

# canadian hedgewatch

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QUARTERLY REVIEW OF HEDGE FUNDS & ALTERNATIVE INVESTING

APRIL 2015 VOLUME 15 ISSUE 4

## CANADIAN HEDGE WATCH INTERVIEWS DAVID DATTELS OF NEWGEN ASSET MANAGEMENT



- \* NEWGEN ASSET MANAGEMENT SNAPSHOT
- \* AIMA CANADA PANEL ADDRESSES REGULATORY CHANGES TO HEDGE FUND SALES COMPLIANCE REQUIREMENTS
- \* 2015 QUARTERLY PERFORMANCE NUMBERS



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### Hedge Funds April Quarterly Report

- Hedge funds returned US\$54.1 billion in performance-based gains for the first quarter of 2015; their highest Q1 gains on record since 2006 which brings the total industry AUM to a record high of nearly US\$2.2 trillion.
- Asia ex-Japan investing funds have delivered the best returns globally and were up 2.08% for March, led by Greater China focused funds which gained 4.85%.
- European hedge funds were up 4.21% in Q1 2015 and have grown their asset base by US\$10.5 billion which brings their current AUM close to a record high of US\$500 billion.
- CTA/managed futures funds have reported asset inflows of US\$9.7 billion for the first quarter of 2015, reversing a trend of nearly uninterrupted outflows since 2H 2013.
- North American managers lead in terms of net investor inflows recording US\$8.4 billion in new allocations, roughly half the level seen for the same period last year.

Source: Eurekahedge

There are now more hedge funds than ever. Investors have the choice of an estimated 10,149 hedge funds and funds of hedge funds as of March 31, according to new data from industry research firm HFR. That surpasses the previous high of 10,096 set in 2007 before the financial crisis. About 1,040 new funds launched in 2014, a net addition of 176 compared with ones that closed. Total industry assets are \$2.94 trillion, another all-time high, despite relatively muted single-digit returns from most hedge funds last year.

Source: HFR

**Terry Krowtowski**  
Canadian Hedge Watch Inc.



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## Performance Summary

	March 2015	YTD
<b>CHW HEDGE FUND INDICES (CHW-HF)</b>		
CHW-HF Composite Index	-1.05	2.68
CHW-HF Equity Hedged Index	-1.05	2.73
CHW-FOHF Index	0.51	4.12
<b>Scotia Capital Canadian Hedge Fund Performance Index</b>		
SC CDN HF Index Asset Weighted	0.62	4.80
SC CDN HF Index Equal Weighted	0.07	3.85
<b>Dow Jones Credit Suisse Hedge Fund Indices</b>		
Credit Suisse Hedge Fund Index	0.60	2.48
Convertible Arbitrage	-0.27	0.46
Emerging Markets	0.74	1.36
Event Driven	0.36	1.59
Fixed Income Arbitrage	-0.08	-0.15
Global Macro	1.30	4.47
Long/Short Equity	-0.42	1.84
Managed Futures	2.40	7.32
Multi Strategy	1.05	2.99
<b>HEDGE FUND INDICES</b>		
HFRI Fund Weighted Composite Index	0.37	2.22
HFRI Equity Market Neutral Index	0.56	1.56
HFRI Fund of Funds Composite Index	0.58	2.48
<b>MARKET INDICES</b>		
Dow Jones Global Index (C\$)	-0.08	11.57
Dow Jones Global Index (US\$)	-1.55	2.12
Dow Jones 30 Industrial Average (US\$)	-1.97	-0.26
NASDAQ Composite Index (C\$)	0.21	13.06
NASDAQ Composite Index (US\$)	-1.26	3.48
S&P 500 Total Return Index (C\$)	-0.11	10.29
S&P 500 Total Return Index (US\$)	-1.58	0.95
S&P/TSX Composite Index Total Return	-2.18	1.85

# 2015 CALENDAR OF EVENTS

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## \* Retirement Investment Summit Canada (RISC) 4th Annual

**Tuesday, April 21 & Wednesday, April 22 ~ Toronto**

**RISC** is Canada's premier event on Retirement Planning and Investing. Hear from leading financial industry professionals and industry experts who will provide valuable insights into the issues and trends that matter the most for Canada's financial professionals in Canada. Join us for presentations, advisor/client focused sessions, panel discussions, networking events and knowledge sharing critical issues facing the retirement industry. This extensive two-day event delivers a focused set of tools and resources from select sponsor partners that include products, retirement coaching and planning, current economic perspectives, information on advisor support programs and tools for your business and development. This is an opportunity for financial advisors to gather together in a great location to network, learn from each other, and participate in the numerous educational opportunities that fill the agenda.



## \* Exchange Traded Forum (ETF) 6th Annual

**Tuesday, May 26 & Wednesday, May 27 ~ Toronto**

Canada's leading event dedicated to **Exchange Traded Products**. Hear from leading financial industry professionals and industry experts who will provide valuable insights into the issues and trends that matter most to Canada's financial professionals. Join us for presentations, advisor/client-focused sessions, roundtable discussions, networking events and knowledge sharing critical issues facing the financial industry. This is an opportunity for IIROC based financial advisors and also Portfolio Managers to gather together in a great location to network, learn from each other, and participate in the numerous educational opportunities that fill the agenda.



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## \* Exchange Traded Forum (ETF West) 5th Annual

**Wednesday, June 3 ~ Vancouver**

Canada's leading event dedicated to **Exchange Traded Products**. Hear from leading financial industry professionals and industry experts who will provide valuable insights into the issues and trends that matter most to Canada's financial professionals. Join us for presentations, advisor/client-focused sessions, roundtable discussions, networking events and knowledge sharing critical issues facing the financial industry. This is an opportunity for IIROC based financial advisors and also Portfolio Managers to gather together in a great location to network, learn from each other, and participate in the numerous educational opportunities that fill the agenda.



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## \* World Alternative Investment Summit Canada (WAISC)

**Mon., Sept. 14 to Wed., Sept. 16 ~ Niagara Falls 14th Year**

**WAISC** is in its 13th year and is Canada's largest gathering of **alternative** and **exempt market** investment professionals and service providers. Featuring panel discussions with top-level Canadian and international speakers, fund managers and leading service providers, WAISC brings together over 300 delegates to explore every side of **alternative** investments. WAISC is a popular annual event that is not to be missed.



WAISC  
[waisc.com](http://waisc.com)

## \* Exchange Traded Forum (ETF North Toronto)

**Tuesday, October 20 ~ North Toronto**

Canada's leading event dedicated to **Exchange Traded Products**. Hear from leading financial industry professionals and industry experts who will provide valuable insights into the issues and trends that matter most to Canada's financial professionals. Join us for presentations, advisor/client-focused sessions, roundtable discussions, networking events and knowledge sharing critical issues facing the financial industry. This is an opportunity for IIROC based financial advisors and also Portfolio Managers to gather together in a great location to network, learn from each other, and participate in the numerous educational opportunities that fill the agenda.



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## \* World Alternative Investment Summit Canada (WAISC West)

**Wednesday, October 28 ~ Vancouver**

**WAISC West** is in its 4th year and is Canada's largest gathering of **alternative** and **exempt market** investment professionals and service providers. Featuring panel discussions with top-level international speakers, fund managers and leading service providers, WAISC brings together over 200 delegates to explore every side of **alternative** investments.



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# Canadian Hedge Watch Interviews David Dattels of NewGen Asset Management

Founded in 2009, NewGen Asset Management is an alternative investment manager that manages the NewGen Trading Fund with separate entities for Canadian and offshore investors. NewGen is dedicated to delivering a true alternative product that offers steady growth and capital preservation in a market increasingly driven by unpredictable macro headlines and fund flows. Its mission is to produce superior absolute returns for investors with minimized volatility and real diversification benefits.

**Canadian Hedge Watch** Describe your funds objectives/strategy and why investors would want to employ it within their investment strategy.

**David Dattels** The Fund's strategy evolved out of our view that too many alternative funds were essentially generating return through Beta or leverage and delivering little in the way of true diversification and capital preservation. We wanted to turn the value proposition back into our investors' favour and seek to generate stable, sustainable, absolute returns with a low correlation to the equity market. We've managed to consistently achieve this by targeting Alpha while seeking to minimize the impact of market Beta (systematic risk). The Fund employs an opportunistic long-short equity trading strategy with a deliberately flexible mandate so that we're not pigeon-holed into one particular sector or strategy. The market is constantly changing so we need to remain nimble. We construct the portfolio around a concentration of core ideas (around 30-40 positions) that are held for specific anticipated catalysts. These can range from anything fundamental such as corporate updates, earnings and M&A to more trading oriented events such as secondary issues, clean-up trades and index events. While we focus on company fundamentals we aren't going to invest in something just because it's cheap – i.e. we need something to be cheap and have a catalyst that can unlock the hidden value.

**CHW** What is the opportunity for a fund like yours and is it sustainable over the long term?

**DD** Firstly, due the structural differences compared to the US market, we find there to be greater inefficiencies in Canada and therefore more opportunities. This is largely due to the fact that there are fewer market participants and an institutional investor landscape that is largely dominated by long-only mutual funds. The second factor was the aftermath of the 2008/09 collapse, which saw a lot of hedge fund closures as well as a major de-risking event across the financial industry. Then came the regulatory changes in the US, including the Volker rule, where the impact was felt north of the border. Banks massively scaled back their liability trading and have largely eliminated their proprietary trading operations. This in turn has created more trading opportunities for a fund like ours to exploit and since these structural factors are essentially a function of regulatory change they are likely to persist for a long time to come.

**CHW** Describe the team dynamic and how you generate ideas

**DD** The portfolio management team at NewGen combines skill sets in both fundamental research and trading, which provides a balanced perspective in reviewing ideas. The environment is also deliberately entrepreneurial with no division between the trading and portfolio management functions, enabling us to quickly evaluate and execute on an idea. While we seek to generate as many ideas internally as possible, we also leverage the sell-side community, which enables us to drastically expand our screening capabilities. We have fostered deep relationships with individuals that we trust and we are active traders so we are a valued client. In an environment where trading commissions are being compressed (or migrated entirely to DMA), we are happy to reward people for ideas that help us make our investors money. Due to these relationships, we tend to get early looks at developing situations and good allocations on secondary offerings, and IPO's.

David Dattels, President



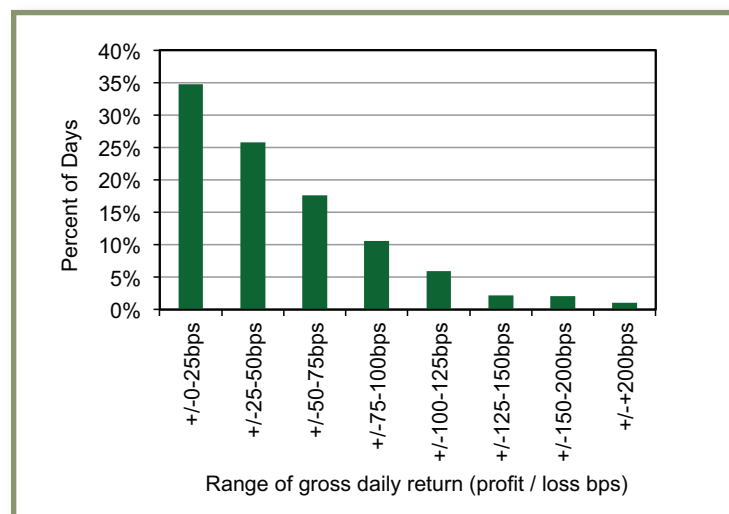


**CHW** In what sort of market will the fund thrive and how do you approach the market when conditions are not conducive to your strategy?

**DD** The strategy will thrive when company specific fundamentals and news flow drives equity prices, rather than emotion. In times of heightened volatility, rationality tends to evaporate and the catalysts we are looking for may be overwhelmed by macro/sector factors such as commodity price trends or political events. Instead of attempting to predict the market, we prefer to adopt a reactive approach to managing risk. This happens at both the position level where we are quick to exit a losing trade and portfolio level where we are able to aggressively shed exposure when needed. In our view, we do not need a stable rising or falling market to make money, but we need rational behaviour to prevail. When our catalysts cease to drive price action we will actively de-risk the portfolio to preserve our client's capital. In fact, the Fund's gross exposure (typically ranges from 110-180%) has a -0.6 correlation to the implied volatility of the TSX. For example, last September to October 2014 the TSX corrected nearly 13% intra-month and implied volatility more than doubled. In reaction to this market action, we brought our gross exposure down from 165% to 120% and net exposure fell from 37% to 15%.

**CHW** How has the fund been able to achieve such low volatility in its return? You mentioned that the fund's objective is to produce stable returns with minimized volatility. How is this accomplished?

**DD** Our volatility since inception has been lower than the TSX yet we have generated greater than twice the annualized return. Admittedly, we are trading in stocks that tend to have a higher degree of volatility vs the TSX so it all comes down to how we construct the portfolio. We take a bottom-up approach in building a diversified portfolio comprised of our best long and short ideas. Position sizing is critical and generally limited to around 2-4% and we'll rarely hold a position greater than 5%. That way individual position risk is manageable and it enables us to create the slow and steady performance. We then evaluate the risk profile of the portfolio from the top down with capital preservation in mind. For market risk, we aim to keep our Beta adjusted net exposure below 30% so market volatility doesn't typically transfer to the portfolio. In terms of sector risk, we avoid certain sectors when we see erratic price action and ensure that any net sector exposure remains below 20%. The bottom line for us is that we want to avoid making market calls by always remaining conservatively positioned allowing us to focus all of our attention on seeking out new ideas that can generate return over the short to medium term. The result of this portfolio composition has been consistent low volatility and this is best illustrated by looking at the typical daily swings in our portfolio. We rarely see big daily swings and over 60% of our trading sessions generate a profit or loss of +/-50bps.



**CHW** Your fund has also demonstrated a very low correlation to broad equity indices. What aspect of the fund's strategy leads to this outcome and why is that important to investors?

**DD** This partly comes from our low net market exposure, but also from sourcing returns through individual stock ideas with near term catalysts, and constantly looking to monetize gains once they occur. Holding periods tend to be short, ranging from 1 day to several months (averaging around 30 days) and then capital gets redeployed into new ideas. The result, is a return stream that is unique and unrelated to the return generated by the market or a long term buy and hold strategy. Low asset correlation is an extremely important consideration for any investor when optimizing their own portfolios, because it considerably lowers their risk profile. Our Fund's low correlation to the market has been our best defence in preserving capital and while there hasn't been a sustained bear market correction since the Fund launched, there have been severe pullbacks and 9 down months - in each of these months the Fund posted a positive return.

**CHW** Many Long/Short funds use ETF or index shorts to hedge their exposures and reduce market risk. What is your approach to hedging?

**DD** We rarely use ETFs as a way to hedge risk. Instead of just looking to lower our Beta, we think of shorts as a source of Alpha. In identifying shorts, we rely on the same investment process and strategies that we use in our long book. We find the value of short ideas always comes at a premium due to the optimistic nature of the brokerage industry, so we spend a lot of time trying to generate short ideas internally. Despite the rising market since the Fund's launch, our shorts have actually contributed approximately one-third of our profit attribution.

**CHW** Investors are increasingly concerned with liquidity, especially as it relates to the alternative space. Describe the fund's liquidity profile and your view on this aspect of portfolio risk.

**DD** Liquidity is the single most important factor in evaluating any trade. It's something that investors often take for granted in a rising market, but in the event of a market correction you're very grateful for the ability to raise cash quickly. In having these strict liquidity requirements we admittedly miss out on certain situations, but it drastically improves the risk profile of the Fund and enables us to be nimble. As a gauge of liquidity, we typically look at positions relative to a stock's average daily volume (ADV) and have a rule of thumb that positions shouldn't be greater than 15% of ADV. \*

*David Dattels is the founder and President of NewGen Asset Management and is co-Manager of NewGen's Funds. He has over 12 years' experience in the finance industry focussing on fundamental research on both the buy-side and sell-side in Canada and the UK. Prior to forming NewGen, he was co-Manager of the RAB Special Situations Fund and he also worked as a mining analyst for Canaccord Genuity. Mr. Dattels holds an Honours BA in Economics and a CFA designation.*

# NewGen Trading Fund LP (NGTF)

Equity long-short trading strategy



## FUND HIGHLIGHTS

- Opportunistic long-short equity trading strategy that exploits short-term market inefficiencies to generate return while minimizing market beta.
- Generated steady monthly returns since inception at below market volatility with minimal correlation to the broad equity markets or any particular sector.
- Managers seek to minimize unwanted market and systemic risk by maintaining low net exposure – typically 20-40%.
- Disciplined strategy that consistently monetizes trading gains derived from short-term catalysts.
- Highly liquid portfolio enables Managers to tactically move across markets, sectors and strategies to capitalize on new opportunities.
- Emphasis on capital preservation through adherence to liquidity bias, stop loss targets, and modest net/gross exposure ranges.

