less favorable than the composite performance herein. No representation is being made that any account will or is likely to receive profits or incur losses similar to those shown. Estimated profit/loss by market sector are based on an individual account traded according to ETC's Evolution Strategies and are shown before advisory fees and accrued expenses but after commissions. System commitment data are based on a simulation and are subject to change.

**Monthly return, YTD return, and assets for current month are estimated and may be revised.**

PURSUANT TO AN EXEMPTION FROM THE COMMODITY FUTURES TRADING COMMISSION IN CONNECTION WITH ACCOUNTS OF QUALIFIED ELIGIBLE PERSONS, THIS BROCHURE OR ACCOUNT DOCUMENT IS NOT REQUIRED TO BE, AND HAS NOT BEEN, FILED WITH THE COMMISSION. THE COMMODITY FUTURES TRADING COMMISSION DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN A TRADING PROGRAM OR UPON THE ADEQUACY OR ACCURACY OF COMMODITY TRADING ADVISOR DISCLOSURE. CONSEQUENTLY, THE COMMODITY FUTURES TRADING COMMISSION HAS NOT REVIEWED OR APPROVED THIS TRADING PROGRAM OR THIS BROCHURE OR DISCLOSURE DOCUMENT. COMMODITY TRADING INVOLVES SUBSTANTIAL RISK OF LOSS. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.