QMS Diversified Global Macro

QMS CAPITAL MANAGEMENT LP

PERFORMANCE UPDATE MAY 2014

Composite Performance: percent return, compounded monthly

Net of 2/20 fees	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2014	(2.77)	(0.24)	(1.32)	(1.16)	*2.40*[1]								*(3.12)*[1]
2013	6.24	0.70	2.06	3.29	(2.45)	(0.49)	(0.26)	(0.27)	2.07	0.88	8.13	1.36	22.90
2012	3.15	6.67	1.38	(1.51)	(8.78)	(0.20)	5.43	3.09	(0.32)	(1.48)	3.00	0.98	11.05
2011	0.34	2.00	(4.00)	3.32	0.84	0.45	4.00	(2.79)	(1.87)	2.22	0.21	(2.87)	1.51[2]
2010						1.46	0.76	2.63	1.89	1.05	(2.70)	0.52	5.66

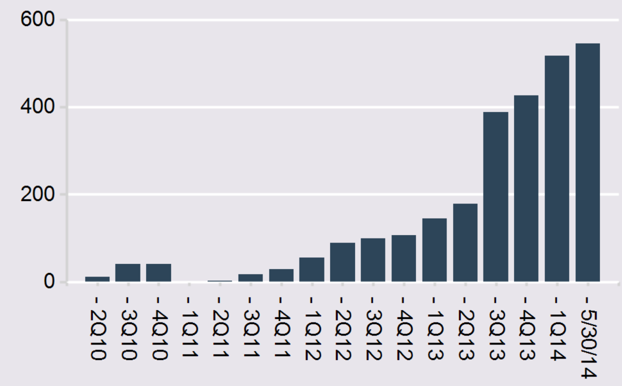
Strategy Overview

The QMS Diversified Global Macro strategy is a quantitative, systematic, long-short investment program, well-diversified across asset classes, conceptual investing themes, modeling approaches, and trading time-horizons. The strategy currently trades in highly liquid global futures and forwards, including equity indices, sovereign rates/bonds, commodities, and currencies. QMS believes substantial value is recognized by combining lower frequency fundamental economic views with higher frequency trades driven by market-based signals. A fundamental understanding of the economic environment most suitable for each model facilitates systematic tactical allocation among the various styles of investing employed. Strict risk management is embedded in the portfolio optimization process and is managed at the individual model level, the thematic level, the asset class level, and the portfolio level.

Specifications

Strategy	Systematic Global Macro
Asset Classes	Global currencies, sovereign rates/bonds, global equity indices, commodities
Instruments	Futures, FX spot/forwards
Management Fee	2% per annum
Incentive Fee	20%, with High Water Mark

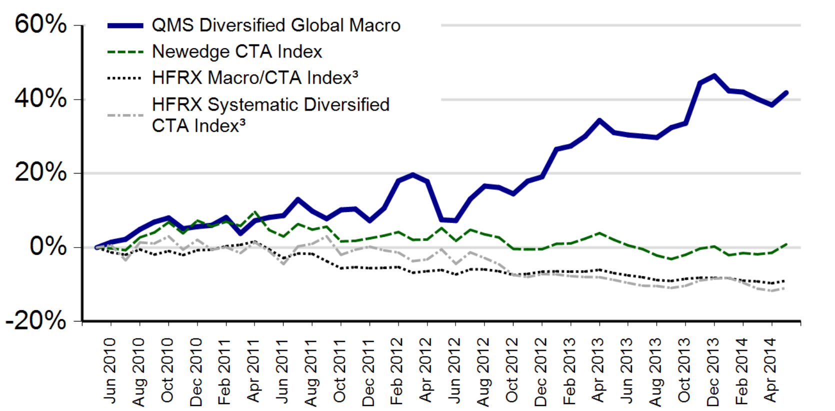
Firm Trading Level: 545mm USD[4]
(Strategy Trading Level: 512mm USD[4])



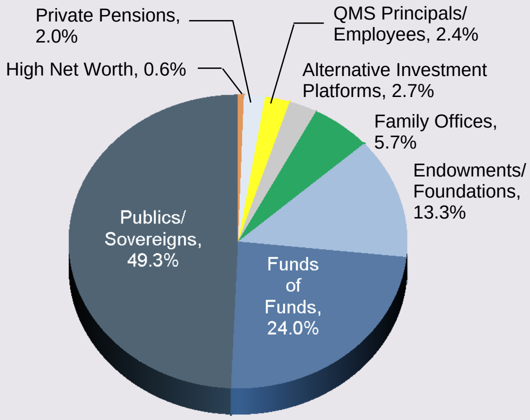
Performance Highlights: percent return

			Since 6/1/2010	
Net of fees	**May 2014**	**YTD**	**Total**	**Annualized**
QMS Diversified Global Macro	***2.40*[1]**	***(3.12)*[1]**	***41.81*[1 2]**	***9.13*[1 2]**
Newedge CTA Index	2.31	0.58	0.87	0.22
HFRX Systematic Diversified CTA Index[3]	0.85	(2.77)	(10.92)	(2.85)
HFRX Macro/CTA Index[3]	0.79	(0.81)	(8.93)	(2.31)

Cumulative Monthly Net Returns



Firm-Level Investor Breakdown



PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. The investment strategies described in this presentation carry certain risks, including the risk of loss of some, all, or amounts in excess of, the principal invested. Shaded area indicates hypothetical performance. Please see page 3 for footnotes and other important disclosures.