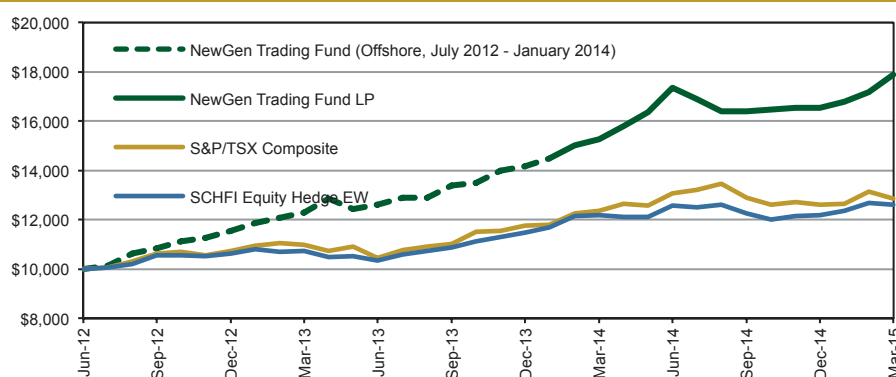
## PORTFOLIO MANAGEMENT TEAM

**Chris Rowan, CFA, Head Trader, Lead-Portfolio Manager** - Mr. Rowan formerly worked at CPP, where he was most recently Portfolio Manager in the Global Capital Markets Group. He graduated from the University of Western Ontario with an Honours in Business Administration (HBA). He has 8 years capital markets experience and is a CFA Charterholder.

**David Dattels, CFA, President, Co-Portfolio Manager** - Mr. Dattels is the founder and President of NewGen. He formerly was a co-Portfolio Manager at RAB Capital PLC and prior to that he was a mining analyst at Canaccord Genuity (UK). He has 12 years capital markets experience, graduated from the University of Western Ontario with a BA (Hons) in Economics and is a CFA Charterholder.

**Norman Chang, Head of Research, Associate Portfolio Manager** - Mr. Chang was previously Co-Founder and Portfolio Manager at SouthShore Capital Management and was senior analyst at Epic Capital Management. He has 16 years capital markets experience and graduated from the University of Western Ontario with a BA (Hons) in Economics.

## GROWTH OF \$10,000 INVESTED IN STRATEGY SINCE INCEPTION<sup>1</sup>



1. Data prior to February 1, 2014 is for Class A – Series 1 Units from the NewGen Trading Fund, an Exempted Company incorporated in the Cayman Islands, which has an inception date of July 2012; effective February 1, 2013 this Fund changed its base currency from USD to CAD, presentation of performance data prior to this date assumes USD hedged to CAD; the NewGen Trading Fund LP adopted an identical investment strategy on January 31, 2014 and data thereafter is combined and presented from Class B – Series 1 Units of this entity  
2. Data is from the NewGen Trading Fund (Offshore), including data from February 1, 2014 onwards  
3. Partial year starting July 2012  
4. Comparative performance provided for illustrative purposes only, but the indices presented are not considered benchmarks due to differing holding composition; the S&P/TSX Composite Index is widely followed and the SCHFI is comprised of Canadian hedge fund alternatives for investors  
5. Scotiabank Canadian Hedge Fund Index, Equity Hedge Equal Weighting  
6. Standard deviation is a form of hypothetical performance data  
7. The Sharpe Ratio is a hypothetical measure of excess return and the US 5-year Treasury yield is used for the risk-free rate in its calculation

## PERFORMANCE DATA (NET)<sup>1</sup>

Since Inception	79.0%
Annualized Since Inception	23.6%
Positive Months	90.9%
Monthly Correlation to TSX <sup>2</sup>	0.087
Daily Correlation to TSX <sup>2</sup>	0.145
2012 (Partial) <sup>3</sup>	15.5%
2013	22.8%
2014	16.7%
2015	8.1%
Best Month	6.0%
Worst Month	-3.3%
Best Day <sup>2</sup>	4.4%
Worst Day <sup>2</sup>	-2.3%

## COMPARATIVE PERFORMANCE<sup>1,4</sup>

Since Inception	NGTF	TSX	SCHFI <sup>5</sup>
Annualized Return	23.6%	9.5%	8.9%
Annualized Std Dev <sup>6</sup>	7.4%	7.5%	5.8%
Sharpe Ratio <sup>7</sup>	3.00	1.09	1.30

## FUND DETAILS

Eligible Investors	Canadian - ON/AB/BC/NL
FundSERV Code	NEW
Management Fee	2%
Performance Fee	20%
Minimum Investment	\$25,000
Base Currency	CAD (USD class available)
Subscriptions	Monthly
Redemptions	Monthly (30 day notice)
Administrator	SGGG Fund Services Inc.
Auditor	Goodman & Associates
Legal Advisors	AUM Law
Prime Brokers	Scotia; CIBC
Firm AUM	\$75.5 million

# NewGen Trading Fund LP (NGTF)

Equity long-short trading strategy

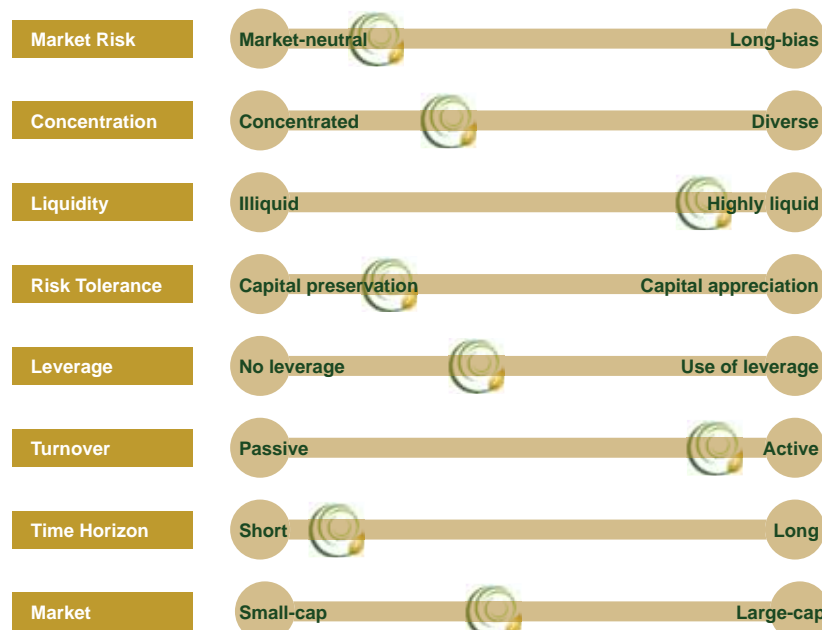


## STRATEGY MONTHLY NET PERFORMANCE DATA<sup>5,8</sup>

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2012	NGTF	-	-	-	-	-	-	1.24% <sup>9</sup>	4.85% <sup>9</sup>	2.02%	2.84%	1.23%	2.42%	15.46%
	S&P/TSX	-	-	-	-	-	-	0.59%	2.44%	3.08%	0.86%	-1.48%	1.59%	7.22%
	SCHFI EW	-	-	-	-	-	-	0.51%	1.38%	3.59%	0.12%	-0.54%	1.01%	6.17%
2013	NGTF	2.68%	1.77%	1.75%	4.87%	-3.32%	1.42%	2.06%	0.08%	3.72%	1.02%	3.64%	1.28%	22.85%
	S&P/TSX	2.02%	1.08%	-0.56%	-2.30%	1.56%	-4.12%	2.95%	1.34%	1.05%	4.49%	0.26%	1.69%	9.55%
	SCHFI EW	1.80%	-1.05%	0.48%	-2.51%	0.40%	-1.59%	2.32%	1.50%	1.29%	2.26%	1.46%	1.53%	8.05%
2014	NGTF	2.15%	3.72%	1.61%	3.46%	3.68%	6.00%	-2.74%	-2.91%	0.04%	0.35%	0.59%	0.02%	16.74%
	S&P/TSX	0.54%	3.76%	0.88%	2.21%	-0.33%	3.71%	1.22%	1.92%	-4.26%	-2.32%	0.90%	-0.76%	7.42%
	SCHFI EW	1.97%	3.97%	0.32%	-0.62%	-0.14%	3.76%	-0.37%	0.88%	-2.89%	-1.98%	1.00%	0.47%	6.32%
2015	NGTF	1.33%	2.39%	4.18%										8.08%
	S&P/TSX	0.28%	3.82%	-2.18%										1.85%
	SCHFI EW	1.44%	2.49%	-0.40%										3.97%

Source: NewGen Asset Management, Bloomberg, Scotiabank

## TARGET PORTFOLIO COMPOSITION & CHARACTERISTICS



## FUND INVESTMENT OBJECTIVE

The NewGen Trading Fund aims to achieve consistent, positive, absolute returns with low monthly volatility through the implementation of an opportunistic long-short equity trading strategy. The strategy aims to exploit short-term market inefficiencies to generate alpha-driven returns while minimizing market beta.

Fund strategies include: catalyst/event-driven trades, pairs trades, IPO/secondary offering participation, index additions/deletion predictions, clean-up/block trades, momentum/technical trades and risk arbitrage. The fund invests long and short in liquid securities and generally operates with modest net and gross market exposures.

## INVESTMENT MANAGER OVERVIEW

NewGen Asset Management is a Toronto-based investment manager registered with the Ontario Securities Commission.

NewGen's strategy has evolved from investor demand for a product that offers steady growth and capital preservation in a market increasingly driven by macro headlines and fund flows.

NewGen is dedicated to delivering a true alternative product. Our mission is to produce superior absolute returns for investors with minimized volatility and real diversification benefits.

## CONTACT DETAILS

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Toronto, Ontario, M5L 1G3  
416-941-9111



8. Performance reported net of all fees; data prior to February 1, 2014 is for Class A – Series 1 Units from the NewGen Trading Fund, an Exempted Company incorporated in the Cayman Islands, which has an inception date of July 2012; effective February 1, 2013 this Fund changed its base currency from USD to CAD, presentation of performance data prior to this date assumes USD hedged to CAD; the NewGen Trading Fund LP adopted an identical investment strategy on January 31, 2014 and data thereafter is combined and presented from Class B – Series 1 Units of this entity  
9. July and August 2012 are internal estimates since the Administrator combined July (partial month) and August 2012 in their calculation

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# AIMA Canada Panel Addresses Regulatory Changes to Hedge Fund Sales Compliance Requirements



More than 60 **AIMA Canada** members and guests gathered April 7th in Toronto for a **Regulatory Update Panel** on two subjects of particular interest to the hedge fund industry.

Panel members included: **Jason A. Chertin**, *Partner, McMillan LLP*, **Darin R. Renton**, *Partner, Stikeman Elliot LLP* and **Richard Marcovitz**, *Partner PwC LLP*.

First on the agenda was a discussion of the final amendments to **National Instrument 45-106 Prospectus and Registration Exemptions** that, among other things, reflect changes to the **Accredited Investor** exemption and the **Minimum Amount investment** exemption. The changes are expected to come into effect on May 5, 2015. This was followed by a discussion of implications of the **Foreign Account Tax Compliance Act (FATCA)**.

Among key points covered by Messrs. Chertin and Renton were: substantial changes to exemptions requiring issuers to update offering documents and policies and procedures, new Accredited Investor categories and changes to the Minimum Amount exemption as well as new exempt purchaser verification and recordkeeping requirements.

Mr. Marcovitz subsequently discussed implications of FATCA, including its background and history in Canada, as well as various investment entities and the emerging development of a Common Reporting Standard. The discussions were interactive with frequent questions from the floor.

Hosted by **McMillan LLP**, the panel discussion was opened by **AIMA Canada Chair Michael Burns**, *Partner, Borden Ladner Gervais LLP*. **Ian Pember**, *COO & SVP Administration & Compliance at Hillsdale Investment Management Inc.*, and *Co-Chair of AIMA Canada's Legal & Finance Committee*, concluded the session thanking the panel and welcoming attendees to the cocktail reception that followed.

Organized by **AIMA Canada's Legal & Finance Committee**, this event preceeds the popular **Emerging Managers Series** – four special after hours educational events commencing in May and continuing in June, September and October this year. \*



More than 60 AIMA Canada members and guests were on hand for Regulatory Update event.





AIMA Canada Chair **Michael Burns** introduces the session.



Regulatory Update panel members, from left to right:  
**Richard Marcovitz** of PwC LLP; **Darin Renton** of Stikeman Elliot LLP and **Jason Chertin** of McMillan LLP.

# COMMONWEALTH

FUND SERVICES

## APPOINTMENT OF NEW MANAGING DIRECTORS

Award-winning hedge fund administrator **CommonWealth Fund Services Ltd.** has promoted **Mackenzie Crawford** and **Joe Zhang** to the roles of Managing Director. The change comes with the transition of responsibilities from **Mark Damelin** to the two former vice presidents collectively, to facilitate his stepping down as company CEO.

CommonWealth was co-founded by former Chairman of the Toronto Stock Exchange and well-known Canadian money manager **John Clark** and **Mark Damelin** in 2007. The company provides investment fund administration services to primarily Canadian alternative investment fund managers.

Mackenzie and Joe joined CommonWealth in late 2011 and over the past three and a half years have taken on increased responsibilities encompassing operations, human resources, business development, and strategic planning. Since joining the firm, CommonWealth's assets under administration increased by over \$1 billion in each of 2013 and 2014, and the company was named Best Canadian Hedge Fund Administrator at the 2014 Canadian Hedge Fund Awards.

*"Joe and I share a vision to continue the traditions that our reputation is built on, enhance our offering through new technology, and grow the company into a leading provider of alternative investment fund administration in Canada and abroad,"* said Managing Director Mackenzie Crawford. *"Our complementary skill sets will allow us to work in partnership to manage the operations, develop our staff, and meet the needs of our clients."*

Together with Mr. Clark, Chairman of the Board of Caledon Trust Company, CommonWealth's parent, Mr. Damelin will remain involved with the company as a director on the boards of Caledon Trust Company and CommonWealth Fund Services. He will also take on a new role with Toogood Financial Systems Inc., a provider of technology solutions to CommonWealth. Toogood and CommonWealth will continue to work together on additional technology solutions to support the expansion of CommonWealth's service offering and client base.

*"I am confident that Mackenzie and Joe will carry on the business of CommonWealth in the tradition of excellence for which it has become known in the Canadian fund management industry,"* said Mr. Damelin. *"Lee Wong, founder and CEO of Toogood, and I look forward to working closely with CommonWealth on innovative solutions to support CommonWealth's growth, profitability and reputation for service excellence."*

### About CommonWealth Fund Services Ltd.

**CommonWealth Fund Services Ltd.** provides a full range of administration services to hedge funds, private equity funds, pooled funds, and fund of funds, including fund accounting, shareholder recordkeeping, transfer agency, tax support and financial statement production & audit support. Combining industry leading technology and world-class people, CommonWealth has 35 clients, close to 100 funds and over \$3.5 billion in assets.

For more information: (416) 687-6654; [mackenzie@commonwealthfundservices.com](mailto:mackenzie@commonwealthfundservices.com)

### About Toogood Financial Systems Inc.

**Toogood Financial Systems Inc.** provides the investment management community with a comprehensive range of sophisticated software that enables operational excellence. Toogood's clients include leading public and private financial and wealth management institutions, managers of pension funds, endowments, mutual funds, hedge funds, pooled funds and venture capital funds, who collectively manages approximately \$100 billion in assets on Toogood's technology platform.

For more information: (905) 886-0797; [mdamelin@toogood.com](mailto:mdamelin@toogood.com)

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*"Very good insight to investment management products. Great networking with like-minded contacts."*

- Margaret Lanthier, Director,  
Non-Profits, Genus Capital

*"I enjoyed networking with investors from around Canada. It was valuable to make new connections and share ideas."*

- Michael Nicks, Director,  
Investments, Pepperdine University

*"Nice split between pure investment analysis and trends and real life experiences with foundations and charities."*

- Aaron Bremner, CFO,  
Habitat Conservation Trust Foundation

*"Well done. The emphasis on the importance of alternate assets continues to increase."*

- Chris Sheridan, SVP, Institutional Sales,  
Horizons ETF

*"Excellent idea generation. Several good take aways for positive change in our organization."*

- Glen Rottray, VP,  
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*"Fantastic forum on discussing the issues facing the F, E + NFP market place"*

- Don Cranston, Managing Partner ,  
CGov Asset Management KGov Foundation

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**AIMA has more than 1,400 corporate members in over 50 countries and is present in all of the major financial centres globally**

### Long track record

AIMA was founded in 1990 and has grown into the only truly global hedge fund industry association, with more than 1,400 corporate members in over 50 countries.

### Representing the industry

We represent the world's hedge fund industry to regulators, policymakers, investors, the press and other stakeholders.

### Speaking for the whole industry

AIMA's members come from all parts of the global industry – including managers, service providers, allocator managers (including FoHFs), advisers and investors.

### Regulatory updates

AIMA members receive comprehensive regulatory updates.

### Education and Sound Practices

AIMA members are given access to our full range of sound practices material, covering hedge fund management, valuation and asset pricing, administration, governance, business continuity, due diligence questionnaires for managers and service providers, offshore alternative fund directors and fund of hedge funds managers.

### AIMA Knowledge Centre

Our members get access to our online library of industry knowledge and expertise. Additionally, they receive our weekly newsletter, covering all the latest key industry

and regulatory developments, and our flagship quarterly publication, the *AIMA Journal*.

### A positive start

Due to the amount of information available from AIMA and assistance we can provide through sound practices guidance, membership of AIMA is often one of the first steps taken by new firms in the industry, wherever they are based.

