



AIP Global Macro Class
Interim Management Report of Fund Performance
June 30, 2018

Caution Regarding Forward-looking Statements

This report may contain forward-looking statements about AIP Global Macro Class (the “Fund”), including its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” or negative versions thereof and similar expressions.

These statements reflect management’s current beliefs and are based on information currently available to management. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, changes in general economic and market conditions and other risk factors. Although the forward-looking statements contained herein are based on what management believes to be reasonable assumptions, we cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and we assume no obligation to update or revise them to reflect new events or circumstances.

Management Report of Fund Performance

This interim management report of fund performance contains financial highlights, but does not contain the interim financial statements of the investment fund. You can get a copy of the interim financial statements, at your request and at no cost by calling 416.601.0808, or by writing to us at: AIP Asset Management Inc., 77 King Street West, Suite 4140, Toronto, Ontario M5C 1G3 or by visiting our website at www.aipassetmanagement.com or SEDAR at www.sedar.com

Investment Objective and Strategies

The investment objective of AIP Global Macro Class Fund (the “Fund”) is to generate superior risk-adjusted investment returns, relative to the Fund’s benchmark, a 50/50 blend of the MSCI World Index and FTSE Global Government Bond Index, (the “Benchmark”) by taking a balanced approach to investing in equity and fixed income securities of global companies.

The Fund may also invest in special situation securities. As global assets become increasingly correlated, there is value in finding securities that do not exhibit a high correlation with other assets.

Risk

The risks associated with investing in the Fund are set out in the prospectus. As at December 31, 2017 the Fund invested approximately 9.8% of its net assets in Solbright Group Inc.’s (“Solbright”) debt and equity securities. The Fund’s exposure to Solbright was reduced to 8.7%, this reporting period when Solbright repaid its Notes Payable.

Results of Operations

For the period ending June 30, 2018, Class F returned .4%, net of expenses. Returns for other series of the Fund may be found in the “Past Performance” section below. Differences in the performance between the series are attributable to different expense structures. The Fund’s Benchmark returned .2% during the same reporting period.

The Fund earned a fee by waiving debt covenants on a loan to Solbright. Subsequent to the covenant waiver, Solbright repaid the loan. In the first half of 2018, the Fund increased its exposure to the US dollar with 58.8% of the portfolio in US dollar denominated investments. As at December 30, 2017 the fund held 44.5% of its investments in US dollars. The US dollar had no impact on the Fund’s performance during the first half of 2018.

The Fund’s management expense ratio increased primarily due to the 47% decline in the Fund’s net assets.

Recent Developments and Outlook

Global equity and bond markets had a relatively lacklustre performance in the first half of 2018 compared to the same period in 2017. As of June 30, 2018 the MSCI World Index was up 0.8% and, FTSE Global Government Bond Index was down -0.6%. Global equity markets experienced a significant correction in February 2018 due to inflation fears, equity valuations and potential trade wars. The Fund took advantage of the pullback in equities by investing in the blue chip DIA ETF. The Fund did not make any new investments in technology stocks due to valuation and concentration concerns. The strong performance of the technology sector over the past few years resulted in increased weighting of tech stocks in broad based indexes like the S&P 500. Currently, tech stocks represent over 25% of the S&P 500, the highest percentage since the tech bubble and subsequent crash in 1999/2000. Five tech companies now represent over 15% of the S&P 500 index and 46% of the NASDAQ. In early 2000, the ten largest technology stocks in the U.S., collectively represented 25% of the S&P 500 and 40% of the NASDAQ.

We are concerned about concentration risk whereby a small number of stocks have such a large weighting in the indexes and some stocks such as Amazon and Netflix trade at very high P/E ratios – above 200x earnings. The market is priced for perfection and we are uneasy that even a small earnings miss could result in a significant market correction over the next 6-18 months

Interest rates are expected to increase in both Canada and the U.S., which may have a negative impact on bonds. Bond prices tend to decline as interest rates rise. Rising interest rates may result in slower GDP growth and corporate earnings growth. Furthermore, if inflation rises faster than expected, central banks may increase interest rates more aggressively which will further exacerbate the market correction, if one were to occur.

