500 Morris Avenue
Suite 110
Springfield, NJ. 07081
Office 973-258-0502
Mobile 973-727-8149
Fax 973-379-4076

2/5/2015

Dear Friends and Investors,

For the month of January net performance of a composite of for all accounts including the Navigator Fund L.P. lost -3.9% while the S&P finished -5.1% lower. The HFRX Equity Hedge Fund Index lost -4.5% vs -2.33% in 2015, while the HFRX Global Hedge Fund Index lost -2.76%, vs –3.64% last year. The Investor Business Daily index of Mutual Funds (20 Funds) declined by -8.3% in the month.

As stated last month, the weight of evidence in the indicators shifted and defensive measures were implemented, similar to the changes that occurred last August. GMI consequently entered the month with a reduction in equity exposure of 45% from the recent peak, proportionately insulating against the steep monthly declines that followed. Equity allocation was reduced further near month's end and stand nearly 60% from the recent peak.

There were numerous trading anomalies observed. In the beginning of the month macro factors likely led to the many lower gaps that ushered in the New Year. In three of the first four trading sessions of the year the S&P gapped lower on average by a whopping **1.9**%. Measuring the cumulative gaps over all four sessions amounted to 110% of the S&P's -5.5% cumulative decline. These macro factors (overseas equity markets combined with the volatile movements in oil prices) produced an average opening gap in the S&P in the first 14 trading sessions of the year at just over 1%; another rare event.

By the third week of the month further anomalies occurred. For instance, for 14 consecutive sessions ending 1/20 the S&P declined by a minimum of -0.4% intra-day. This has occurred only three other times since 1982, a span of 33 years. Additionally, for 16 trading sessions the S&P failed to rebound to a three day closing high until finally breaking the string on 1/22. Only three other similar occurrences of that duration have happened since the year 2000. The S&P on 1/22 gained 2%, to a three day high, the catalyst for the gains likely attributable to a 9% jump in crude oil.

Continuing the discussion from December's letter regarding the correlation between oil prices and the S&P. "In the previous three months (Oct to Nov) there have been 17 trading sessions when oil declined by more than 1.5% and the S&P on average lost -0.60% (a -10.2% cumulative decline). A rise in oil greater than 1.5% generated 15 signals where on average the S&P gained 0.72%, for a cumulative gain of 10.8%". This correlation became more striking last month as oil prices declined by **28%** (from $37 to

$26.5) in the first 12 trading sessions of the year and only once did prices move to the plus column. The S&P during this time span declined by whopping **-9%.** Later in the month crude oils' correlation to the S&P over a rolling 20 days approached nearly 100%. Despite the gyrations from macro factors both the S&P and oil prices finished the month back at the levels from the fourth trading day of the year.