### Global forum

Our members are able to share ideas and influence outcomes by either joining one of our many committees and regulatory working groups or by taking part in one of our many events around the world, including our Global Policy & Regulatory Forum and the AIMA Annual Conference.

### Member events

Our Annual Conference, open to all AIMA members, attracts leading speakers from the industry and among policymakers, and hundreds of delegates, from around the world. We also hold regular events for our members globally, which provide helpful intelligence to delegates and networking opportunities.

### Loyal members

AIMA membership renewal rates are regularly above 85%.

### Global members

Discounts on membership fees are available to firms with offices in multiple locations.

### Contact

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# HEDGE FUND PERFORMANCE (as of March 31, 2015)

Fund Name	Asset Size (\$MM)	1 Month	3 Month	6 Month	YTD	1 Year	3 Year (Ann.)	Since Inception (Ann.)	Best 6 Mo. (3 Year)	Worst 6 Mo. (3 Year)	Max. Draw Down	Std. Dev. (1 Year)	Std. Dev. (3 Year)	Beta (1 Year, TSX)	Alpha (%) (1 Year, TSX)	Correl. (1 Year, TSX)	Correl. (1 Year, S&P500)	% High Water-mark	% Pos. Month Since Inc.
Acorn Diversified Program	87.000	1.44	7.44	16.25	7.44	17.81	14.86	6.80	21.82	-5.20	-17.77	12.57	15.03	-0.26	18.84	-0.19	-0.29	100.00	53.62
Agilith North American Diversified Fund	41.190	1.16	7.14	8.66	7.14	8.82	26.49	18.54	29.54	-5.61	-46.04	10.87	11.60	0.64	6.30	0.55	0.36	100.00	62.22
AlphaNorth Partners Fund Class A	70.000	-1.60	-4.74	-21.46	-4.74	-37.92	-21.70	5.11	12.77	-30.16	-64.79	17.36	21.75	1.18	-42.58	0.63	0.52	35.27	54.55
AlphaNorth Partners Fund Class F	-	-3.50	-14.14	-37.53	-14.14	-36.90	-12.88	10.12	43.27	-37.53	-63.29	25.46	22.44	-0.71	-34.10	-0.26	-0.54	48.80	54.65
Amethyst Arbitrage Fund	116.400	0.19	3.58	2.82	3.58	6.27	1.02	6.74	5.61	-6.18	-34.47	3.11	4.12	0.18	5.56	0.55	0.07	100.00	75.65
Aurion II Equity Fund	39.250	0.48	6.69	2.14	6.69	13.59	7.36	7.95	20.33	-7.43	-41.81	10.40	9.57	0.95	9.84	0.86	0.14	97.92	63.64
Aurion II Equity Fund Series D	5.830	0.47	6.51	2.15	6.51	13.23	6.40	5.24	19.89	-8.28	-42.05	10.32	9.60	0.95	9.48	0.86	0.14	97.61	61.86
Aurion Income Opportunities Fund	25.180	0.49	0.46	2.27	0.46	5.37	3.67	3.70	4.87	-2.10	-13.79	2.03	2.74	-0.05	5.57	-0.22	-0.53	99.76	72.31
Aurion Income Opportunities Fund Class D	5.160	0.46	0.35	2.04	0.35	4.89	3.19	2.04	4.66	-2.40	-13.74	2.03	2.77	-0.05	5.09	-0.22	-0.53	99.69	68.25
Auspice Diversified Trust Class A	-	0.52	3.12	14.09	3.12	31.32	2.43	1.98	30.66	-13.21	-26.88	12.51	10.45	-0.33	32.62	-0.25	-0.33	96.03	53.03
Auspice Diversified Trust Class S	-	0.42	3.02	14.00	3.02	31.22	2.39	0.61	30.45	-13.21	-26.94	12.43	10.41	-0.32	32.48	-0.24	-0.32	95.88	49.02
Auspice Managed Futures LP	-	0.47	3.14	14.14	3.14	31.71	2.60	3.78	30.69	-13.44	-26.39	12.44	10.47	-0.32	32.97	-0.24	-0.33	96.95	50.93
Barometer Long Short Equity Pool Class A	6.660	1.02	8.27	8.15	8.27	16.47	12.21	6.95	19.41	-12.55	-32.59	10.57	12.52	0.89	12.96	0.79	0.43	100.00	58.16
Barometer Tactical Exchange Traded Fund Pool	-	2.29	9.78	28.18	9.78	32.36	11.74	9.33	33.07	-9.69	-18.59	12.83	11.71	-0.45	34.14	-0.33	0.33	100.00	61.82
Blackheath Futures Fund L.P. Class A	2.220	-4.40	1.31	11.62	1.31	10.66	1.50	2.13	38.25	-18.69	-31.53	23.39	20.75	-1.18	15.32	-0.47	-0.29	88.24	60.61
Blackheath Volatility Arbitrage Fund L.P. Class A	15.200	-5.24	-12.32	-18.11	-12.32	-11.05	-2.27	1.51	19.33	-18.11	-19.93	13.68	11.80	0.69	-13.77	0.47	0.46	80.07	51.85
BluMont Hirsch Performance Fund	38.120	1.29	6.48	9.17	6.48	15.90	10.70	10.61	15.40	-13.26	-41.19	6.29	8.38	0.40	14.32	0.58	0.53	100.00	64.18
Broadview Dark Horse LP	37.200	1.50	2.50	6.48	2.50	3.91	11.11	15.21	12.93	-2.42	-7.41	4.57	5.01	-0.09	4.27	-0.18	0.21	100.00	79.17
Brompton Energy Opportunities Fund Series 2009	8.680	-3.33	-0.07	-37.41	-0.07	-35.55	-12.62	9.41	34.63	-44.54	-47.81	35.14	25.37	2.58	-45.73	0.69	0.37	55.42	57.14
Brompton Energy Opportunities Fund Series 2010	2.730	-3.33	-0.07	-37.41	-0.07	-35.55	-12.66	-6.05	34.44	-44.54	-55.73	35.13	25.36	2.58	-45.73	0.69	0.37	47.01	51.72
Brompton Energy Opportunities Fund Series A	3.720	-3.33	-0.08	-37.44	-0.08	-35.76	-12.79	-2.11	34.18	-44.59	-52.21	35.08	25.34	2.57	-45.90	0.68	0.37	55.37	56.41
Brompton Energy Opportunities Fund Series F	2.301	-3.33	0.13	-37.18	0.13	-35.61	-12.16	-8.60	34.17	-44.34	-56.05	34.79	25.24	2.55	-45.67	0.68	0.38	46.70	51.67
BSP Absolute Return Fund L/S Eq. US\$	-	1.21	3.73	4.55	3.73	5.93	6.29	4.81	7.21	-2.10	-5.35	3.88	3.41	0.06	5.69	0.16	0.32	100.00	70.83
BSP Absolute Return Fund Multi Strat.US\$	-	1.05	3.12	3.73	3.12	5.17	5.86	5.68	5.68	-1.30	-15.21	3.22	2.57	0.04	5.01	0.12	0.16	100.00	74.56
BT Global Growth Fund L.P.	-	2.26	11.04	15.85	11.04	20.44	15.19	13.63	30.32	-9.14	-40.84	8.84	11.15	0.48	18.55	0.50	-0.01	100.00	63.73
Burlington Partners Plus LP	-	-3.24	2.44	0.72	2.44	9.78	15.20	12.40	17.07	0.72	-14.40	11.27	7.95	0.72	6.94	0.60	0.64	96.76	68.97
Burlington Partners1 LP	-	-1.98	2.11	0.72	2.11	6.54	9.67	5.98	11.10	-0.30	-13.27	7.20	5.29	0.47	4.69	0.61	0.61	98.02	64.75
Calrossie Partners Fund	-	-1.61	1.25	7.36	1.25	14.86	18.98	11.37	16.53	3.90	-35.06	8.64	7.82	0.67	12.22	0.73	0.87	98.39	67.86
ChapelGate Credit Opportunity Fund Ltd.	562.309	0.17	1.41	1.10	1.41	3.67	11.75	13.13	12.94	0.05	-4.23	1.85	3.53	0.11	3.24	0.53	0.17	100.00	88.39
Ci Global Opportunities Fund CS	11.090	3.66	4.07	10.04	4.07	5.27	-0.66	15.17	10.04	-12.57	-39.28	5.89	7.46	-0.34	6.61	-0.54	-0.28	90.61	57.94
Ci Global Opportunities Fund US	21.160	2.31	2.85	4.12	2.85	-2.47	-2.37	5.29	8.03	-19.43	-46.22	8.15	10.16	-0.18	-1.76	-0.20	-0.09	85.91	52.54
Claret Global Multi-Asset L.P.	6.520	3.83	22.82	35.48	22.82	64.12	17.01	16.38	38.86	-13.52	-14.96	17.22	15.87	0.06	63.88	0.04	-0.49	100.00	68.42
DKAM Capital Ideas Fund	271.500	3.46	12.50	17.92	12.50	33.07	29.65	28.97	33.42	1.72	-11.98	5.94	8.82	0.39	31.53	0.62	0.56	100.00	78.21
Dynamic Alpha Performance Fund Series A	454.934	0.87	8.94	9.21	8.94	11.31	6.32	7.19	9.21	-1.75	-15.50	5.69	5.78	0.12	10.84	0.19	0.03	100.00	61.69
Dynamic Alpha Performance Fund Series F	-	1.09	9.14	9.71	9.14	12.22	7.29	7.53	9.71	-1.17	-15.12	5.56	5.59	0.11	11.79	0.18	-0.01	100.00	60.91
Dynamic Alpha Performance Fund Series FH US	-	1.05	8.82	9.23	8.82	11.31	-	8.01	9.23	-1.50	-3.74	5.44	-	0.12	10.84	0.20	0.05	100.00	64.52
Dynamic Alpha Performance Fund Series H	-	1.08	8.50	8.50	8.50	10.21	-	7.48	8.59	-2.27	-4.18	5.48	-	0.08	9.89	0.14	-0.01	100.00	64.71
Dynamic Alpha Performance Fund Series T	7.880	0.96	8.93	9.31	8.93	11.44	6.31	5.88	9.31	-1.73	-8.47	5.61	5.72	0.11	11.01	0.19	0.01	100.00	58.33
Dynamic Contrarian Fund	4.360	0.54	11.62	1.63	11.62	-1.60	-2.56	1.41	10.27	-14.57	-63.12	15.82	10.25	0.44	-3.34	0.26	-0.30	56.59	52.59
Dynamic Income Opportunities Fund	47.499	-2.01	0.75	1.23	0.75	8.78	9.51	8.77	14.39	-1.26	-29.50	5.67	6.20	0.48	6.89	0.79	0.64	97.99	69.23
Dynamic Power Hedge Fund Series C	32.630	-2.47	-11.46	-31.95	-11.46	-27.29	-20.89	6.10	13.30	-31.95	-79.61	16.69	17.65	0.16	-27.92	0.09	-0.31	32.24	51.20
EHP Advantage Fund Class A	-	0.30	8.19	17.75	8.19	25.98	-	29.37	17.93	6.99	-1.00	6.71	-	0.12	25.51	0.16	0.20	100.00	91.30
Exemplar Diversified Portfolio Series A	49.500	0.53	10.62	23.22	10.62	37.38	8.99	5.91	31.72	-16.67	-21.78	13.64	12.85	-0.09	37.74	-0.07	-0.48	99.19	56.34
Exemplar Diversified Portfolio Series F	-	0.59	10.92	22.66	10.92	37.45	9.82	11.42	31.05	-9.36	-9.36	13.15	11.58	-0.10	37.84	-0.07	-0.51	99.41	62.07
Fiera Long Short Equity Fund Class A	-	1.05	0.83	10.48	0.83	26.62	17.87	14.56	19.17	-7.05	-20.32	5.18	6.78	0.05	26.42	0.09	0.24	100.00	69.23
Fiera Long/Short Equity Fund Class A	91.691	1.05	7.30	14.20	7.30	26.72	19.62	15.30	19.16	-7.03	-20.32	6.94	7.37	-0.19	27.47	-0.26	-0.42	100.00	70.18
Fiera Long/Short Equity Fund Class F	-	1.12	7.53	14.69	7.53	27.84	19.43	15.31	19.68	-6.51	-19.53	6.94	7.21	-0.19	28.59	-0.26	-0.42	100.00	70.18
Fiera Market Neutral Equity Fund Class A	34.240	1.07	-0.63	4.59	-0.63	14.92	5.07	2.28	11.47	-7.59	-21.23	4.29	5.09	-0.04	15.08	-0.09	0.14	97.41	57.14
Fiera Market Neutral Equity Fund Class F	47.900	1.15	-0.30	4.07	-0.30	13.81	3.02	2.99	11.23	-7.52	-20.34	3.92	4.63	-0.04	13.97	-0.10	0.16	95.89	61.11
Fiera Quantum Income Opportunities Fund Class A	19.209	-0.12	2.97	2.98	2.97	-	-	-	-	-	-0.22	-	-	-	-	-	-	99.88	63.64