In the first half of 2018, Solbright and Carl Data special situation Notes were repaid by the borrowers which increased liquidity in the Fund. The proceeds were used to increase the Fund's position in shorter duration government bonds since they would be less impacted by rising interest rates.

There are significant risks to equity markets over the next 6 to 18 months. It is difficult to estimate the exact timing of a market correction and it is possible that this bull market continues well beyond the 18-month time frame.

The fund manager intends to diligently monitor global economic conditions with the view of changing the composition of the portfolio to the most attractive opportunities in order to enhance unitholder value.

Related Party Transactions

Management fee

AIP Asset Management Inc. is the manager and portfolio advisor for the Fund (the "Manager"). The Manager is responsible for the Fund's business operations, which includes

portfolio construction for the Fund. The Fund pays the Manger a monthly management fee for its services. For the period ending June 30, 2018, the Fund paid a management fee of \$18.254.

Incentive fee

The Fund will pay the Manager an annual incentive fee plus applicable taxes of 20% of the difference by which the return in the NAV per unit of the applicable series of the Fund, in a calendar year, exceeds the percentage return of the Benchmark.

The Fund did not pay an incentive fee for the period ending June 30, 2018.

Independent Review Committee

Brigitte Geisler, Edna Chu and Rod Seyffert were appointed to the Independent Review Committee (the “IRC”) on May 14, 2018. The IRC is a three person committee with a mandate to review and provide guidance on conflict of interest matters referred to it by the Manager, on behalf of the Fund.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund’s financial performance for the periods ended June 30, 2018 and December 31,2017. Per share data is derived from the Fund's financial statements.

The Fund’s Net Assets per shares⁽¹⁾

Class A	30-Jun-18	31-Dec-17	31-Dec-16
	\$	\$	\$
Net Assets, beginning of period ⁽¹⁾	10.93	10.81	10.49
Increase (decrease) from operations			
Total revenue	0.46	0.54	0.32
Total expenses	(0.32)	(0.31)	(0.34)
Realized gains (losses)	(0.02)	0.60	(0.04)
Unrealized gains (losses)	(0.21)	(0.76)	0.48
Total increase (decrease) from operations ⁽³⁾	(0.09)	0.07	0.42
Distributions:			
From income (excluding dividends)	-	-	(0.04)
From dividends	-	-	-
From capital gains	(0.48)	-	-
Return of capital	-	-	-
Total annual distributions	(0.48)	-	(0.04)
Net Assets, end of period ⁽⁵⁾	10.38	10.93	10.81

Class F	30-Jun-18	31-Dec-17	31-Dec-16
	\$	\$	\$
Net Assets, beginning of period ⁽¹⁾	11.94	11.57	11.15
Increase (decrease) from operations			
Total revenue	0.50	0.58	0.21
Total expenses	(0.23)	(0.34)	(0.27)
Realized gains	(0.02)	0.66	0.03
Unrealized (losses)	(0.23)	(0.55)	0.45
Total increase from operations ⁽³⁾	0.02	0.35	0.42
Distributions:			
From income (excluding dividends)	-	-	(0.04)
From dividends	-	-	-
From capital gains	(0.52)	-	-
Return of capital	-	-	-
Total annual distributions	(0.52)	-	(0.04)
Net Assets, end of period ⁽⁵⁾	11.47	11.94	11.57

Class I	30-Jun-18	31-Dec-17	31-Dec-16
	\$	\$	\$
Net Assets, beginning of period ⁽¹⁾	10.91	10.42	10.00
Increase (decrease) from operations			
Total revenue	0.46	0.55	0.04
Total expenses	(0.13)	(0.33)	(0.05)
Realized gains (losses)	(0.02)	0.70	(0.02)
Unrealized gains (losses)	(0.21)	(0.38)	0.27
Total increase from operations ⁽³⁾	0.10	0.54	0.24
Distributions:			
From income (excluding dividends)	-	-	(0.04)
From dividends	-	-	-
From capital gains	(0.48)	-	-
Return of capital	-	-	-
Total annual distributions	(0.48)	-	(0.04)
Net Assets, end of period ⁽⁵⁾	10.55	10.91	10.42

