STAGE FIVE
TRADING CORP

CALL: +1 312-801-6767/877-570-PROP

www.stage5trading.com/redivy

RED IVY ALCHEMY

Red Ivy Advisors, a registered CTA is the Futures arm of the Red Ivy Group which, across equities and futures strategies, manages around $40m in assets. Red Ivy Alchemy is a systematic, fully automated intraday strategy trading the E -mini S&P 500 futures. Each trade entry and exit is executed using technical components of the underlying index to allow for an optimal risk to reward ratio.

SYSTEM SUMMARY

- The Alchemy strategy uses underlying S&P components to formulate high probability quantitative strategies to trade solely the E-mini S&P 500 contract
- Alchemy is fully automated from trade generation to execution and exit
- Alchemy is an intraday-only system and is operated as a Letter of Direction (LOD) program. It is traded by Stage 5 Trading Corp.
- Each trade taken in ES will execute 2 contracts

HYPOTHETICAL KEY STATISTICS - End of Day

Analyzed Sessions	**838**	Total P/L	**$10,630**	Winning Sessions	**49.9%**
Suggested Account Size	**$15,000**	Annual ROI	**17.37%**	Winning / Losing Session Average	**$330 / ($303)**
Average Trades Per Day	**2.6**	Profit Factor	**1.05**	Best / Worst Session	**$2,085 / ($1,203)**
Commission Per Side	**$3.67**	Sharpe Ratio	**0.4830**	Worst Peak to Trough Drawdown (3/16/16-1/31/17)	**($13,941) in 321 days**
MONTHLY SUBSCRIPTION FEE	$0	Sortino Ratio	**0.7236**		

HYPOTHETICAL DISCLAIMER

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 WHICH 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 WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

PERFORMANCE ASSUMPTIONS

The performance shown below reflects the results based on a $15,000 investment. The profits at the end of each month are not reinvested and the amounts shown are based on 1 trading unit of 2 contracts in the ES per $15,000. All performance shown is inclusive of all fees and commissions charges. The purchase and sale prices of the trades shown are based on the best bid/offer at the time of execution.
Hypothetical performance is back-tested performance and is calculated by running a trading system backwards in time. Live performance is calculated as the average per-unit performance of all client accounts running the system for 5 or more consecutive days. The total annualized results columns, are a combination of the monthly hypothetical or live performance.

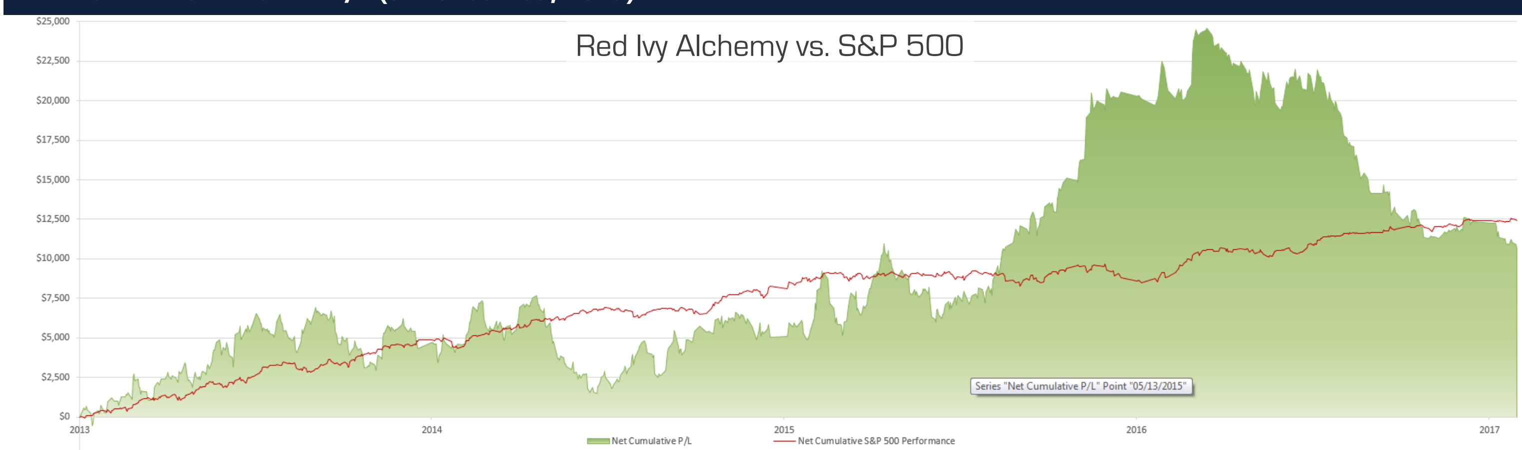
MONTHLY PERFORMANCE

HYPOTHETICAL LIVE LIVE 1/2 UNIT SIZE

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL	TOTAL %
2017	($1,709)												($1,709)	-11.39%
2016	$1,934	($1,434)	$2,316	($1,403)	($2,563)	$2,376	($2,324)	($5,091)[1]	($1,359)[2]	($1,645)[3]	$683[4]	$322	($8,189)	-54.60%
2015	$366	$444	$1,755	$1,028	($530)	($1,030)	$783	$4,006	$1,406	$1,844	$4,593	$808	$15,472	103.15%
2014	$313	$992	($97)	$429	($3,159)	($188)	$679	($637)	$2,210	$747	$607	($1,157)	$738	4.92%
2013	$451	$2,292	($328)	($543)	$2,507	$989	$568	($84)	($1,293)	($1,082)	$2,042	($1,202)	$4,318	28.79%

[1]Live trading paused between Aug 23-25 [2]Live trading results for Sep reflect the performance from the 11 days where live trading took place. Hypothetical results for the entire month of Sep were -$363.36 [3]Results from Oct 31 omitted due to a change in the unit size of all participants [4]From Nov 2016, unit size reduced from 2 to 1

HYPOTHETICAL TOTAL P/L (SINCE Jan 03, 2013)



Risk Disclaimer: Futures involve significant risks. An investment in futures products is not for suitable all investors. Past performance is not indicative of future results. Performance results are calculated on a per customer return. Per customer returns require a customer to be in the system a minimum of 5 trading days per monthly cycle.

RISK AND OTHER DISCLOSURES

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. THE RISK OF LOSS IN TRADING DERIVATIVES, INCLUDING COMMODITY FUTURES AND OPTIONS ON FUTURES INVOLVES SUBSTANTIAL RISK OF LOSS AND IS NOT SUITABLE FOR ALL INVESTORS. YOU SHOULD 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 COMMODITY FUTURES TRADING CAN WORK AGAINST YOU AS WELL AS FOR YOU. THE USE OF LEVERAGE CAN LEAD TO LARGE LOSSES AS WELL AS GAINS.

PROGRAM FEES:
The program commission fee per side is inclusive of all system subscription fees as well as exchange, NFA, clearing and broker fees. There are no further costs to customers beyond the program commissions stated and these are included in the program performance as shown.

PARTIAL FILLS:
PARTIAL FILLS WILL BE ALLOCATED TO CUSTOMERS ON A BASIS OF AVERAGE PRICE SYSTEM (APS). IF A FILL AVERAGE IS LESS THAN A TICK, THEN THERE WILL BE A STATEMENT CASH CREDIT OR DEBIT FOR THE DIFFERENCE.