# HEDGE FUND PERFORMANCE (as of March 31, 2015)

Fund Name	Asset Size (\$MM)	1 Month	3 Month	6 Month	YTD	1 Year	3 Year (Ann.)	Since Inception (Ann.)	Best 6 Mo. (3 Year)	Worst 6 Mo. (3 Year)	Max. Draw Down	Std. Dev. (1 Year)	Std. Dev. (3 Year)	Beta (1 Year, TSX)	Alpha (%) (1 Year, TSX)	Correl. (1 Year, TSX)	Correl. (1 Year, S&P500)	% High Water-mark	% Pos. Month Since Inc.
Fiera Quantum Income Opportunities Fund Class F	-	-0.12	3.10	3.31	3.10	12.37	-	12.37	9.10	1.32	-0.12	5.15	-	0.19	11.62	0.34	0.33	99.88	83.33
Fiera Tactical Bond Yield Fund Class A	77.030	-0.90	-3.05	-4.30	-3.05	-7.45	-1.99	-1.80	3.31	-4.30	-9.70	1.60	2.49	0.01	-7.49	0.08	0.73	90.30	42.86
Forge First Long/Short LP	-	2.75	10.53	14.26	10.53	20.50	-	32.81	30.61	-0.63	-5.28	8.84	-	0.45	18.72	0.48	0.10	100.00	84.38
Forge First Multi Strategy LP	-	2.26	8.05	11.07	8.05	14.96	-	24.58	22.04	-0.86	-3.58	6.43	-	0.28	13.86	0.41	0.01	100.00	81.25
Formula Growth Alpha II Fund Class B	93.000	1.45	4.39	-2.20	4.39	1.29	8.38	7.60	12.69	-7.62	-17.40	7.85	6.82	0.35	-0.09	0.41	0.16	96.56	65.96
Formula Growth Focus Fund Class F	30.400	1.87	6.02	-4.39	6.02	6.37	-	6.77	14.91	-13.28	-13.28	14.99	-	0.67	3.73	0.42	0.35	91.94	61.54
Formula Growth Global Opportunities Fund Cl. S C\$	73.300	5.33	7.73	10.75	7.73	11.37	16.93	9.44	27.73	-6.57	-24.00	11.30	12.26	-0.13	11.88	-0.11	-0.25	100.00	62.67
Formula Growth Hedge Fund Class F C\$	246.400	3.34	10.74	10.03	10.74	14.10	12.95	17.50	15.73	-7.28	-20.73	7.48	8.01	-0.05	14.30	-0.06	-0.42	100.00	65.10
Formula Growth Hedge Fund Class F U\$	196.200	1.92	1.29	-2.77	1.29	-0.54	4.32	19.37	16.01	-6.95	-25.96	8.03	8.57	0.40	-2.12	0.47	0.58	94.84	67.57
Front Street Canadian Energy Resource Fund Ser B	10.780	-6.48	-16.23	-49.66	-16.23	-45.29	-19.87	0.02	69.78	-54.87	-72.55	40.22	34.08	3.32	-58.39	0.77	0.43	27.63	61.48
Front Street Canadian Energy Resource Fund Ser F	0.390	-6.38	-15.97	-49.38	-15.97	-44.67	-19.04	-14.01	70.72	-54.62	-71.52	40.26	34.14	3.33	-57.81	0.77	0.43	28.48	54.39
Front Street Canadian Hedge Fund Series B	115.090	0.20	4.21	0.79	4.21	5.77	8.68	11.27	18.92	-5.86	-43.40	8.78	8.14	0.77	2.73	0.82	0.58	98.45	64.17
FrontFour Opportunity Fund	485.000	0.53	3.00	-3.95	3.00	-3.87	9.49	10.39	17.26	-8.49	-9.98	9.19	8.55	0.51	-5.88	0.52	0.38	95.01	66.67
Fulcra Focused Yield Fund	45.300	-0.53	-2.28	-2.40	-2.28	-0.60	3.52	6.87	3.79	-2.40	-2.40	1.73	1.49	0.01	-0.64	0.04	0.00	97.60	85.29
GFM 130/30 Fund	-	-2.93	0.24	-5.48	0.24	-7.77	3.67	8.62	16.25	-12.36	-20.72	10.52	11.06	0.95	-11.52	0.84	0.52	87.85	62.82
GFM Market Neutral Fund	-	0.51	-0.82	1.16	-0.82	-5.74	-0.35	3.64	6.46	-6.82	-8.81	6.79	5.64	-0.25	-4.75	-0.34	-0.10	92.95	56.41
Goodwood Fund Class A	11.930	1.09	2.98	4.90	2.98	2.99	7.54	10.21	19.62	-4.11	-55.80	10.68	9.72	0.63	0.50	0.55	0.84	78.51	62.90
Goodwood Milford Fund	-	2.52	0.52	2.12	0.52	8.89	12.81	16.38	16.23	-1.74	-49.99	5.76	4.90	0.15	8.30	0.24	-0.12	100.00	72.97
HGC Arbitrage Fund LP	-	1.51	3.25	3.75	3.25	16.72	-	22.67	22.44	2.73	-0.59	4.20	-	0.12	16.25	0.26	0.05	100.00	90.91
Hillsdale Canadian Long/Short Equity Fund Class A	4.410	1.32	2.10	4.79	2.10	5.08	5.57	7.46	17.98	-5.73	-24.49	6.67	8.11	0.39	3.54	0.55	0.40	100.00	59.02
Hillsdale Enhanced Income Fund Class A	9.230	-0.11	1.35	-0.88	1.35	2.40	4.09	3.56	9.90	-8.22	-11.70	6.11	7.59	0.40	0.82	0.61	0.28	95.48	66.04
IA Multi-Strategy	1.420	1.44	7.34	4.26	7.34	9.92	10.40	0.06	35.52	-4.10	-38.57	9.58	14.74	0.36	8.50	0.35	-0.26	89.08	46.58
IBV Capital Global Value Fund LP	-	0.26	3.55	0.76	3.55	-	-	-	-	-	-5.70	-	-	-	-	-	-	99.84	57.14
IMFC Global Concentrated Program	-	-1.45	6.87	16.31	6.87	26.07	5.49	5.16	25.99	-13.50	-17.77	12.12	11.56	0.00	26.07	0.00	-0.43	96.99	52.78
IMFC Global Investment Program	-	0.76	12.59	26.44	12.59	42.21	11.42	11.29	34.90	-16.05	-21.06	14.55	13.24	-0.10	42.60	-0.07	-0.50	99.57	54.08
Inflection Strategic Opportunities Fund	-	2.82	15.54	21.49	15.54	22.52	19.13	13.98	21.49	-1.17	-8.73	11.43	8.36	-0.19	23.27	-0.16	-0.43	100.00	68.75
JC Clark Adaly Fund Class A	-	2.50	10.89	7.95	10.89	55.17	20.95	15.82	57.13	-11.34	-35.68	24.18	17.25	1.62	48.78	0.63	0.28	100.00	69.40
JC Clark Adaly Fund Class B	-	2.40	10.56	7.35	10.56	53.82	19.92	9.93	56.59	-11.58	-36.14	24.21	17.23	1.63	47.39	0.63	0.28	100.00	65.22
JC Clark Focused Opportunities Fund (Class A)	-	-3.20	-4.50	-1.48	-4.50	-2.21	8.31	6.60	19.24	-1.48	-14.02	5.46	7.77	0.15	-2.80	0.25	0.78	95.50	65.25
JC Clark Patriot Trust (Class B)	-	-2.41	1.16	-0.45	1.16	3.43	3.27	8.21	16.55	-7.70	-29.64	9.02	10.73	0.86	0.04	0.88	0.74	92.77	64.38
JC Clark Preservation Trust (Class B)	-	-3.20	-2.99	-2.23	-2.99	2.04	11.56	10.66	18.60	-2.23	-22.61	6.57	7.51	0.18	1.33	0.25	0.46	96.80	59.47
JM Catalyst Fund	28.900	0.34	2.53	3.89	2.53	6.32	14.66	13.02	13.82	1.86	-3.31	2.34	3.66	-0.05	6.52	-0.19	0.08	100.00	80.46
Kensington Hedge Fund 1 Series A+E+F	44.000	0.63	2.13	-0.12	2.13	1.37	7.81	7.37	8.68	-2.35	-2.71	2.96	3.31	0.19	0.62	0.61	0.31	99.67	78.05
KFL Partners' Fund LP	4.500	-3.30	0.03	3.55	0.03	13.25	-	20.65	25.67	3.05	-5.61	11.11	-	0.15	12.66	0.13	0.36	96.70	68.75
King & Victoria Fund LP	-	0.80	-0.11	-2.34	-0.11	4.05	19.85	23.69	35.96	-5.92	-32.14	6.10	8.76	0.43	2.35	0.66	0.44	94.83	75.00
King & Victoria RSP Fund Class A Units	-	0.80	-0.11	-2.35	-0.11	4.04	19.59	15.79	35.96	-5.93	-33.73	6.10	8.79	0.43	2.34	0.66	0.44	94.82	70.40
Landry Global Equity Long/Short Fund Series A	-	-2.06	0.39	1.60	0.39	-0.97	5.50	-0.13	8.48	-2.53	-27.24	3.46	4.49	0.06	-1.21	0.17	0.22	89.46	54.72
Landry Global Equity Long/Short Fund Series F	29.100	-1.96	0.67	2.20	0.67	0.22	7.71	4.46	10.40	-1.94	-26.44	3.46	4.80	0.06	-0.02	0.16	0.22	98.04	58.74
Landry Global Equity Long/Short Fund Series I	-	-1.86	0.96	2.79	0.96	1.36	6.83	1.28	9.62	-2.47	-25.62	3.46	4.79	0.06	1.12	0.16	0.22	98.14	57.84
Lightwater Long/Short Fund - Class A	-	2.52	6.35	6.46	6.35	10.35	14.68	4.87	40.90	-6.31	-33.19	5.99	11.72	0.14	9.80	0.22	-0.32	100.00	63.22
Lightwater Nimble Fund	-	24.05	55.61	55.84	55.61	43.26	-	47.87	55.84	-9.30	-12.77	35.14	-	0.45	41.48	0.12	0.14	100.00	72.00
Lycos Value Fund Class O	2.900	2.30	-10.46	3.80	-10.46	20.26	16.86	16.73	37.55	-12.42	-25.66	32.52	26.52	1.07	16.04	0.31	0.61	82.32	58.90
Lycos Value Fund Class P	1.700	0.51	1.45	2.96	1.45	5.86	6.01	6.01	3.10	2.82	0.00	0.17	0.14	-0.01	5.90	-0.54	-0.30	100.00	100.00
Majestic Global Diversified Fund	31.000	0.90	5.19	19.50	5.19	47.67	7.20	5.77	36.29	-20.07	-32.95	11.43	16.96	-0.45	49.45	-0.37	-0.30	99.89	53.16
Majestic Global Diversified Fund Series A	-	0.67	5.22	24.66	5.22	31.68	2.45	5.04	32.10	-20.03	-33.00	10.71	16.58	-0.35	33.06	-0.31	-0.12	92.35	52.00
Majestic Global Diversified Fund Series I	-	0.81	5.90	22.83	5.90	32.71	0.89	-0.95	29.31	-20.22	-30.37	8.93	17.18	-0.25	33.70	-0.26	-0.21	92.41	53.33
Marret High Yield Hedge LP Class B	30.881	-0.27	2.18	0.30	2.18	-0.45	0.47	8.40	2.83	-3.25	-7.60	3.80	3.08	0.24	-1.40	0.59	0.21	99.01	70.55
Maxam Diversified Strategies Fund Series A	-	1.05	3.87	6.01	3.87	21.81	18.01	13.58	18.47	-0.40	-16.15	5.88	6.72	0.42	20.15	0.67	0.44	100.00	66.67
Meson Capital Partners Fund	-	3.16	-11.72	-21.29	-11.72	-7.42	-14.79	18.48	28.10	-23.98	-59.12	28.27	25.57	-1.27	-2.41	-0.42	-0.18	44.74	50.68
NewGen Trading Fund LP (NGTF)	75.500	4.10	7.91	8.95	7.91	17.03	-	23.50	22.41	-4.62	-5.57	9.34	-	0.19	16.28	0.19	0.06	100.00	90.91

# HEDGE FUND PERFORMANCE (as of March 31, 2015)

Fund Name	Asset Size (\$MM)	1 Month	3 Month	6 Month	YTD	1 Year	3 Year (Ann.)	Since Inception (Ann.)	Best 6 Mo. (3 Year)	Worst 6 Mo. (3 Year)	Max. Draw Down	Std. Dev. (1 Year)	Std. Dev. (3 Year)	Beta (1 Year, TSX)	Alpha (%) (1 Year, TSX)	Correl. (1 Year, TSX)	Correl. (1 Year, S&P500)	% High Water-mark	% Pos. Month Since Inc.
Niagara Discovery Fund	9.100	-2.47	-2.47	7.95	-2.47	15.28	3.50	10.38	23.80	-9.86	-16.17	12.27	10.26	-0.42	16.94	-0.32	0.04	96.43	53.47
Niagara Legacy Class B Fund	30.800	2.67	6.19	13.54	6.19	-4.82	-12.80	7.00	19.10	-41.54	-57.14	17.59	24.58	0.18	-5.53	0.09	0.19	49.46	56.41
Norrep Market Neutral Income Fund	28.210	1.71	3.22	0.07	3.22	-0.45	5.19	6.62	7.07	-4.97	-5.16	7.09	6.16	-0.11	-0.02	-0.14	-0.43	97.89	60.78
Norrep Market Neutral Income Fund Series F	4.421	1.80	3.54	0.68	3.54	0.66	6.29	7.70	7.61	-4.43	-4.71	7.09	6.16	-0.11	1.09	-0.14	-0.43	98.66	60.78
Northern Rivers Conservative Growth Fund LP	19.895	-0.02	7.22	1.19	7.22	2.62	11.42	10.42	21.80	-4.86	-49.62	8.66	9.10	0.63	0.13	0.68	0.33	97.67	64.60
Northern Rivers Global Energy Fund LP	1.009	-1.83	-0.56	-26.71	-0.56	-32.60	-5.63	2.00	28.38	-35.45	-61.25	21.78	17.72	1.62	-38.99	0.69	0.30	64.69	61.06
Palos Equity Income Fund Series A	-	-0.85	3.98	-0.24	3.98	4.95	9.22	4.74	14.40	-7.31	-12.97	10.80	8.19	0.96	1.16	0.83	0.74	95.63	58.00
Palos Income Fund, L.P.	130.000	-3.67	2.13	-3.41	2.13	1.65	11.19	11.50	15.42	-8.60	-40.08	13.49	9.56	1.21	-3.12	0.84	0.77	92.17	69.94
Pathway Energy Series A Rollover MIN002	2.100	-1.37	-2.13	-30.64	-2.13	-23.33	-27.83	-28.57	23.77	-37.97	-93.59	23.71	22.43	0.16	-23.96	0.06	-0.11	6.44	46.99
Pathway Multi SF Explorer Series A Rollover MIN001	37.000	-3.57	-3.93	-33.64	-3.93	-42.57	-45.66	-23.91	-1.04	-45.21	-96.56	21.86	23.89	0.24	-43.52	0.10	-0.21	3.44	40.34
Picton Mahoney Diversified Strategies Fund Class A	18.100	0.77	3.92	2.87	3.92	4.91	7.29	7.21	8.67	-1.09	-7.99	3.44	3.85	0.24	3.96	0.65	0.30	100.00	65.08
Picton Mahoney Global Long Short Equity Fd Cl A C\$	21.870	1.24	6.01	7.67	6.01	11.74	11.71	4.37	13.21	-1.18	-25.98	6.15	6.49	0.08	11.42	0.12	0.27	100.00	63.64
Picton Mahoney Global Long Short Resource Cl A	2.880	-0.77	-1.00	-12.68	-1.00	-14.46	-0.44	-0.92	12.89	-19.81	-20.61	12.37	10.46	0.93	-18.13	0.70	-0.01	79.39	55.00
Picton Mahoney Global Market Neutral Equ Cl A C\$	46.640	0.60	1.09	0.35	1.09	3.67	4.66	2.15	6.14	-2.07	-17.21	4.28	3.65	-0.03	3.79	-0.07	-0.03	100.00	61.36
Picton Mahoney Income Opportunities Fund Class A	283.400	1.28	3.30	-2.08	3.30	0.26	4.99	6.19	7.09	-5.43	-9.14	4.81	3.88	0.17	-0.41	0.33	0.11	97.28	73.02
Picton Mahoney Long Short Equity Fund Class A	111.120	0.83	2.95	2.84	2.95	3.66	7.07	10.43	10.77	-3.02	-24.86	5.49	5.19	0.50	1.69	0.85	0.63	99.86	68.47
Picton Mahoney Market Neutral Equity Fund Class A	222.550	1.30	1.10	2.22	1.10	2.28	2.90	7.64	4.28	-0.29	-4.63	2.14	1.86	0.03	2.16	0.13	-0.08	100.00	66.67
Primevestfund	-	-5.99	-9.06	-20.88	-9.06	-7.13	-3.27	9.27	32.69	-21.09	-46.13	22.00	19.35	1.99	-14.98	0.84	0.56	69.27	62.39
Radin Global Opportunities Fund Fd Class Series F	-	2.13	4.26	2.99	4.26	4.92	-	13.06	14.40	-0.08	-2.59	4.46	-	0.00	4.92	0.00	0.01	100.00	63.33
RCM Special Situations Fund	-	0.20	5.44	2.88	5.44	4.53	7.93	14.90	24.28	-10.14	-28.56	10.02	10.64	0.81	1.33	0.75	0.67	98.53	68.83
Roadmap Trust	2.844	-6.75	-14.29	-24.43	-14.29	-43.29	-4.65	-0.32	43.99	-24.96	-71.54	18.67	25.70	0.64	-45.81	0.32	0.37	40.05	51.88
Rosalind Capital Partners L.P.	19.000	2.40	12.37	7.64	12.37	11.86	28.89	19.49	47.73	-6.89	-40.85	21.17	18.09	0.84	8.55	0.37	0.09	100.00	65.63
Ross Smith Capital Investment Fund	33.707	1.37	1.61	3.13	1.61	6.09	7.17	9.75	6.04	1.38	-17.17	2.08	2.34	0.01	6.05	0.07	0.32	100.00	72.29
Ross Smith Opportunities Fund	31.596	1.13	8.74	8.72	8.74	8.78	10.81	9.54	10.22	-2.94	-5.84	7.49	5.26	0.56	6.57	0.69	0.28	100.00	74.36
SEI Futures Index Fund Class E	0.010	2.07	2.51	8.07	2.51	11.43	0.34	0.50	11.07	-6.95	-11.87	4.84	4.21	-0.32	12.69	-0.61	-0.67	98.21	45.28
SEI Futures Index Fund Class F	0.700	2.10	2.59	8.18	2.59	11.78	0.93	2.06	11.17	-6.37	-9.95	4.81	4.14	-0.32	13.04	-0.61	-0.67	100.00	52.34
SEI Futures Index Fund Class O	13.470	2.18	2.81	8.73	2.81	12.81	2.03	2.90	11.76	-5.88	-8.66	4.85	4.15	-0.32	14.07	-0.61	-0.67	100.00	55.56
SEI Futures Index Fund Class P	0.170	2.03	2.40	7.85	2.40	10.96	0.34	1.36	10.85	-6.68	-11.23	4.83	4.14	-0.32	12.22	-0.61	-0.66	98.50	51.11
Sherpa Diversified Returns Fund Class A	-	-0.63	0.86	2.81	0.86	5.23	5.87	4.05	5.45	1.12	-21.95	3.74	3.88	0.22	4.36	0.55	0.99	99.37	68.29
Sherpa Market Neutral Income Fund Class A	-	0.10	0.84	1.18	0.84	0.87	1.10	1.54	1.61	-0.41	-6.90	0.63	0.68	0.01	0.83	0.14	0.16	99.18	74.14
SMI Defensive LP	119.000	0.76	-4.58	-45.27	-4.58	-45.99	-26.85	1.82	6.58	-47.04	-64.36	27.16	19.70	0.29	-47.13	0.10	-0.23	35.91	76.62
SMI Income LP	3.300	-1.93	6.35	-10.99	6.35	-6.42	-	11.32	15.32	-17.93	-20.72	18.11	-	0.67	-9.06	0.35	-0.10	88.21	88.24
Spartan APQ	-	-2.99	-4.33	-11.72	-4.33	-12.97	-	-10.89	4.05	-12.73	-15.18	7.69	-	0.39	-14.51	0.47	0.49	84.82	53.85
Spartan Dorset Fund	-	6.27	9.92	6.60	9.92	14.29	-	15.77	8.98	-6.26	-10.90	17.07	-	-0.04	14.45	-0.02	-0.16	100.00	70.59
Spartan Eleven Fund	-	-0.75	2.11	-0.54	2.11	4.17	5.65	8.96	8.59	-1.93	-5.00	6.43	5.26	0.55	2.00	0.80	0.34	97.34	73.17
Spartan LSQ	-	0.86	3.49	10.33	3.49	10.57	8.84	8.75	12.53	-1.36	-2.65	6.90	4.44	-0.30	11.75	-0.40	-0.33	100.00	83.78
Spartan onTREND Fund	-	3.02	16.32	19.82	16.32	25.16	-	19.23	19.82	-2.40	-9.62	14.53	-	1.19	20.47	0.76	0.20	100.00	62.96
Spartan Qmetrica	-	-0.27	3.02	10.55	3.02	-	-	-	-	-	-2.41	-	-	-	-	-	-	99.73	70.00
Spartan Teraz Fund	-	2.53	6.41	-11.34	6.41	-12.78	-5.97	-4.38	29.68	-24.63	-24.63	19.87	16.42	1.20	-17.51	0.56	-0.04	80.20	43.59
Sprott Bull/Bear RSP Fund Class A	10.096	-8.30	-0.01	-14.35	-0.01	-32.22	-35.90	-3.97	17.86	-49.70	-84.25	41.84	37.78	2.48	-42.00	0.55	-0.21	16.82	50.68
Sprott Enhanced Long/Short Equity Fund	58.221	0.78	7.65	8.94	7.65	10.94	8.46	11.80	9.16	-4.41	-19.15	7.62	6.02	0.47	9.09	0.57	0.19	100.00	60.31
Sprott Enhanced Long/Short Equity RSP Fund	18.415	0.78	7.58	9.95	7.58	11.87	8.50	6.65	9.95	-4.62	-19.39	7.71	6.06	0.45	10.09	0.54	0.16	100.00	56.14
Sprott Hedge Fund L.P. Class A	86.671	-6.13	3.07	-8.59	3.07	-24.69	-33.06	3.78	15.98	-46.34	-82.83	39.44	34.77	2.13	-33.09	0.50	-0.26	18.87	54.34
Sprott Hedge Fund L.P. II Class A	45.780	-8.38	0.20	-12.82	0.20	-28.97	-34.52	-5.56	17.68	-47.07	-83.45	41.78	36.45	2.50	-38.83	0.56	-0.21	17.83	49.67
Stornoway Recovery Fund Series I	28.978	3.86	4.20	-5.33	4.20	1.41	11.55	8.02	16.15	-11.28	-61.27	11.84	8.76	0.57	-0.84	0.45	-0.08	92.58	70.63
SW8 Strategy Fund LP Class A	20.410	-11.97	-4.23	3.62	-4.23	-6.02	-0.19	0.38	13.36	-12.42	-15.29	23.00	13.93	0.34	-7.36	0.14	-0.25	86.03	47.06
SW8 Strategy Fund LP Class B	-	-11.73	-4.10	3.92	-4.10	-5.48	0.35	7.74	13.42	-12.17	-14.43	22.72	13.79	0.32	-6.74	0.13	-0.26	86.31	55.00
SW8 Strategy Trust Class A	8.214	-11.97	-4.23	3.62	-4.23	-6.02	-0.28	0.02	13.36	-12.42	-15.29	23.00	13.92	0.34	-7.36	0.14	-0.25	86.03	47.06
SW8 Strategy Trust Class B	-	-11.73	-4.10	3.92	-4.10	-5.48	0.25	0.66	13.42	-12.17	-14.43	22.72	13.78	0.32	-6.74	0.13	-0.26	86.31	47.06
The Acernis Fund	-	0.20	4.90	8.60	4.90	-	-	-	-	-	0.00	-	-	-	-	-	-	100.00	100.00