Class I.1	30-Jun-18	31-Dec-17
	\$	\$
Net Assets, beginning of period ⁽¹⁾	10.57	10.00
Increase (decrease) from operations		
Total revenue	0.44	0.46
Total expenses	(0.24)	(0.28)
Realized gains	(0.01)	0.67
Unrealized (losses)	(0.26)	(1.30)
Total increase (decrease) from operations ⁽³⁾	(0.07)	(0.45)
Distributions:		
From income (excluding dividends)	-	-
From dividends	-	-
From capital gains	(0.45)	-
Return of capital	-	-
Total annual distributions	(0.45)	-
Net Assets, end of period ⁽⁵⁾	10.10	10.24

Class I.2	30-Jun-18	31-Dec-17
	\$	\$
Net Assets, beginning of period ⁽¹⁾	10.24	10.00
Increase (decrease) from operations		
Total revenue	0.43	0.16
Total expenses	(0.18)	(0.28)
Realized gains (losses)	(0.01)	0.67
Unrealized gains (losses)	(0.26)	(1.30)
Total increase (decrease) from operations ⁽³⁾	(0.02)	(0.75)
Distributions:		
From income (excluding dividends)	-	-
From dividends	-	-
From capital gains	(0.45)	-
Return of capital	-	-
Total annual distributions	(0.45)	-
Net Assets, end of period ⁽⁵⁾	9.85	10.24

⁽¹⁾ This information is derived from the Fund's audited financial statements for fiscal years 2016 and 2017 and interim financial statements for June 30, 2018.

⁽²⁾ The figures for 2016 are derived from the Fund's audited annual financial statements for the period of January 14, 2016 (date of incorporation) to December 31, 2016.

(3) Net assets and distributions are based on the actual number of shares outstanding at the relevant time. The increase/(decrease) from operations is based on the weighted average number of shares outstanding over the financial year/period.

(4) Distributions were paid in shares of the Fund.

(5) This is not a reconciliation of the beginning and ending Net Assets per unit.

Ratios and Supplemental Data

Class A	30-Jun-18	31-Dec-17	31-Dec-16
Total Net Asset Value (\$000's) ⁽¹⁾	179	205	949
Number of shares outstanding	17,212	18,791	87,778
Management expense ratio ⁽³⁾	5.33%	4.09%	3.85%
Trading expense ratio ⁽⁴⁾	0.00%	0.10%	0.10%
Portfolio turnover rate ⁽⁵⁾	39.10%	99.21%	38.22%
Net Asset Value per unit	\$10.38	\$10.93	\$10.81

Class F	30-Jun-18	31-Dec-17	31-Dec-16
Total Net Asset Value (\$000's) ⁽¹⁾	1,869	2,425	6,134
Number of shares outstanding	162,956	203,022	529,939
Management expense ratio ⁽³⁾	3.16%	2.72%	2.52%
Trading expense ratio ⁽⁴⁾	0.00%	0.10%	0.10%
Portfolio turnover rate ⁽⁵⁾	39.10%	99.21%	38.22%
Net Asset Value per unit	\$11.47	\$11.94	\$11.57

Class I	30-Jun-18	31-Dec-17	31-Dec-16
Total Net Asset Value (\$000's) ⁽¹⁾	4,514	5,154	3,853
Number of shares outstanding	427,855	472,325	369,779
Management expense ratio ⁽³⁾	1.75%	1.41%	0.54%
Trading expense ratio ⁽⁴⁾	0.00%	0.10%	0.10%
Portfolio turnover rate ⁽⁵⁾	39.10%	99.21%	38.22%
Net Asset Value per unit	\$10.55	\$10.91	\$10.42

