



Welcome to Stipelis

We help institutions and small businesses invest in commodities.

Stipelis Global Trading LLC

Commodities, Futures and Options forecast stock and bond prices at times.

Thank you for taking the time to learn about Stipelis Global Trading LLC.

We help small business owners and retail clients invest in stock index futures, international interest rates, world-wide commodities and foreign exchange futures in an attempt to diversify outside of domestic equities.

It is our belief that the next several years will offer unprecedented opportunities for our clients in the global commodity markets.

Our research suggests that major producers, farmers, miners, and processors have already begun preparing for structural price changes in raw materials and commodities.

The global commodity market is estimated to be several trillion dollars and there are several opportunities for investors.

We intend to help our investors take advantage of these opportunities.



STIPELIS GLOBAL TRADING LLC

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Is it possible to lower your risk by investing in worldwide, basic materials? Modern portfolio theory says yes.

Institutional investors follow strict rules for diversification. They make sure not to put all their eggs into one basket. A sure-fire way to do that is to have investments outside of stocks and bonds. The first area to look is in raw materials, commodities and basic materials.

There are several ways for a small business owner or a retail investor to participate in commodities.

The 3 most common ways to invest in commodities

- Direct investments into a particular commodity.
- Discretionary trading accounts.
- A pooled investment fund.

For a direct investment, an investor simply buys the commodity in the cash market out right or purchases a futures contract from a broker.

The 2nd avenue available for an investor is to hire a registered commodity trading advisor and give that advisor limited trading authorization to invest in commodities with discretion in the investors personal account.

The 3rd way is to join many other investors in a pooled investment that invests in commodities.

Stipelis Global Trading LLC is a Registered Commodity Trading Advisor.

What is a Registered Commodity Trading Advisor?

This designation allows us to trade in global futures, commodities and options for individual investors, organizations and institutions.

According to the National Futures Association, a commodity trading advisor (CTA) is an individual or organization that, for compensation or profit, advises others, directly or indirectly, as to the value of or the advisability of buying or selling futures contracts, options on futures, retail off-exchange forex contracts or swaps. Direct advice includes exercising trading authority over a customer's account or providing commodity trading advice based on, or tailored to, the commodity interest or cash market positions or other circumstances or characteristics of clients. Indirect advice includes giving advice through written publications or other media.

What is the NFA

NFA is the industrywide, self-regulatory organization for the U.S. derivatives industry. Designated by the CFTC as a registered futures association, NFA strives every day to safeguard the integrity of the derivatives markets, protect investors and ensure Members meet their regulatory responsibilities.

What is the CFTC

The Commodity Futures Trading Commission is an independent agency of the US government created in 1974, that regulates the U.S. derivatives markets, which includes futures, swaps, and certain kinds of options.

Why Invest in Commodities

- You need basic raw material commodities in your portfolio for true diversification.
- It is our understanding that the stocks of most companies rise and fall along with the market.
- During bull markets, the outliers do extremely well, or extremely poorly, while the majority march along with the overall market.
- That point is the actual case for buying an index of stocks.
- But if you buy several stocks or an index of stocks, you are not truly diversified.
- If you add bonds, you may not be as diversified as you think because Bonds tend to lead stocks, in either direction. Bonds and stocks are directly correlated due to interest rates.
- Case in point, the bond market sell-off that started in 2021 has led to the equity market correction we are seeing now.
- The only true diversification is into areas that are not correlated.
- Gold may go up and down with interest rates, but cattle or coffee may not.
- Copper may go up or down with the housing market, but soybean oil may not.
- For that reason alone, is why institutional investors add commodities to their portfolios.
- They hire commodity trading advisors to follow the commodity markets for them.
- And so should you.



This is one approach large institutions take to participate in the commodity markets.

The Stipelis Separately Managed Portfolio:

Personal portfolio - the assets remain in the name of the investor

Transparent - the investor can see the trades immediately.

Liquid - the account owner always has access to the account funds.

Regulated - The regulatory agencies seeks to ensure that members meet regulatory responsibilities.

Direct contact - the account owner can speak with the head trader directly.

The investor will have access to global, liquid, and transparent commodities.