## HEDGE FUND PERFORMANCE (as of March 31, 2015)

Fund Name	Asset Size (\$MM)	1 Month	3 Month	6 Month	YTD	1 Year	3 Year (Ann.)	Since Inception (Ann.)	Best 6 Mo. (3 Year)	Worst 6 Mo. (3 Year)	Max. Draw Down	Std. Dev. (1 Year)	Std. Dev. (3 Year)	Beta (1 Year, TSX)	Alpha (%) (1 Year, TSX)	Correl. (1 Year, TSX)	Correl. (1 Year, S&P500)	% High Water-mark	% Pos. Month Since Inc.
The Vantage Protected Performance Fund	94.000	-0.01	1.51	2.20	1.51	0.15	8.46	7.62	17.88	-2.41	-12.68	5.69	6.73	0.35	-1.23	0.57	0.73	99.99	65.57
Topaz Multi-Strategy Fund (Canada) Series H	27.200	-0.48	2.96	1.75	2.96	5.10	-0.62	-0.11	5.88	-8.01	-10.29	3.71	4.84	0.17	4.43	0.42	-0.12	98.15	56.41
Trident Global Opportunities Fund C\$	62.160	3.88	4.45	10.61	4.45	5.58	-0.30	8.12	10.61	-12.50	-17.92	6.15	7.59	-0.38	7.08	-0.57	-0.29	91.55	53.37
Trident Global Opportunities Fund US	49.670	2.53	3.24	4.71	3.24	-1.84	-2.11	10.76	8.28	-19.35	-20.36	8.21	10.25	-0.18	-1.13	-0.21	-0.10	86.39	55.83
Trident Performance Corp II	5.510	-0.45	1.82	2.11	1.82	2.33	-1.12	-1.97	10.21	-9.32	-23.57	10.67	7.72	-0.43	4.03	-0.37	-0.17	83.85	44.12
Venator Founders Fund Class A	99.000	1.00	3.54	7.29	3.54	23.54	21.55	15.45	18.72	4.68	-32.02	6.22	6.93	0.34	22.20	0.50	0.22	100.00	70.64
Venator Income Fund Class F	72.000	-0.60	3.10	2.59	3.10	7.48	13.68	15.02	11.00	0.99	-12.91	3.74	3.80	0.36	6.06	0.89	0.42	99.40	80.00
Venator Investment Trust Class A	-	1.03	3.44	7.13	3.44	23.23	21.43	11.81	18.65	4.69	-32.72	6.18	6.89	0.33	21.93	0.50	0.21	100.00	68.13
Venator Partners Fund	18.000	1.10	3.33	5.29	3.33	-	-	-	-	-	-0.80	-	-	-	-	-	-	100.00	66.67
Vertex Fund Class A	1149.470	-1.45	7.92	-1.74	7.92	-3.80	8.26	14.83	12.66	-11.96	-47.22	10.09	7.55	0.76	-6.80	0.70	0.36	95.01	68.63
Vertex Fund Class B	225.210	-1.54	7.62	-2.10	7.62	-4.63	7.37	9.65	12.23	-12.28	-47.05	10.02	7.61	0.76	-7.63	0.70	0.36	94.40	69.34
Vertex Fund Class F	499.430	-1.45	7.92	-1.76	7.92	-3.82	8.22	12.34	12.62	-11.98	-47.60	10.09	7.55	0.76	-6.82	0.70	0.36	94.99	69.93
Vertex Managed Value Portfolio Class A	276.220	-2.55	1.74	8.22	1.74	4.09	20.18	20.18	28.26	-3.81	-6.35	10.05	8.80	0.31	2.87	0.29	0.56	97.45	77.78
Vision Opportunity Fund L.P.	-	-1.11	2.47	3.89	2.47	10.39	8.99	18.16	15.01	-12.39	-17.27	6.68	8.65	0.39	8.85	0.55	0.88	98.89	69.14
Vision Opportunity Fund L.P. II	-	-1.08	2.35	3.77	2.35	11.28	9.09	17.58	14.67	-12.59	-12.59	6.40	8.62	0.29	10.14	0.42	0.76	98.92	70.15
Vision Opportunity Fund Trust	-	-1.03	2.22	4.50	2.22	10.63	8.01	14.81	11.21	-12.37	-15.47	7.38	8.13	0.34	9.29	0.43	0.86	98.97	66.67
WARATAH Income Fund	59.455	1.60	3.73	0.92	3.73	3.67	8.63	7.18	12.23	-5.36	-6.01	6.47	6.88	0.52	1.62	0.75	0.45	97.69	68.42
WARATAH One Fund	486.727	0.40	2.11	6.36	2.11	8.59	7.56	7.67	7.83	-0.51	-2.50	2.70	3.34	0.11	8.16	0.40	0.14	100.00	80.70
WARATAH Performance Fund	275.892	0.10	1.89	6.70	1.89	8.11	11.21	13.26	13.99	-2.72	-4.98	7.77	6.84	0.58	5.82	0.69	0.60	100.00	75.44
Wealthouse Panorama Fund, L.P.	252.515	0.45	4.97	6.29	4.97	8.44	11.47	11.68	13.34	-1.78	-17.00	4.33	5.42	0.35	7.06	0.76	0.64	100.00	68.75
Equally Weighted Average Performance of All Funds	8939.760	-0.07	3.21	1.79	3.21	5.35	4.53	-	-	-	-	-	-	-	-	-	-	-	-
Number of Funds in Sample	106	170	170	170	170	165	149	-	-	-	-	-	-	-	-	-	-	-	-

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## MARKET INDICES (as of March 31, 2015)

INDEX NAME	1 Month	3 Month	6 Month	YTD	1 Year	3 Year	Since Inception	Best 6mo. (3 Year)	Worst 6mo. (3 Year)	Max. Draw Down	Std. Dev. (1 Year)	Std. Dev. (3 Year)	Alpha (1 Year, TSX)	Beta (1 Year, TSX)	% High Water-mark	% Pos. Months
183 Day Canada T-Bill	0.05	0.18	0.42	0.18	0.90	0.97	6.27	0.52	0.42	0.00	0.04	0.03	0.90	0.00	100.00	100.00
91 Day Canada T-Bill	0.05	0.18	0.41	0.18	0.88	0.94	6.04	0.49	0.41	0.00	0.04	0.03	0.88	0.00	100.00	100.00
BMO Canadian Small Cap Index	-4.09	-0.65	-8.55	-0.65	-10.63	-2.10	5.33	16.56	-16.57	-57.31	15.26	12.99	-16.71	1.54	80.98	57.82
CHW-HF Composite Index	-1.05	2.68	-1.67	2.68	-4.22	-2.61	0.20	8.54	-8.08	-32.08	7.93	7.14	-6.67	0.62	73.86	57.72
CHW-HF Equity Hedged Index	-1.05	2.73	-1.92	2.73	-4.96	-3.15	1.45	8.24	-8.73	-34.75	8.51	7.51	-7.52	0.65	72.42	58.54
CHW-HF FoHF Index	0.51	4.12	1.37	4.12	3.50	2.66	-5.81	11.30	-3.53	-57.95	4.57	5.09	2.36	0.29	48.29	50.82
Dow Jones Global Index (C\$)	-0.08	11.57	15.93	11.57	18.74	17.76	5.66	18.83	-2.12	-50.31	8.41	8.11	17.83	0.23	99.92	56.99
Dow Jones Global Index (US\$)	-1.55	2.12	2.26	2.12	3.41	8.38	5.20	14.96	-2.98	-55.89	8.37	10.60	0.81	0.66	98.45	59.86
Nasdaq Composite Index (C\$)	0.21	13.05	23.66	13.05	34.03	26.32	9.95	26.09	-1.16	-74.24	9.59	9.60	33.28	0.19	91.43	59.61
S&P 500 Total Return Index C\$	-0.11	10.29	20.10	10.29	29.45	25.81	11.42	22.05	1.95	-51.16	6.98	7.50	29.09	0.09	99.89	62.29
S&P 500 Total Return Index US\$	-1.58	0.96	5.94	0.96	12.74	15.80	10.63	16.43	2.15	-50.98	9.05	9.56	10.65	0.53	98.42	61.81
S&P/TSX 60 Index TR	-2.08	2.42	2.05	2.42	8.79	8.63	7.35	14.02	-2.55	-47.89	8.16	8.24	5.40	0.86	97.92	60.94
S&P/TSX Composite Index	-2.18	1.84	-0.39	1.84	3.95	6.34	6.41	12.31	-4.29	-45.05	8.54	8.29	0.32	0.92	95.37	59.44



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Highest Return (3 Month)				
Fund Name	3 Month	6 Month	1 Year	Ann. std Dev. (1 Year)
Lightwater Nimble Fund	55.61	55.84	43.26	35.14
Claret Global Multi-Asset L.P.	22.82	35.48	64.12	17.22
Spartan onTREND Fund	16.32	19.82	25.16	14.53
Inflection Strategic Opportunities Fund	15.54	21.49	22.52	11.43
IMFC Global Investment Program	12.59	26.44	42.21	14.55
DKAM Capital Ideas Fund	12.50	17.92	33.07	5.94
Rosalind Capital Partners L.P.	12.37	7.64	11.86	21.17
Dynamic Contrarian Fund	11.62	1.63	-1.60	15.82
BT Global Growth Fund L.P.	11.04	15.85	20.44	8.84
Exemplar Diversified Portfolio Series F	10.92	22.66	37.45	13.15
JC Clark Adaly Fund Class A	10.89	7.95	55.17	24.18
Formula Growth Hedge Fund Class F C\$	10.74	10.03	14.10	7.48
Exemplar Diversified Portfolio Series A	10.62	23.22	37.38	13.64
JC Clark Adaly Fund Class B	10.56	7.35	53.82	24.21
Forge First Long/Short LP	10.53	14.26	20.50	8.84
Spartan Dorset Fund	9.92	6.60	14.29	17.07
Barometer Tactical Exchange Traded Fund Pool	9.78	28.18	32.36	12.83
Dynamic Alpha Performance Fund Series F	9.14	9.71	12.22	5.56
Dynamic Alpha Performance Fund Series A	8.94	9.21	11.31	5.69
Dynamic Alpha Performance Fund Series T	8.93	9.31	11.44	5.61
Dynamic Alpha Performance Fund Series FH US\$	8.82	9.23	11.31	5.44

Highest Return (1 Year)			
Fund Name	Ann. Return	Ann. Std. Dev.	# of Negative Months
Claret Global Multi-Asset L.P.	64.12	17.22	1
JC Clark Adaly Fund Class A	55.17	24.18	4
JC Clark Adaly Fund Class B	53.82	24.21	4
Majestic Global Diversified Fund	47.67	11.43	2
Lightwater Nimble Fund	43.26	35.14	5
IMFC Global Investment Program	42.21	14.55	2
Exemplar Diversified Portfolio Series F	37.45	13.15	2
Exemplar Diversified Portfolio Series A	37.38	13.64	3
DKAM Capital Ideas Fund	33.07	5.94	1
Majestic Global Diversified Fund Series I	32.71	8.93	2
Barometer Tactical Exchange Traded Fund Pool	32.36	12.83	2
Auspice Managed Futures LP.	31.71	12.44	4
Majestic Global Diversified Fund Series A	31.68	10.71	3
Auspice Diversified Trust Class A	31.32	12.51	4
Auspice Diversified Trust Class S	31.22	12.43	4
Fiera Long/Short Equity Fund Class F	27.84	6.94	2
Fiera Long/Short Equity Fund Class A	26.72	6.94	2
Fiera Long Short Equity Fund Class A	26.62	5.18	1
IMFC Global Concentrated Program	26.07	12.12	5
EHP Advantage Fund Class A	25.98	6.71	2
Spartan onTREND Fund	25.16	14.53	4

Lowest Return (3 Month)				
Fund Name	3 Month	6 Month	1 Year	Ann. std Dev. (1 Year)
Front Street Canadian Energy Resource Fund Ser B	-16.23	-49.66	-45.29	40.22
Front Street Canadian Energy Resource Fund Ser F	-15.97	-49.38	-44.67	40.26
Roadmap Trust	-14.29	-24.43	-43.29	18.67
AlphaNorth Partners Fund Class F	-14.14	-37.53	-36.90	25.46
Blackheath Volatility Arbitrage Fund L.P. Class A	-12.32	-18.11	-11.05	13.68
Meson Capital Partners Fund	-11.72	-21.29	-7.42	28.27
Dynamic Power Hedge Fund Series C	-11.46	-31.95	-27.29	16.69
Lycos Value Fund Class O	-10.46	3.80	20.26	32.52
Primevestfund	-9.06	-20.88	-7.13	22.00
AlphaNorth Partners Fund Class A	-4.74	-21.46	-37.92	17.36
SMI Defensive LP	-4.58	-45.27	-45.99	27.16
JC Clark Focused Opportunities Fund (Class A)	-4.50	-1.48	-2.21	5.46
Spartan APQ	-4.33	-11.72	-12.97	7.69
SW8 Strategy Fund LP Class A	-4.23	3.62	-6.02	23.00
SW8 Strategy Trust Class A	-4.23	3.62	-6.02	23.00
SW8 Strategy Fund LP Class B	-4.10	3.92	-5.48	22.72
SW8 Strategy Trust Class B	-4.10	3.92	-5.48	22.72
Pathway Multi SF Explorer Series A Rollover MIN001	-3.93	-33.64	-42.57	21.86
Fiera Tactical Bond Yield Fund Class A	-3.05	-4.30	-7.45	1.60
JC Clark Preservation Trust (Class B)	-2.99	-2.23	2.04	6.57
Niagara Discovery Fund	-2.47	7.95	15.28	12.27