QMS Diversified Global Macro

CAPITAL MANAGEMENT LP

PERFORMANCE UPDATE MAY 2014

May Portfolio Commentary

The QMS Diversified Global Macro strategy returned an estimated **+2.40%** net of fees in May, outperforming the industry CTA/Macro indexes shown. Economic-based investing models delivered a strong month, while technical trading models were slight negative contributors overall.

Directional trend models contributed positively overall, with a broad-based equity and bond price rally in the second half of the month. Currency momentum models were a notable exception, however, with Euro weakness and Canadian Dollar strength contributing most strongly to underperformance. Short-term technical models struggled overall, with those in currencies representing one of the strongest negative return drivers for the month.

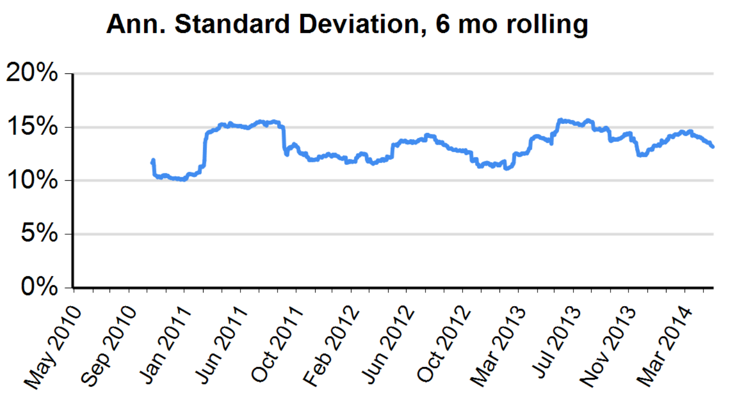
Value models were mixed but modestly positive, while monetary policy models added strong returns. Capital flows models realized small losses, with those in fixed-income tipping the overall factor returns negative. Business cycle models performed well across the board, and commodity-positioning models were slightly accretive to profits.

At the asset class level, only the currency strategy lost money for the month, with the long position in the Euro the largest driver of negative returns, followed by a short position in the Australian Dollar. Fixed-income returns were the largest positive contributors, with the current positive duration positioning of the portfolio benefitting from the sharp rally in sovereign bond yields. US and Japan 10-year bonds stood out as the best performers against smaller, short-position losses in Australia and Canada. Similarly, the positive returns in global developed equity markets benefitted QMS's equity strategy, with long positions in US and European indices among the strongest performers. Trading in commodity contracts produced solid returns as well, with corn (long) a notable underperformer and wheat (short) responsible for the largest profits.

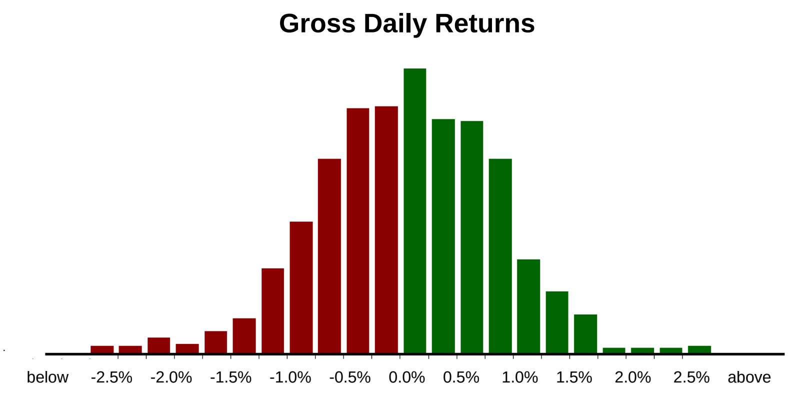
Monthly Correlation with Indices (Since 6/1/2010)

	QMS	Newedge CTA Index	HFRX Macro/CTA Index	HFRX Sys. Div. CTA Index
QMS Diversified Global Macro[2]		31%	26%	16%
Newedge CTA Index	31%		75%	82%
HFRX Macro/CTA Index[3]	26%	75%		70%
HFRX Systematic Diversified CTA Index[3]	16%	82%	70%	

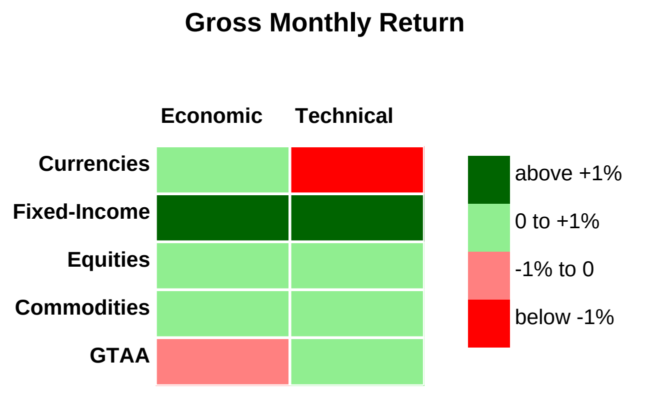
Gross Return Volatility[2]