Transparency

Before trading begins in a client account, the investor will open an account with any one of several available Futures Commission Merchants, (FCM). An FCM is an entity that accepts orders to buy or sell futures or commodities and accepts money or other assets from customers to support such orders. One such firm is InteractiveBrokers However, the investor is free to choose from any one of several FCM's. However, the FCM must be registered with the CFTC and a member of the NFA.

The client grants the Advisor sole **discretionary authority** to direct, without the prior approval of the client, the trading of the account and the utilization of the assets and funds of the client's account in the purchase and sale of commodity futures contracts and only commodity futures products.

The brokerage commissions, fees, and margins arising from the trading of the client's account will be charged to the account at such rate as the FCM publishes.

The Trading Advisor will charge a **monthly management fee** to a client's account of one-twelfth of 2% or 0.166% per month, equal to 2% annually of month-end Net Account Value of the account. Assessed management fees will be paid regardless of the profitability of the account. "Net Account Value" means total funds available to the Trading Advisor for trading purposes.

An **incentive fee** is payable at the end of each quarter and is 20% of any New Trading Profits in the client's account as of the end of each calendar quarter and upon any withdrawals. New Trading Profits is calculated on a "high water mark" basis and may include interest income earned or credited on a client's assets. A high-water mark is the performance level that the CTA Must exceed to charge incentive fees and typically is calculated net of brokerage commissions, exchange fees, and the CTA's management fee and incentive fee payments.

The trading is done in the name of the client.

The account is titled in the name of the client.

The client will always have access to the funds in the account.

The clients can see the transactions that are done in his name almost immediately and at all times if the client so desires.

THIS TRANSPARENCY IS THE HALLMARK OF THIS PROGRAM. THE INVESTORS SEES EVERY TRADE AND ALL OF THE ACTIVITY THAT OCCURS IN THE ACCOUNT WHILE RETAINING TOTAL CONTROL OF THE FUNDS. THE ADVISOR DIRECTS THE TRADING.

The **account minimum** for our Separately Managed Trading Program is \$25,000. Account size determines the level of trading (i.e., the number of contracts purchased or sold) for the account and does not refer to the level or type of funding in the account.

Opening an account with the Trading Advisor should be considered a **long-term investment**. It is important that clients understand that client accounts may experience volatility and losses. Substantial drawdowns, either from initial Account Value or from peak levels of Account Value, do not necessarily indicate a failure in the investment strategy, but rather are to be expected.

Clients must be prepared to withstand these periods of unprofitable investing, and in this regard should be further prepared to maintain their account for at least three years from the date opened.



TRANSPARENT

This is how we bring our institutional trading program to the retail market.

The Stipelis Advisors Commodity Pool

Individual investors will usually avoid investing in commodities because of the size of the contracts. A commodity pool, however, allows investors to gain access by pooling their resources and trading as a single entity.

Let's look at 1 **Gold** futures contract:

At the time of this publication Gold is trading near 1800 per ounce.

1 futures contract of gold is equal to 100 ounces of Gold. Which means, 1 contract controls \$180,000 dollars of gold.

A **good faith deposit** for gold futures ranges from 3 to 10 percent, which is between 6 and 18 thousand dollars. The good faith deposit is the amount the exchange allows an investor to purchase the contract. They do not ask for the full contract to paid in full when trading futures. But even with lower margin requirements, most small business owners would not be able to participate in this market.

Crude Oil

With crude oil trading near 100 dollars per barrel, and 1 futures contract controlling 1000 barrels, 1 contract of West Texas Intermediate Crude oil controls \$100,000 dollars of Oil. The good faith deposit is around 7 to 10 percent or 7 to 10 thousand dollars. Still a hefty amount for 1 single investor.

The benefit for the investor is that our commodity fund combines the assets of many investors, giving the investor access to these expensive markets. By pooling the assets of several investors, each individual investor can now participate in the commodities markets.

Let's go back to the good faith deposit: If 1 contract of corn is 5000 bushels and corn is priced at 7 dollars per bushel, then 1 contract controls \$35,000 dollars of corn. You can buy 1 contract of Corn which controls 5000 bushels by only putting down 2500 dollars or 7%.

A low-down payment or good faith deposit can also be called leverage. Leverage makes the commodity markets very attractive to investors and traders because by putting down a relatively small amount, you can control large amounts of product with the potential for large gains.