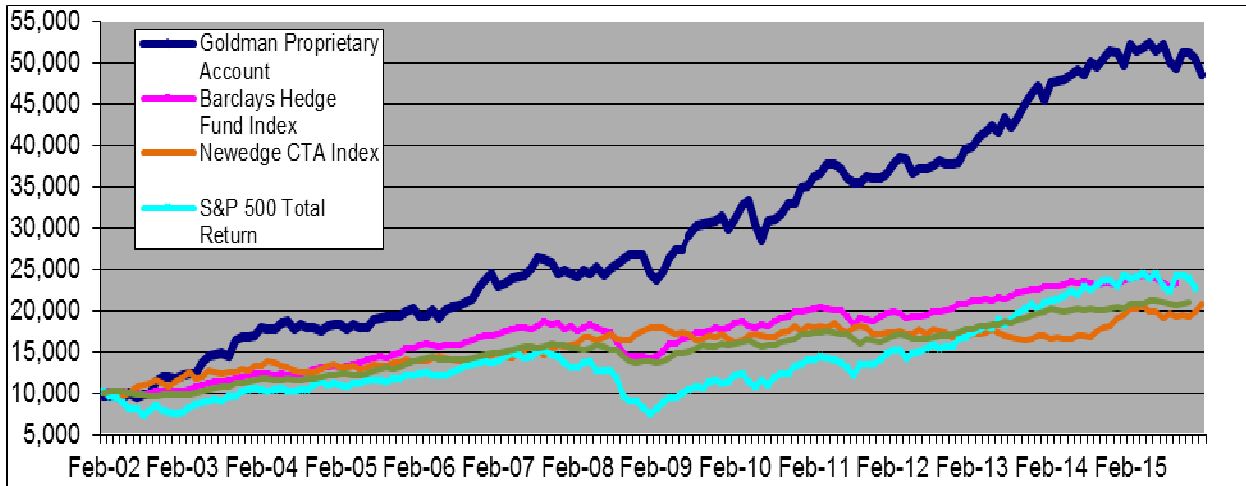
The overall economic assumption relating to the stock market suggests a "non-economic" market decline. In general the most severe "non-economic" market declines since the 1980's have experienced a median decline lasting less than six months. Unlike the market declines in 1987, 1998 and 2011 the present market decline at this juncture is not as severe but this selloff has regressed closer to the S&P's long term regression line than the three other periods cited. One measure to reflect this regression is monitoring the S&P's rate of change over 500 trading sessions. At the market's recent lows this measure touched 2%, or 0% when using intra-day prices. At the market bottom in 2011 after a 19% decline the 500 day rate of change stood at 3%. At 1998's market bottom following a roughly 19% decline, the rate of change stood at 38% (that is a correct number) and after the 34% market decline in 1987 the S&P's rate of change stood at 8%. Reviewing the 1960's to 1970's, three other non- economic corrections occurred. A possible difference for these two decades was that interest rates fluctuated to a greater extent than present relating to elevated inflation levels and interest rates were a main driver for equity prices. In these periods the 500 day rate of change in the 60's and 70's declined further than the average from the 1980's to the present. Nevertheless, once the reading touched 0, a market bottom occurred within a couple of months afterwards. These observations regarding non-economic market declines offer another perspective but should be noted as only a reference point. Late note: https://www.frbatlanta.org/cqer/research/gdpnow.aspx?panel=1 link to the Federal Reserve Bank of Atlanta growth rate forecast for GDP after today's employment report. **Past Performance Is Not Necessarily Indicative Of Future Results**.

T*he aforementioned market commentary may not necessarily be correlated with returns from Goldman Management, Inc. as trading decisions are based on an array of proprietary indicators and models.*