Highest Return (3 Year)			
Fund Name	Ann. Return	Ann. Std. Dev.	# of Negative Months
DKAM Capital Ideas Fund	29.65	8.82	6
Rosalind Capital Partners L.P.	28.89	18.09	11
Agilith North American Diversified Fund	26.49	11.60	10
Venator Founders Fund Class A	21.55	6.93	8
Venator Investment Trust Class A	21.43	6.89	9
JC Clark Adaly Fund Class A	20.95	17.25	13
Vertex Managed Value Potfolio Class A	20.18	8.80	8
JC Clark Adaly Fund Class B	19.92	17.23	13
King & Victoria Fund LP	19.85	8.76	9
Fiera Long/Short Equity Fund Class A	19.62	7.37	8
King & Victoria RSP Fund Class A Units	19.59	8.79	9
Fiera Long/Short Equity Fund Class F	19.43	7.21	8
Inflection Strategic Opportunities Fund	19.13	8.36	11
Calrossie Partners Fund	18.98	7.82	9
Maxam Diversified Strategies Fund Series A	18.01	6.72	9
Fiera Long Short Equity Fund Class A	17.87	6.78	7
Claret Global Multi-Asset L.P.	17.01	15.87	11
Formula Growth Global Opportunities Fund Cl. S C\$	16.93	12.26	14
Lycos Value Fund Class O	16.86	26.52	15
Burlington Partners Plus LP	15.20	7.95	8
BT Global Growth Fund L.P.	15.19	11.15	12



Fewest Negative Months (1 Year)			
Fund Name	# of Negative Months	Ann. Return	Ann. Std. Dev.
Lycos Value Fund Class P	0	5.86	0.17
Claret Global Multi-Asset L.P.	1	64.12	17.22
DKAM Capital Ideas Fund	1	33.07	5.94
Fiera Long Short Equity Fund Class A	1	26.62	5.18
Maxam Diversified Strategies Fund Series A	1	21.81	5.88
Majestic Global Diversified Fund	2	47.67	11.43
IMFC Global Investment Program	2	42.21	14.55
Exemplar Diversified Portfolio Series F	2	37.45	13.15
Majestic Global Diversified Fund Series I	2	32.71	8.93
Barometer Tactical Exchange Traded Fund Pool	2	32.36	12.83
Fiera Long/Short Equity Fund Class F	2	27.84	6.94
Fiera Long/Short Equity Fund Class A	2	26.72	6.94
EHP Advantage Fund Class A	2	25.98	6.71
Venator Founders Fund Class A	2	23.54	6.22
NewGen Trading Fund LP (NGTF)	2	17.03	9.34
HGC Arbitrage Fund LP	2	16.72	4.20
BluMont Hirsch Performance Fund	2	15.90	6.29
Fiera Market Neutral Equity Fund Class A	2	14.92	4.29
Fiera Market Neutral Equity Fund Class F	2	13.81	3.92
Fiera Quantum Income Opportunities Fund Class F	2	12.37	5.15
Ross Smith Opportunities Fund	2	8.78	7.49

Lowest Volatility (1 Year)			
Fund Name	Ann. Std. Dev.	Ann. Return	# of Negative Months
Lycos Value Fund Class P	0.17	5.86	0
Sherpa Market Neutral Income Fund Class A	0.63	0.87	4
Fiera Tactical Bond Yield Fund Class A	1.60	-7.45	12
Fulcra Focused Yield Fund	1.73	-0.60	5
ChapelGate Credit Opportunity Fund Ltd.	1.85	3.67	2
Aurion Income Opportunities Fund	2.03	5.37	2
Aurion Income Opportunities Fund Class D	2.03	4.89	2
Ross Smith Capital Investment Fund	2.08	6.09	3
Picton Mahoney Market Neutral Equity Fund Class A	2.14	2.28	6
JM Catalyst Fund	2.34	6.32	4
WARATAH One Fund	2.70	8.59	2
Kensington Hedge Fund 1 Series A+E+F	2.96	1.37	4
Amethyst Arbitrage Fund	3.11	6.27	2
BSP Absolute Return Fund Multi Strat.US\$	3.22	5.17	3
Picton Mahoney Diversified Strategies Fund Class A	3.44	4.91	5
Landry Global Equity Long/Short Fund Series I	3.46	1.36	6
Landry Global Equity Long/Short Fund Series F	3.46	0.22	6
Landry Global Equity Long/Short Fund Series A	3.46	-0.97	6
Topaz Multi-Strategy Fund (Canada) Series H	3.71	5.10	4
Venator Income Fund Class F	3.74	7.48	4
Sherpa Diversified Returns Fund Class A	3.74	5.23	5

Fewest Negative Months (3 Year)			
Fund Name	# of Negative Months	Ann. Return	Ann. Std. Dev.
ChapelGate Credit Opportunity Fund Ltd.	4	11.75	3.53
JM Catalyst Fund	5	14.66	3.66
DKAM Capital Ideas Fund	6	29.65	8.82
Venator Income Fund Class F	6	13.68	3.80
Spartan LSQ	6	8.84	4.44
Fiera Long Short Equity Fund Class A	7	17.87	6.78
Goodwood Milford Fund	7	12.81	4.90
Wealhouse Panorama Fund, L.P.	7	11.47	5.42
WARATAH One Fund	7	7.56	3.34
Ross Smith Capital Investment Fund	7	7.17	2.34
Fulcra Focused Yield Fund	7	3.52	1.49
Venator Founders Fund Class A	8	21.55	6.93
Vertex Managed Value Portfolio Class A	8	20.18	8.80
Fiera Long/Short Equity Fund Class A	8	19.62	7.37
Fiera Long/Short Equity Fund Class F	8	19.43	7.21
Burlington Partners Plus LP	8	15.20	7.95
Broadview Dark Horse LP	8	11.11	5.01
Ross Smith Opportunities Fund	8	10.81	5.26
BSP Absolute Return Fund Multi Strat.US\$	8	5.86	2.57
Venator Investment Trust Class A	9	21.43	6.89
King & Victoria Fund LP	9	19.85	8.76

Lowest Volatility (3 Year)			
Fund Name	Ann. Std. Dev.	Ann. Return	# of Negative Months
Sherpa Market Neutral Income Fund Class A	0.68	1.10	12
Fulcra Focused Yield Fund	1.49	3.52	7
Picton Mahoney Market Neutral Equity Fund Class A	1.86	2.90	15
Ross Smith Capital Investment Fund	2.34	7.17	7
Fiera Tactical Bond Yield Fund Class A	2.49	-1.99	22
BSP Absolute Return Fund Multi Strat.US\$	2.57	5.86	8
Aurion Income Opportunities Fund	2.74	3.67	10
Aurion Income Opportunities Fund Class D	2.77	3.19	11
Marret High Yield Hedge LP Class B	3.08	0.47	19
Kensington Hedge Fund 1 Series A+E+F	3.31	7.81	9
WARATAH One Fund	3.34	7.56	7
BSP Absolute Return Fund L/S Eq. US\$	3.41	6.29	10
ChapelGate Credit Opportunity Fund Ltd.	3.53	11.75	4
Picton Mahoney Global Market Neutral Equity Class A C\$	3.65	4.66	11
JM Catalyst Fund	3.66	14.66	5
Venator Income Fund Class F	3.80	13.68	6
Picton Mahoney Diversified Strategies Fund Class A	3.85	7.29	11
Sherpa Diversified Returns Fund Class A	3.88	5.87	10
Picton Mahoney Income Opportunities Fund Class A	3.88	4.99	10
Amethyst Arbitrage Fund	4.12	1.02	14
SEI Futures Index Fund Class F	4.14	0.93	19



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## The Company

**Canadian Hedge Watch Inc. (CHW)** is a publishing, educational and information firm providing timely hedge fund and other alternative investment information to the Canadian marketplace. CHW publishes the monthly Canadian Hedge Watch monthly report and maintains the website [www.canadianhedgewatch.com](http://www.canadianhedgewatch.com) which is designed both as a core source of Canadian hedge fund and alternative investment news and to provide information to investment advisors, institutions, sophisticated investors and other industry participants. The monthly report and website provide up-to-date statistical data on Canadian hedge funds, quarterly hedge fund reports, current hedge fund news, links to Canadian hedge fund companies, an archive of previous issues of the newsletter and a library of hedge fund related books and articles. CHW hosts the annual World Alternative Investment Summit Canada ([www.waisc.com](http://www.waisc.com)), a highly successful event which now attracts over 400 hedge fund and alternative investment professionals and service providers. CHW has also launched the CHAIP (Chartered Alternative Investment Planner) designation for sellers of hedge funds in Canada. This designation is the only one relating to alternatives that is recognized by the Canadian investment industry.

In October 2005 CHW launched Canada's first Non-Investable Hedge Fund Index which, along with Scotia Capital launched in February 2006, is currently one of the two hedge fund benchmarks in Canada.

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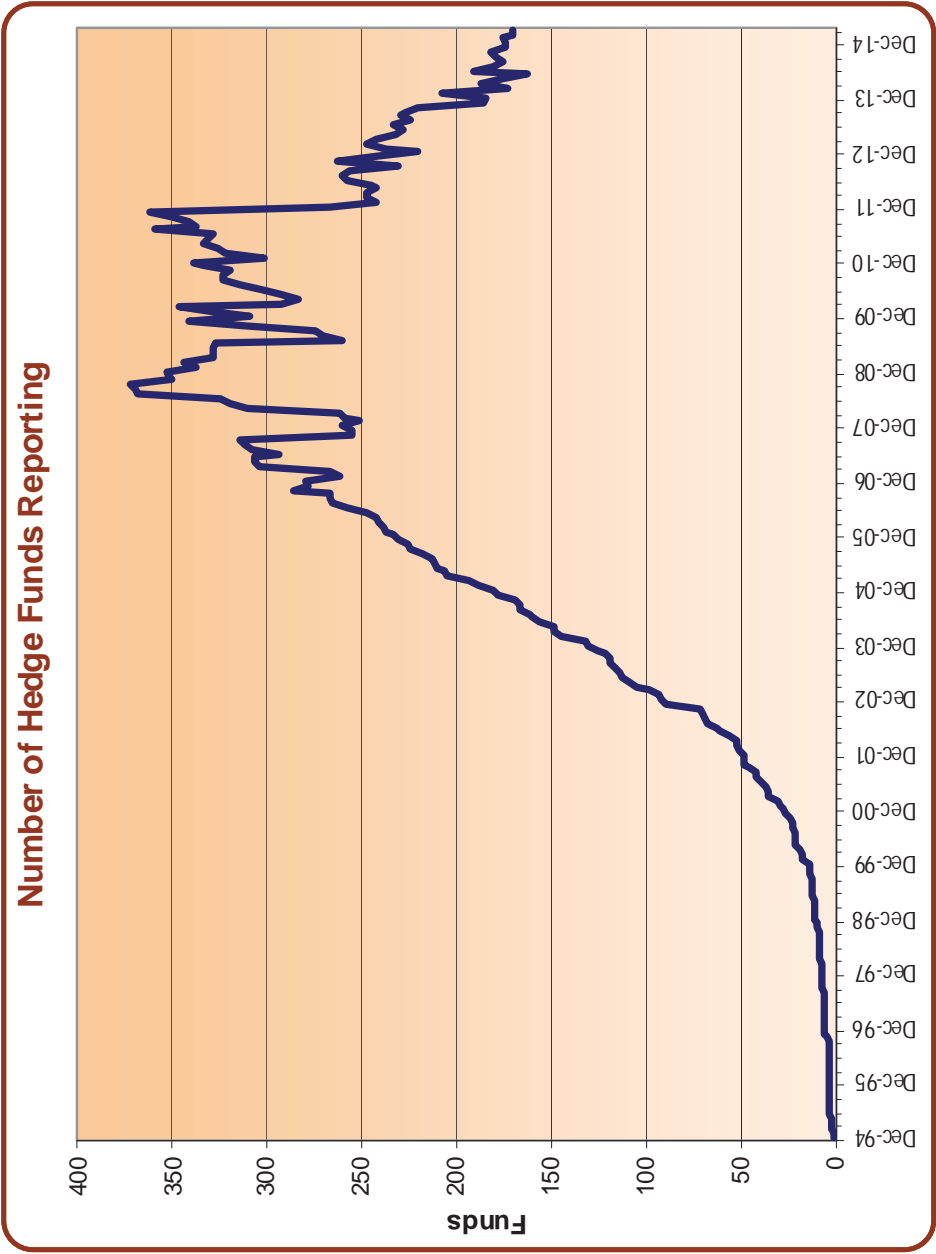
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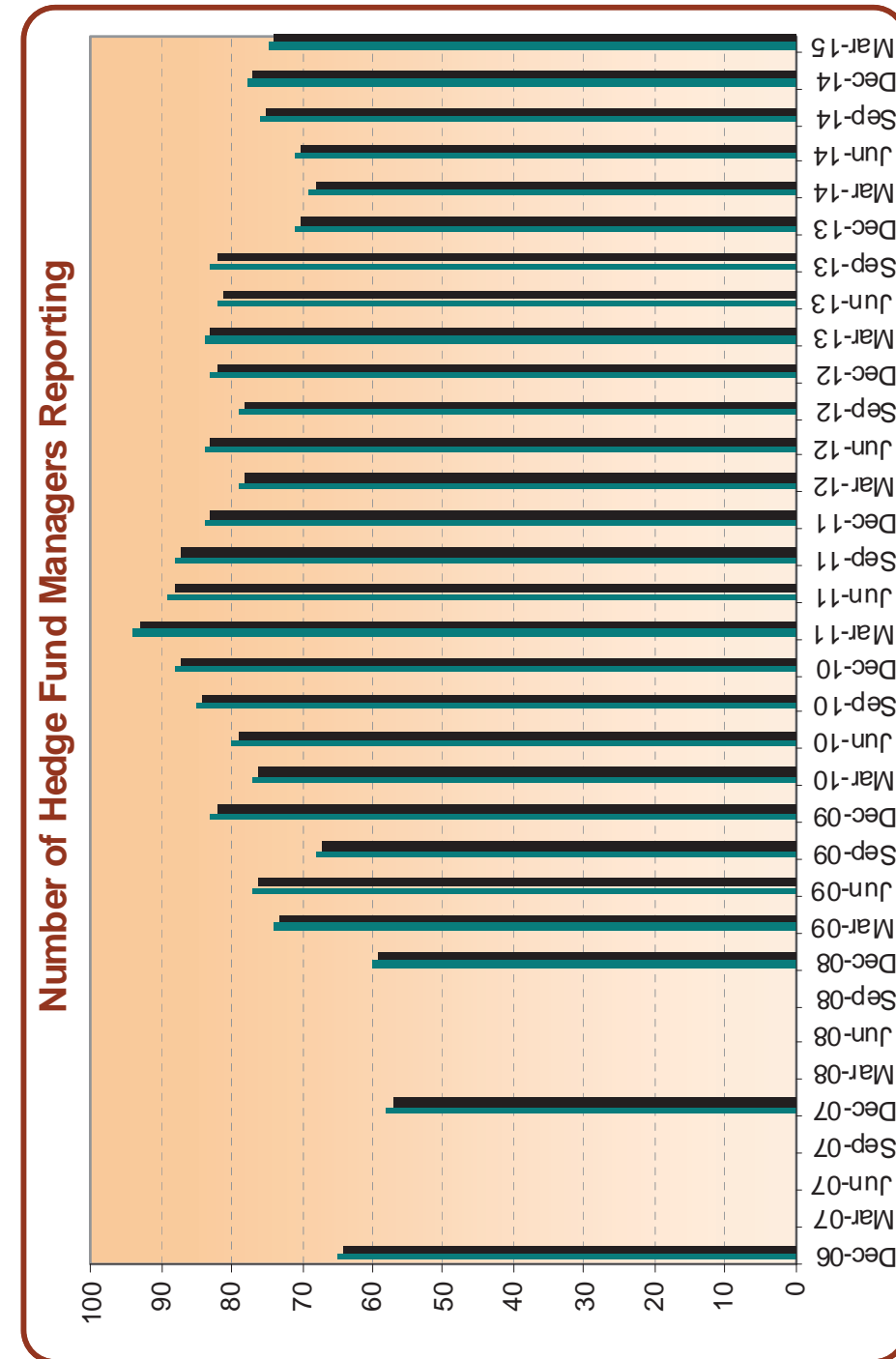
1. Graphs and Tables Related to Asset Size and Distribution of Canadian Hedge Funds

1.1. Number of Hedge Funds Reporting



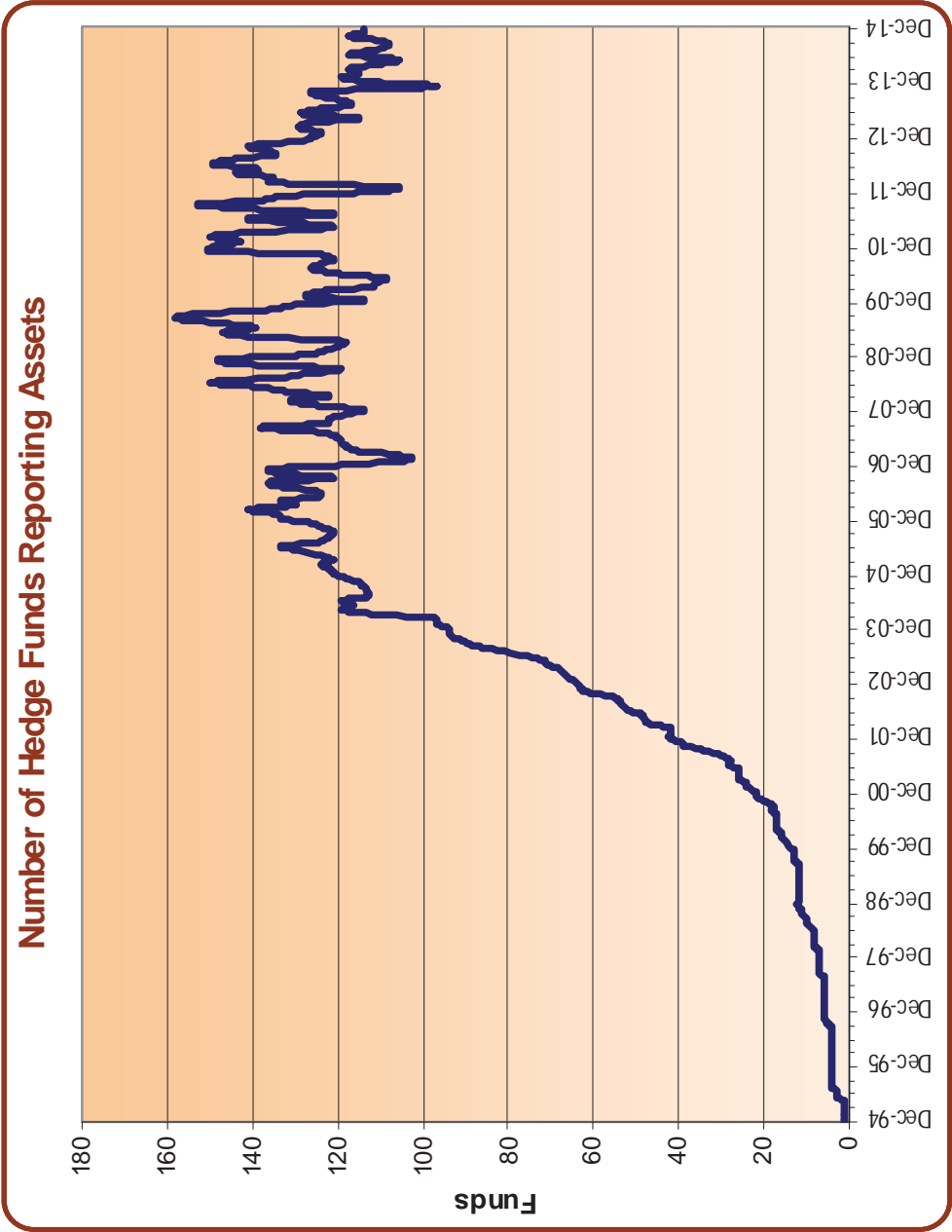
80% of the funds reported positive returns for the first quarter of 2015 while 72.7% for the past 12 months.