Leverage has the potential to multiply the gains.

But leverage is a double edge sword. If leverage can multiply the gains, it also has the potential to multiply the losses.

We've seen what runaway leverage can do in the housing market debacle of 2008/2009.

But this highlights another reason why our pool is a proper way to invest in the raw material commodities:

With our pool, we take advantage of the leverage but reduce the risk of margin calls because the portfolio is in the name of the partnership with investors named as limited partners.

If the fund has a catastrophic event or even a margin call, the limited partner is protected.

The minimum investment into the pool is 500 dollars per unit.

Our commodity pool trades the same way our separately managed program trades.

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You can visit our website at stipelis.com

Stipelis Global Trading LLC is a registered Commodity Trading Advisor.

We are registered with the Commodity Futures Trading Commission (CFTC) and is a member of the National Futures Association (NFA).

The member ID number is 0474441

Stipelis Is a boutique asset management firm that specializes in the trading of commodities, futures, and options.

Our investment programs are available to municipalities, institutional investors, small business owners and retail clients.

Stipelis Global Trading was formed as a Limited Liability Corporation in 2013 in New York and became registered with the CFTC in 2017 and approved for membership in the NFA in 2018.

Stephen E. Coleman is the founder of Stipelis Global Trading LLC.

Mr. Coleman has decades of experience in the capital markets.

Mr. Coleman started Stipelis Global Trading with one goal in mind:
To bring institutional trading ideas to small business owners and to take advantage of the enormous potential in the global commodities market.

Experienced - Transparent - Principled

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PRINCIPLED

Our objective is to achieve appreciation of client assets through the buying and selling of futures, commodities, and options.

We will trade the most visible products for our investors. The global commodity markets are some of the largest markets on the planet and we want our clients to have access.

By focusing our attention on the most popular and most active products, our investors are confident of the prices that are quoted and more importantly, the prices at execution.

We also limit our trading to domestic US exchanges. We do so in hopes to mitigate counterparty risk. When we sell a position for our partners, the exchange takes on the risk that the buyer is legitimate, and the execution of the trade is cleared in a timely matter.

Our investors ask us to trade these products on a short-term basis (anywhere from minutes to weeks). Which we believe, also provides liquidity and if done correctly, may lower risk profile.

We give our investors access to grains, meats, metals, minerals, currencies, financial market indices, energy-related materials and other items of food and fiber along with money market instruments.

The blueprint of our strategy is proprietary and confidential. We do not share our methodology. what we can say is that our operation is technical in nature and that over 60 inputs and dozens of filters go into the of evaluation process before every trade is put on.

We do not trade over the counter retail forex.

The currencies traded will be limited to the currencies traded on U.S. Futures Exchanges.

Some of products we trade:

Gold	Wti Crude oil	10 yr tsy	Corn	S&P 500 index	Cotton	Lean Hogs	Euro Currency
Silver	Natural gas	5 yr tsy	Wheat	Nasdaq 100	Coffee	Live Cattle	Swiss Franc
Copper	Heating oil	2 yr tsy	Soybean	Russell 2000	Sugar	Feeder Cattle	British Pound
Australian dollar	Rbob gaseline	US Dollar index	Soybean oil	DJIA index	Cocoa	Soybean Meal	Japanese Yen



stipelis.com





Now that you know something about us, we'd like to know a little bit more about you.



Call us at 646-233-4506.

We would be more than happy to answer any questions or concerns you may have.

Or E-mail us at info@stipelis.com



THE RISK OF LOSS IN TRADING COMMODITY INTEREST CAN BE
SUBSTANTIAL.

YOU SHOULD THEREFORE CAREFULLY CONSIDER WHETHER SUCH
TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL
CONDITION.

The opinions expressed are those of Stipelis Global Trading LLC and
are considered market commentary. They are not intended to act as
investment recommendations.

Stipelis is registered with the Commodity Futures and Trading Commission
and is a member of the National Futures Association.

All investments involve risk. Past performance is not indicative of future
results and there can be no assurance that the future performance of any
specific investment, investment strategy, or product will be profitable,
equal any corresponding indicated historical performance level(s), be
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