Thank you for your interest,

Steven Goldman

Returns Compared To Other Asset Classes



PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Performance Table (Proprietary Account 1% and 20%)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Returns	WDD*
2002	n/a	(2.8)	(0.4)	(0.4)	(1.1)	4.8	(5.1)	3.9	0.6	14.4	5.9	(1.2)	**18.6%**	**(5.2%)**
2003	(0.8)	2.4	2.3	0.5	9.9	5.6	1.5	1.1	(1.7)	11.3	2.3	0.7	**40.2%**	**(1.7%)**
2004	0.7	5.7	(1.0)	(0.1)	4.1	1.4	(4.8)	3.2	(2.4)	(0.8)	(1.6)	3.5	**7.8%**	**(6.3%)**
2005	0.6	0.4	(3.8)	3.5	(1.4)	(0.1)	4.9	0.7	1.3	(0.2)	(0.1)	3.4	**9.5%**	**(3.8%)**
2006	2.1	(4.7)	0.0	3.9	(5.0)	5.1	2.0	0.6	2.4	1.6	6.4	3.7	**18.9%**	**(5.9%)**
2007	3.8	(6.9)	1.7	2.6	0.9	0..6	3.3	5.4	(0.6)	(1.4)	(5.1)	1.1	**4.9%**	**(7.0%)**
2008	(0.9)	(1.6)	3.2	(1.7)	3.2	(4.3)	3.2	2.5	2.1	2.6	(0.4)	0.4	**8.3%**	**(4.3%)**
2009	(9.1)	(3.0)	4.4	7.2	3.4	(0.1)	6.6	3.6	1.0	0.5	0.6	1.7	**17.0%**	**(11.8%)**
2010	(4.6)	3.6	5.6	1.4	(8.3)	(6.7)	8.4	0.4	2.4	3.8	0.0	5.8	**10.9%**	**(14.4%)**
2011	0.9	3.3	0.7	3.5	(0.1)	(1.8)	(2.7)	(1.7)	(0.1)	2.3	(0.8)	0.1	**3.4%**	**(6.3%)**
2012	1.7	3.1	2.3	(0.5)	(4.6)	1.5	0.3	0.9	1.5	(1.3)	0.2	0.6	**5.2%**	**(5.1%)**
2013	3.9	1.1	3.1	1.2	1.7	(1.5)	4.2	(2.7)	2.7	4.0	2.7	2.1	**24.6%**	**(2.7%)**
2014	(3.9)	4.8	0.5	0.2	1.3	1.3	(1.1)	3..01	(1.1)	1.8	2.1	(0.3)	**8.5%**	**(3.9%)**
2015	(3.2)	5.2	(1.4)	0.7	0.9	(1.7)	1.6	(4.3)	(1.5)	4.3	(0.15)	(1.4)	**(1.4%)**	**(5.9%)**
2016	(3.8)												**(3.8%)**	**(3.8%)**
AVG													**12.5%**	**(6.0%)**

Information & Statistics

Internal Rate of Returns	12.3%	Avg. yr. max cum. monthly DD	6.0%	AUM (million)	$43
Compounded Returns	13.1%	Correlation to the S&P 500	0.57	Avg. Monthly Return	1.12%
IRR (Gross)	16.7%	Correlation to the CTA Index	0.02	Proprietary acct.	$9.4 mil
Sharp Ratio	1.07	Correlation to the Hedge Index	0.39	LTR (GMI)	422%
Standard Deviation	11.74	Profitable Months	68%	LTR (S&P 500)	84%
Sorting Ratio	2.10%	Beta to S&P	0.46		

WDD Worse cumulative monthly draw down from a peak during the year

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Managed Accounts, Fund & Prop. (Composite)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Returns	WDD
2011												0.0	**0.0%**	**0.0%**
2012	1.7	2.8	2.1	(0.5)	(5.1)	1.7	0.3	1.0	1.7	(1.4)	0.2	0.6	**5.0%**	**(5.6%)**
2013	3.9	1.1	3.1	1.2	1.7	(1.5)	4.3	(2.7)	2.7	4.0	2.8	2.1	**25.0%**	**(2.7%)**
2014	(4.0)	4.8	0.5	0.2	1.3	1.4	(1.2)	3.1	(1.1)	1.8	2.1	(0.3)	**8.6%**	**(4.0%)**
2015	(3.2)	5.2	(1.4)	0.7	1.0	(1.7)	1.8	(4.3)	(1.5)	4.3	(0.1)	(1.4)	**(1.4%)**	**(5.9%)**
2016	(3.9)												**(3.9%)**	**(3.85%)**

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

GMI's program is only open to investors fitting the definition of a "qualified eligible person" as that term is defined under Commodity Futures Trading Commission ("CFTC") Regulation 4.7(a). This presentation may not be distributed without the consent of GMI. An investment in the GMI's program, like all investments, contains risk including the risk of total loss. Trading in commodity futures involves significant risk of loss, and is thus not appropriate for all investors. This presentation is not an offer to buy or sell, nor a solicitation of an offer to buy or sell financial instrument. An investment with GMI may be made only by clients after receipt of GMI's Disclosure Document and execution of the appropriate agreements by such clients, and only in those jurisdictions where permitted by law. GMI is an exempt Commodity Trading Advisor under CFTC Regulation 4.7, and therefore is not required to adhere to certain disclosure, reporting and recordkeeping requirements under the Commodity Exchange Act ("CEA").