## 1.2. Number of Hedge Fund Managers Reporting



There are now a total of 75 hedge fund managers reporting their performance to Canadian Hedge Watch.

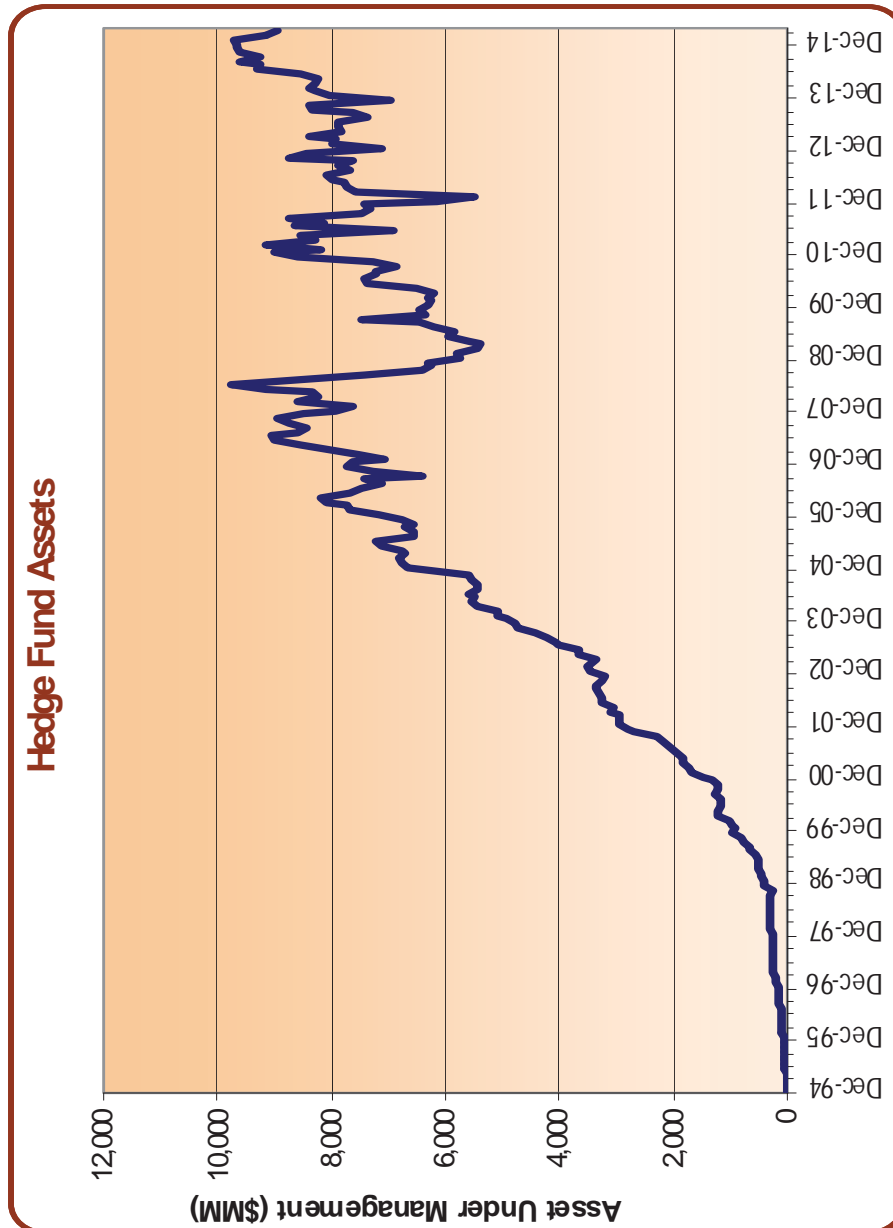
1.3.Hedge Funds Reporting Assets



DATE	FUNDS Reporting Assets	# of Fund Managers	DATE	FUNDS Reporting Assets	# of Fund Managers
Dec-94	1		Mar-14		117
Dec-95	4		Jun-14		117
Dec-96	6		Sep-14		103
Dec-97	7		Dec-14		114
Dec-98	12		Mar-15		106
Dec-99	14				
Dec-00	22				
Dec-01	42				
Dec-02	64				
Dec-03	94				
Dec-04	121				
Dec-05	133				
Dec-06	117	28			
Dec-07	114	28			
Dec-08	123	33			
Mar-09	118	33			
Jun-09	133	33			
Sep-09	154	41			
Dec-09	114	43			
Mar-10	112	44			
Jun-10	121	44			
Sep-10	121	47			
Dec-10	143	53			
Mar-11	133	51			
Jun-11	141	47			
Sep-11	153	47			
Dec-11	110	46			
Mar-12	133	44			
Jun-12	143	53			
Sep-12	137	53			
Dec-12	123	46			
Mar-13	127	51			
Jun-13	123	46			
Sep-13	123	47			
Dec-13	111	46			

Of the 170 funds reporting, 106 reported the size of their assets, a figure represented by 55 hedge fund managers as of March 31, 2015.

## 1.4. Hedge Funds Assets Under Management (AUM)

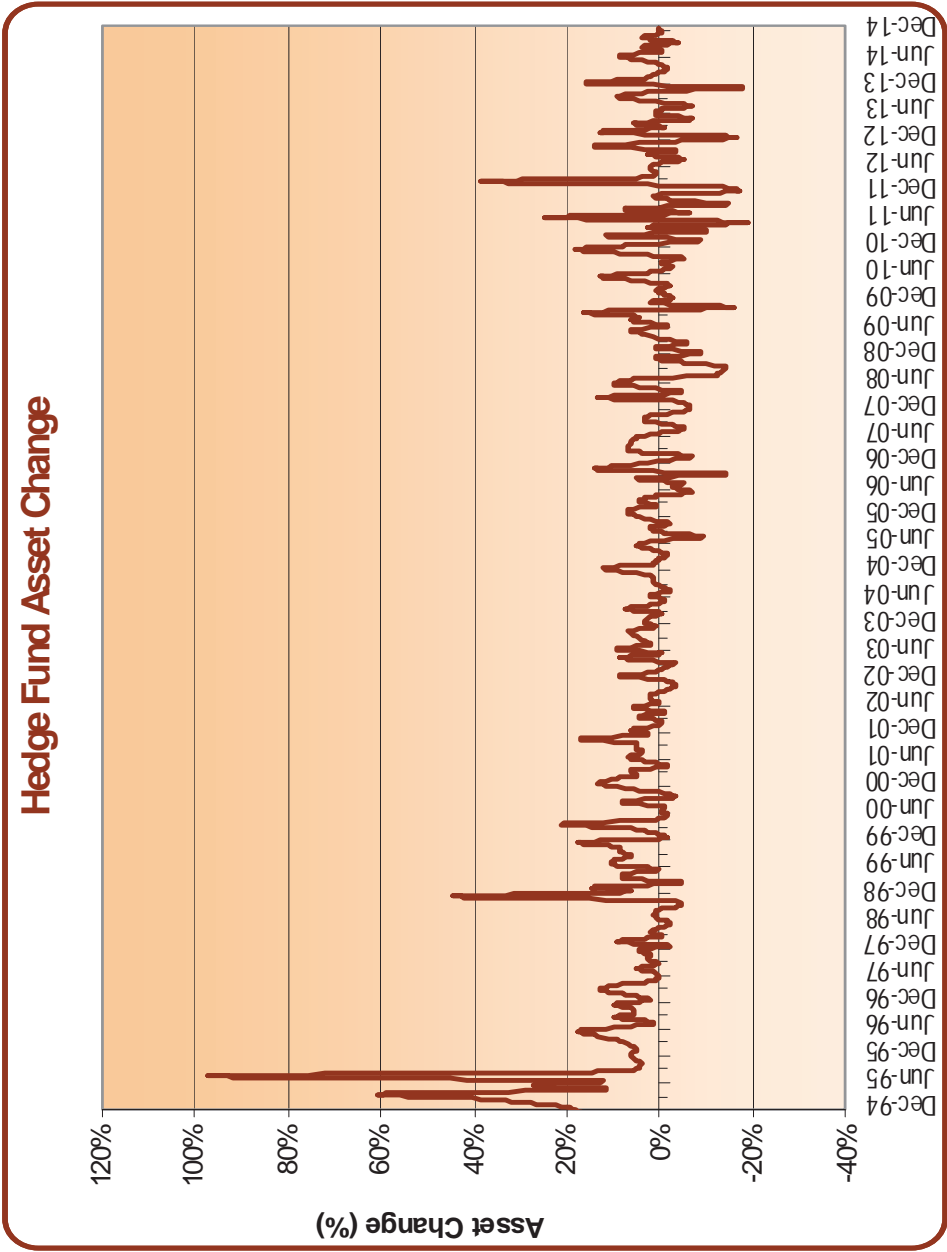


DATE	ASSET (\$M)	ASSET GROWTH (\$M)	DATE	ASSET (\$M)	ASSET GROWTH (\$M)
Dec-94	5610	-	Mar-13	886596	123447
Dec-95	67284	61674	Jun-13	787607	48952
Dec-96	16478	97461	Sep-13	882682	48553
Dec-97	259140	94405	Dec-13	8016171	-306481
Dec-98	412906	153388	Mar-14	8883332	247161
Dec-99	923808	511302	Jun-14	9886684	102288
Dec-00	1485788	562880	Sep-14	9972384	-13281
Dec-01	2555215	1468447	Dec-14	9886686	384242
Dec-02	3463887	508672	Mar-15	8889760	-688846
Dec-03	4941403	147752			
Dec-04	6571642	1730233			
Dec-05	7165776	45136			
Dec-06	7603667	43680			
Dec-07	7948523	345861			
Dec-08	5735551	-2212978			
Mar-09	5055463	-2544076			
Jun-09	5842646	16094			
Sep-09	6886623	74397			
Dec-09	6997524	-28094			
Mar-10	6184524	-113005			
Jun-10	7438786	124262			
Sep-10	6663446	-575337			
Dec-10	8882884	219466			
Mar-11	8883491	-68836			
Jun-11	8847023	-33538			
Sep-11	7461880	-1185189			
Dec-11	6137683	-1324277			
Mar-12	705716	168088			
Jun-12	871277	394561			
Sep-12	763368	-437886			
Dec-12	702179	-541405			

The total hedge fund assets reported to Canadian Hedge Watch at the end of Q1/2015 was C\$8.939 billion, a decrease from the previous quarter.



1.5. Hedge Fund Asset Change

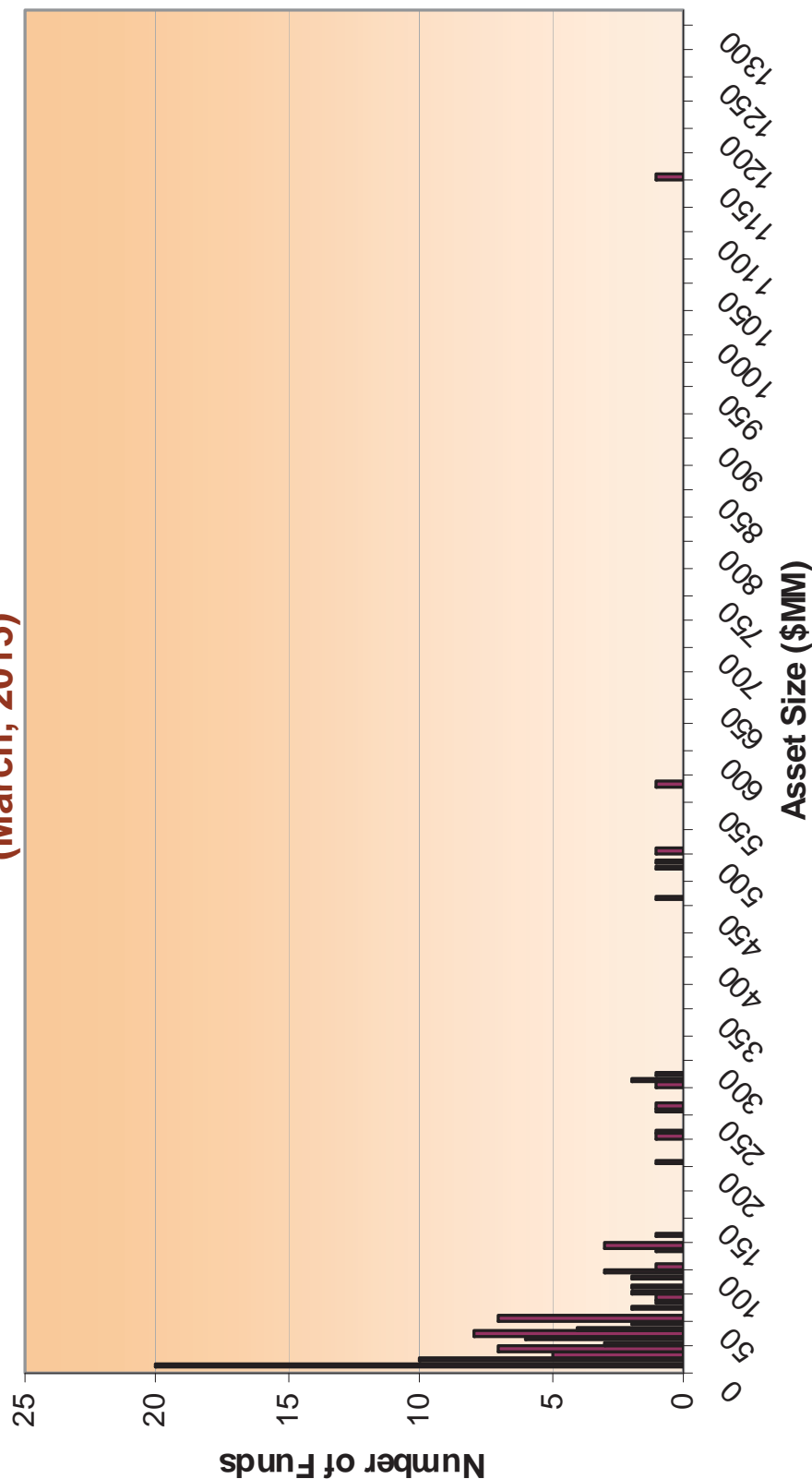


Total reported hedge fund assets increased by 8% over the past 12 month.