Daily Return Distribution[5]



May Return Attribution



The investment strategies described in this presentation carry certain risks, including the risk of loss of some, all, or amounts in excess of, the principal invested. Returns are net of an annual pro-forma management fee of 2% and an annual (calendar year) pro-forma incentive fee of 20%, subject to a high water mark, and except as set forth in the next sentence, are net of actual brokerage commissions, dealer spreads, give-up fees, NFA fees, exchange fees, and related transaction fees and expenses (collectively, "Transaction Costs"). Returns through May 1, 2011 do not reflect deduction of any Transaction Costs because Transaction Costs were not charged to client accounts during that period. From April 2014 forward, returns for commodity pools ("Pools") for which QMS Capital Management LP ("QMS") serves as commodity pool operator are gross of custody and other operating expenses paid by such Pools. Prior to April 2014, returns for QMS Pools are net of custody and other operating expenses paid by such Pools. Returns include interest earned and interest charges on margin posted at FCMs/FX prime brokers for certain accounts, and include interest earned on cash that Pools have not posted to FCMs/FX prime brokers.

Returns shown are compounded monthly. All performance numbers are unaudited. Performance numbers have been computed by QMS. QMS's Diversified Global Macro strategy (the "Strategy") commenced live trading in mid-May 2010. Performance numbers show the performance of a blended composite of all of QMS's accounts (including client and proprietary accounts) that traded in the Strategy for the full reported month. Performance numbers from May 2011 forward were computed by QMS using account-level performance numbers provided by NAV Consulting, Inc. ('NAV'), an independent fund administration service provider that is not affiliated with QMS. Performance through February 2011 is pro-forma, based on actual trading, scaled to 15% ex-ante annual volatility, and intended for illustration purposes. March-April 2011 performance is hypothetical, combining pro forma trading results, scaled to 15% ex-ante annual volatility, from March 1 to March 17, and a paper traded portfolio from March 18 through April 30. May-August 2011 performance numbers are derived from a live track record on the dbSelect Managed futures platform. This performance may vary from dbSelect reports, due to the deduction of transaction costs on dbSelect reports and differences in month-end prices used by NAV and dbSelect. Currently, the Strategy trades commodity futures. Prior to May 2011, the Strategy did not trade commodity futures. Excepting March-April 2011, the returns shown are derived from actual trading. Returns do not represent the return of any individual client of QMS. Individual client returns may have differed from the returns presented.

This update contains hypothetical performance that is presented for illustrative purposes only and is not based on actual trading activities. The monthly performance numbers for March and April 2011 are hypothetical. All information in this presentation that is shown since inception includes these two months of hypothetical performance. Hypothetical performance assumes a constant notional account of $100 million and that profits were not reinvested. Hypothetical performance was generated by assuming that all trades were executed at the opening price on the day following the generated trade signals. **Hypothetical performance results have many inherent limitations, some of which are described below. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. In fact, there are frequently sharp differences between hypothetical performance results and the actual results subsequently achieved by any particular trading program. One of the limitations of hypothetical performance results is that they are generally prepared with the benefit of hindsight. In addition, hypothetical trading does not involve financial risk, and no hypothetical trading record can completely account for the impact of financial risk in actual trading. For example, the ability to withstand losses or to adhere to a particular trading program in spite of trading losses are material points that can also adversely affect actual trading results. There are numerous other factors related to the markets in general or to the implementation of any specific trading program that cannot be fully accounted for in the preparation of hypothetical results and all of which can adversely affect actual trading results.**

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The risk of loss in trading futures and foreign exchange can be substantial. You should therefore carefully consider whether such trading is suitable for you in light of your financial condition. The high degree of leverage that is often obtainable in futures trading can lead to large losses, including the loss of some, all, or amounts in excess of, your entire investment. You should only invest risk capital.

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Footnotes:

1 Estimated. All information in this presentation that includes May 2014 performance is estimated.

2 Includes two months (March and April 2011) of hypothetical performance.

3 Source: Hedge Fund Research, Inc., www.hedgefundresearch.com, © 2014 Hedge Fund Research, Inc. All rights reserved.

4 As of May 30, 2014. Trading level is the sum of the nominal account sizes for partially-funded accounts plus the actual account size for fully-funded accounts, and includes both client and proprietary capital. For partially-funded accounts, QMS does not have sufficient information regarding the funding of such accounts to determine the actual level of funds in the accounts. QMS's initial managed account traded with a VaR allocation on a proprietary trading desk of a large financial institution. Trading level shown through 4Q10 is scaled to the 15% annual volatility target utilized for the Diversified Global Macro strategy.

5 Since strategy inception of May 17, 2010. Daily gross returns are available upon request. Includes two months (March and April 2011) of hypothetical performance.