Class I.1	30-Jun-18	31-Dec-17	31-Dec-16
Total Net Asset Value (\$000's) ⁽¹⁾	229	763	1,852
Number of shares outstanding	22,673	72,265	179,198
Management expense ratio ⁽³⁾	3.87%	3.80%	1.12%
Trading expense ratio ⁽⁴⁾	0.00%	0.10%	0.10%
Portfolio turnover rate ⁽⁵⁾	39.10%	99.21%	38.22%
Net Asset Value per unit	\$10.10	\$10.57	\$10.33

Class I.2	30-Jun-18	31-Dec-17
Total Net Asset Value (\$000's) ⁽¹⁾	103	169
Number of shares outstanding	10,424	16,585
Management expense ratio ⁽³⁾	2.86%	2.76%
Trading expense ratio ⁽⁴⁾	0.00%	0.10%
Portfolio turnover rate ⁽⁵⁾	39.10%	99.21%
Net Asset Value per unit	\$9.85	\$10.24

This information is provided as at June 30, 2018.

- (1) This information is provided as at December 31, 2017
- (2) Management expense ratio is based on total expenses (excluding commission and other portfolio transaction costs) for the stated period and expressed as an annualized percentage of daily average net asset value during the period.
- (3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.
- (4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and performance of a fund.

Management and advisory fees

The Fund pays the Manger a monthly management fee for its services as the manager and investment advisor of the fund, based on the net asset value of each Series, calculated daily and payable monthly. The management fee for Series I is paid directly by the investor and is not an expense of the Fund. The Manager uses the management fee to pay for trailing commissions to registered dealers for the distribution of the Fund's shares, investment counsel and administrative expenses such as salaries, rent and professional fees.

	<u>Allocation of management fee</u>		
	Management fee	Dealer compensation	Investment counsel and administration
Series A	2.25%	30.8%	69.2%
Series F	1.25%	-	100.0%
Series I.1	-	-	-
Series I.2	2.00%	50.0%	50.0%

Past Performance

The performance information assumes that all distributions, if any, made by the Fund in the years shown were reinvested in additional securities of the Fund. The performance information does not account for sales, redemptions, distribution or other optional charges that would have reduced returns or performance. The Fund's past performance is not indicative of how it will perform in the future.

Year-by-Year Returns

The bar chart below shows the Fund's performance for each of the periods shown and illustrates how the Fund's performance has changed from year to year. The chart shows, in percentage terms, how much an investment made on either the series inception date or first day of each financial year would have changed by the last day of the reporting year. The Fund does not report returns for a series when the inception date for that series falls in the current reporting year.

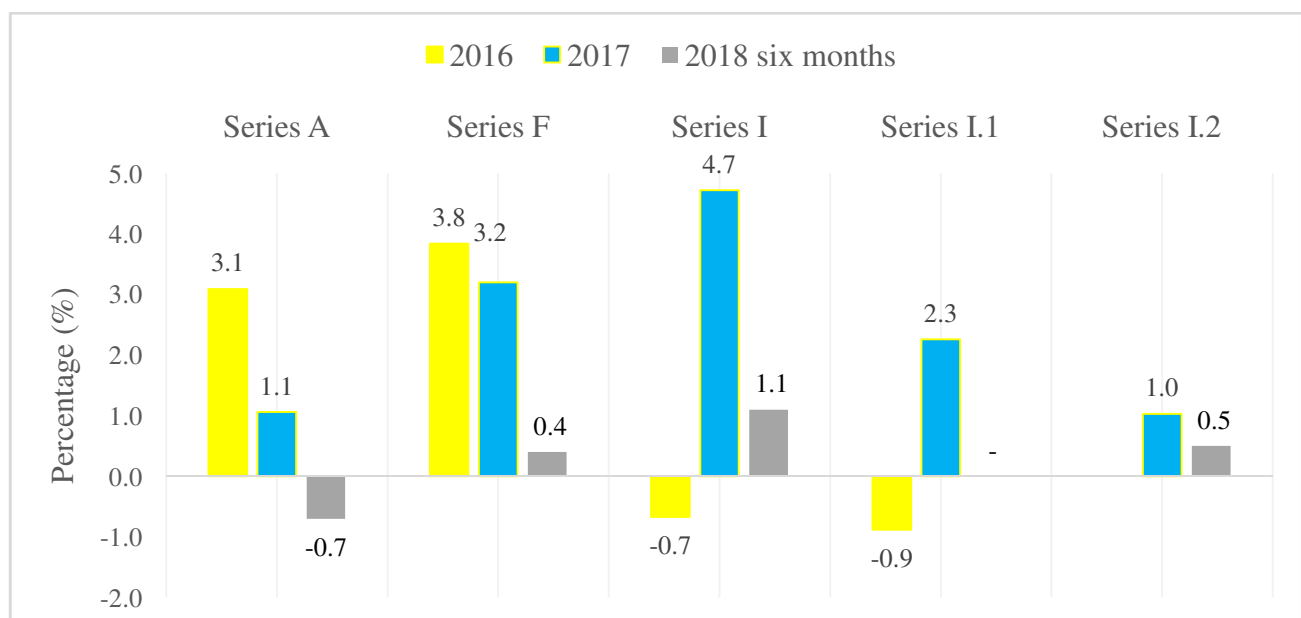
The calculation of the returns for 2016 is based on the following periods:

Series A and F: March 18, 2016 (inception date) to December 31, 2016

Series I: April 8, 2016 (inception date) to December 31, 2016

Series I.1: August 19, 2016 (inception date) to December 31, 2016

Series I.2: May 5, 2016 to December 31, 2016



Summary of Investment Portfolio as at June 30, 2018

Sector Allocation	% of Net Assets	Asset Allocation	% of Net Assets
Corporate Bonds	34.3	Equity	49.0
Information Technology	17.8	Fixed Income	41.5
Cash & Cash Equivalents	9.5	Cash & Cash Equivalents	9.5
Exchange-Traded Fund	9.3		100.0
Government Bond	7.2		
Financials	6.6		
Health Care	3.5		
Consumer Staples	3.1		
Energy	2.6		
Telcommunication Services	1.8		
Consumer Discretionary	1.8		
Materials	1.6		
Industrials	0.9		
	100.0		
	% of Net Assets		% of Net Assets
Geographic Allocation	Assets	Top 25 Investments	
Canada	48.3	Cash & Cash Equivalents	9.5
United States	44.9	SPDR Dow Jones Industrial Average ETF Trust	9.3
United Kingdom	1.5	Solbright Group Inc.	8.8
Switzerland	1.5	Canadian National Resources *	7.4
Germany	1.1	Sobeys Inc. *	7.3
Japan	0.9	Government of Canada *	7.3
Hong Kong	0.8	Ascension Technology Group *	4.4
France	0.5	Cameco Corporation *	3.8
France	0.5	Thomson Reuters Corporation *	3.7
	100.0	Transcontinental Inc. *	3.7
		Relevium Technologies Inc.	2.7
		Capital Guardian Holding LLC	2.3
		Apple Inc.	2.0
		Microsoft Corporation	1.6
		Alphabet Inc.	1.4
		Johnson & Johnson	1.0
		JPMorgan Chase & Co.	0.9
		Baytex Energy Corp *	0.9
		Crew Energy Inc. *	0.9
		Berkshire Hathaway Inc.	0.8
		Bank of America Corporation	0.8
		Intel Corporation	0.7
		Nestle SA ADR	0.7
		Cisco Systems, Inc.	0.7
		Wal-Mart Stores Inc.	0.7

(*) Debt instrument

As at June 30, 2018, the top 25 investments in the Fund are long only. Total net assets are \$6,893,235.

The summary investment portfolio may change due to ongoing portfolio transactions of the investment fund. The most recent simplified prospectus, annual information form and fund facts document is available by visiting our website at www.aipassetmanagement.com or SEDAR at www.sedar.com.

Corporate Information

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