DATE	ASSET (\$M)	%CHANGE (1 year)	DATE	ASSET (\$M)	%CHANGE (1 year)
Dec-94	5610	-	Mar-14	8883332	-1%
Dec-95	67284	109%	Jun-14	9285614	18%
Dec-96	164735	145%	Sep-14	9272364	11%
Dec-97	259140	57%	Dec-14	9636606	20%
Dec-98	412506	59%	Mar-15	8889760	8%
Dec-99	923808	124%			
Dec-00	1466768	61%			
Dec-01	2556215	99%			
Dec-02	3463887	17%			
Dec-03	4941409	43%			
Dec-04	6671642	35%			
Dec-05	7166778	7%			
Dec-06	7603667	6%			
Dec-07	7949523	5%			
Dec-08	5736551	-28%			
Mar-09	5405453	-32%			
Jun-09	5842646	2%			
Sep-09	6886622	15%			
Dec-09	6297529	10%			
Mar-10	6184524	14%			
Jun-10	7438788	27%			
Sep-10	6663449	4%			
Dec-10	8882884	43%			
Mar-11	8883491	34%			
Jun-11	8647029	18%			
Sep-11	7461860	9%			
Dec-11	6137633	-32%			
Mar-12	706716	-7%			
Jun-12	8071277	-7%			
Sep-12	7683582	2%			
Dec-12	7092175	18%			
Mar-13	8666586	9%			
Jun-13	7676071	-2%			
Sep-13	8822602	9%			
Dec-13	8016171	13%			

## 1.6. Distribution of Canadian Hedge Funds by Asset Size

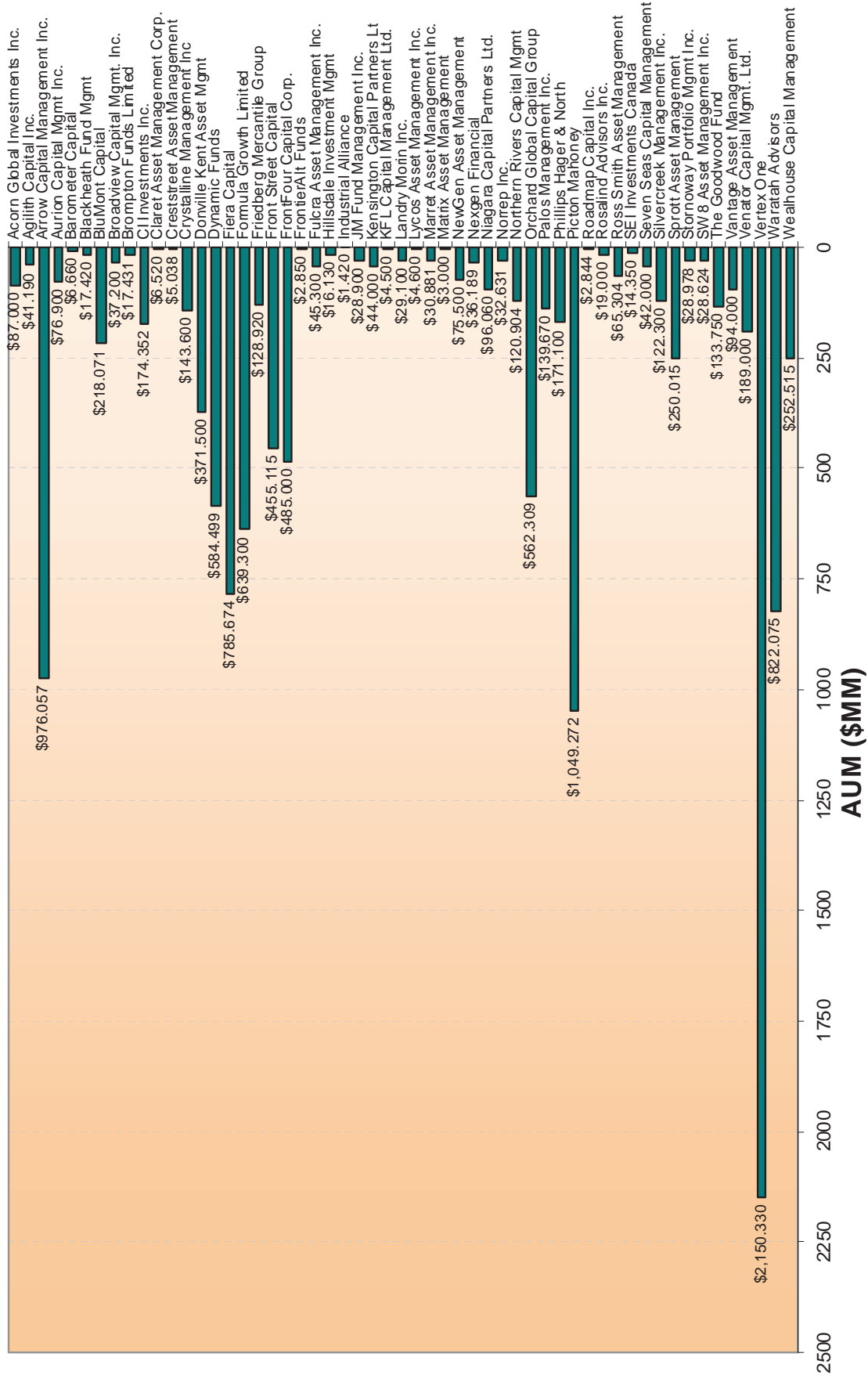
**Distribution of Canadian Hedge Funds by Asset Size  
(March, 2015)**



The average AUM of Canadian hedge funds reporting to CHW is close to \$84.3MM. The number of hedge funds reporting \$200MM or more in assets is 15 (or 14%). There are 21 hedge funds with \$100MM or more in Assets Under Management (AUM), or 19.8%. It is estimated that over 67.9% of the hedge funds reporting assets have \$50MM or less in Assets Under Management, a figure that has been largely consistent for some time.

## 1.7. Reported Canadian Hedge Fund Assets by Fund Manager

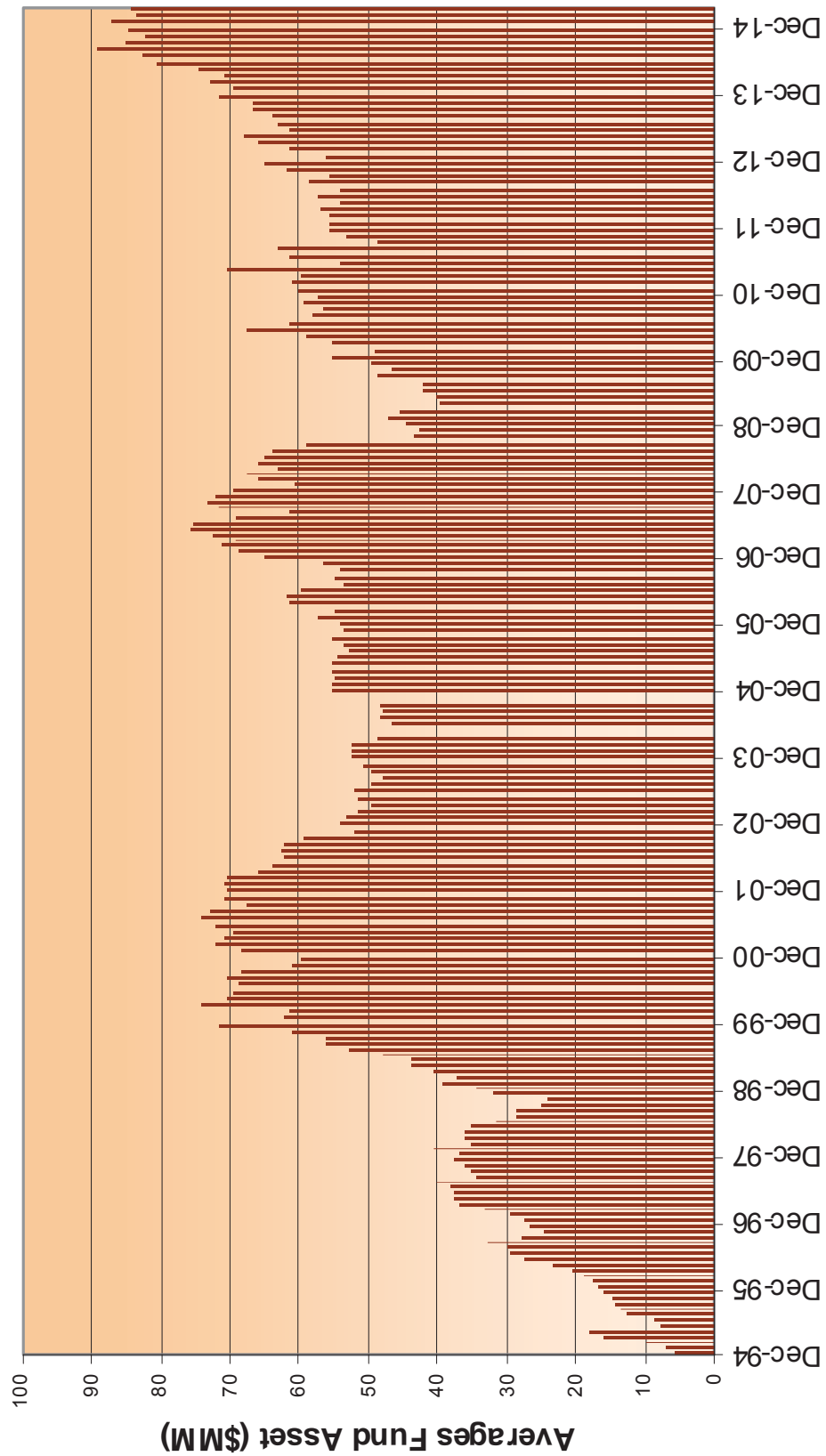
### Reported Canadian Hedge Fund Assets by Fund Manager



These numbers reflect the Assets Under Management (AUM) where reported, and do not reflect total market AUM.

## 1.8. Average Asset Size of Canadian Hedge Funds Over Time

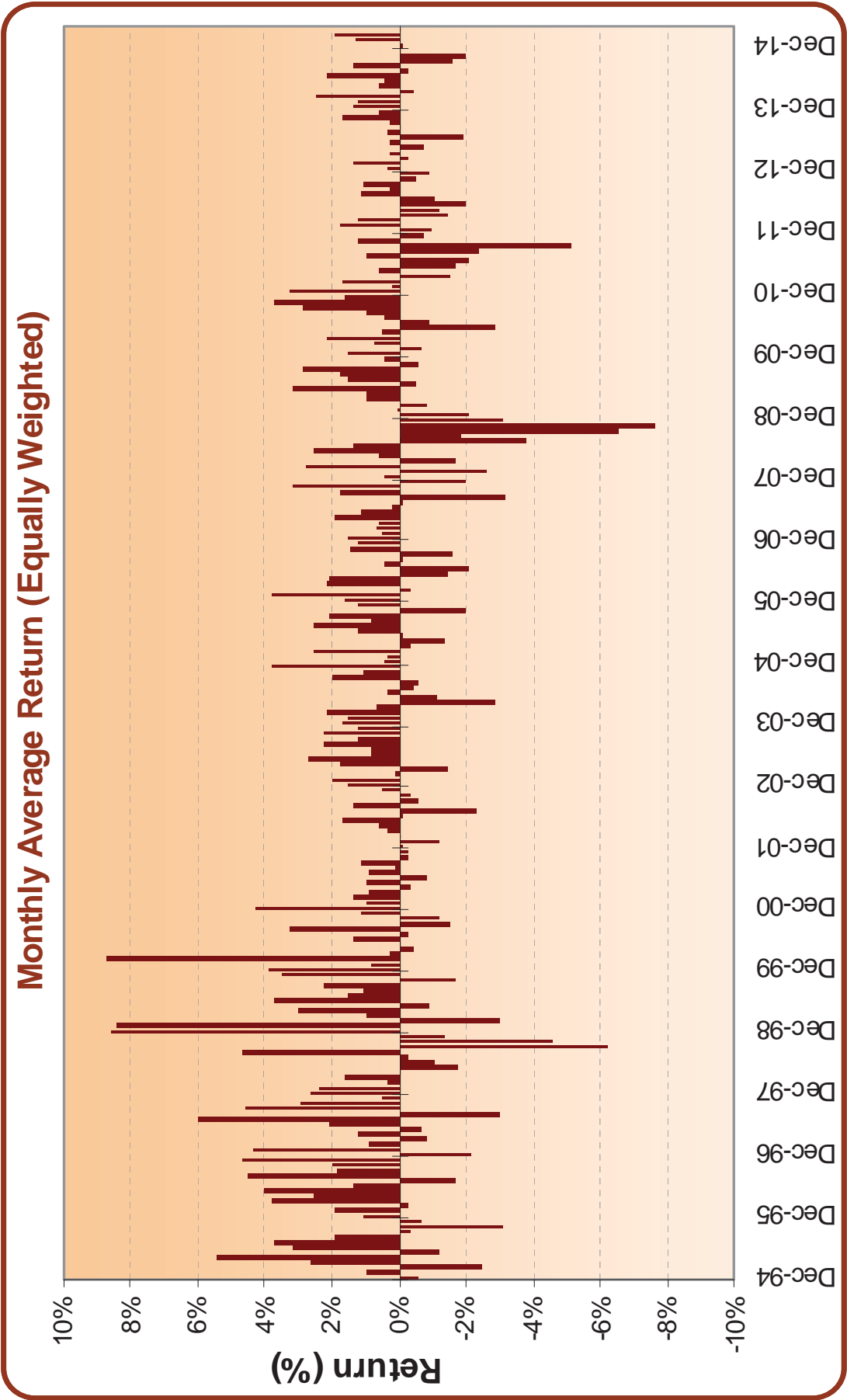
### Average Asset Size of Canadian Hedge Funds Over Time



The Canadian hedge fund marketplace's average reported Assets Under Management (AUM) is now estimated at C\$84.3 million.



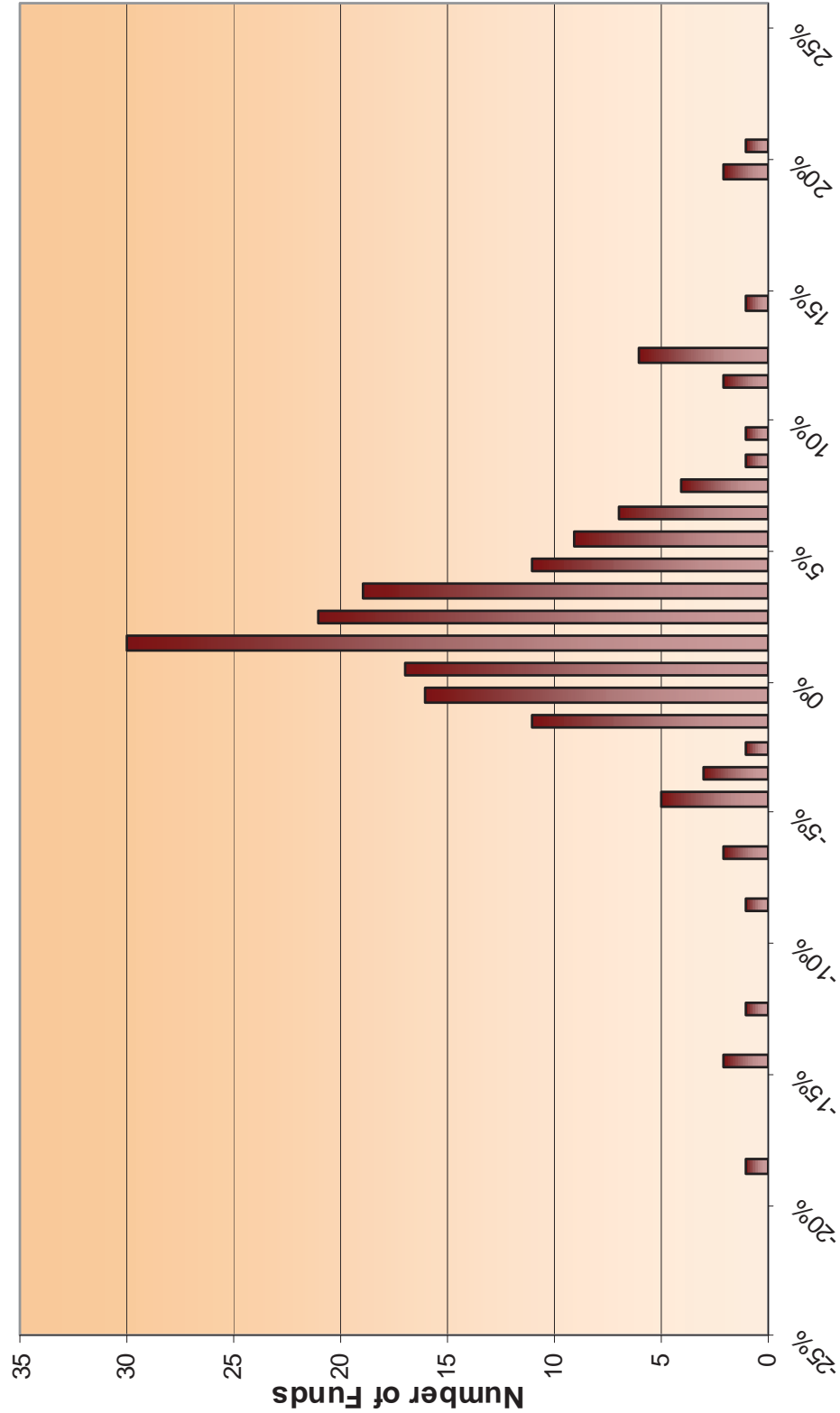
1.9. Monthly Average Return (Equally Weighted)



The 1 year return of the Equally Weighted Average of the Canadian hedge funds (+3.77%) is now below of the S&P/TSX Composite Index (+3.95%).

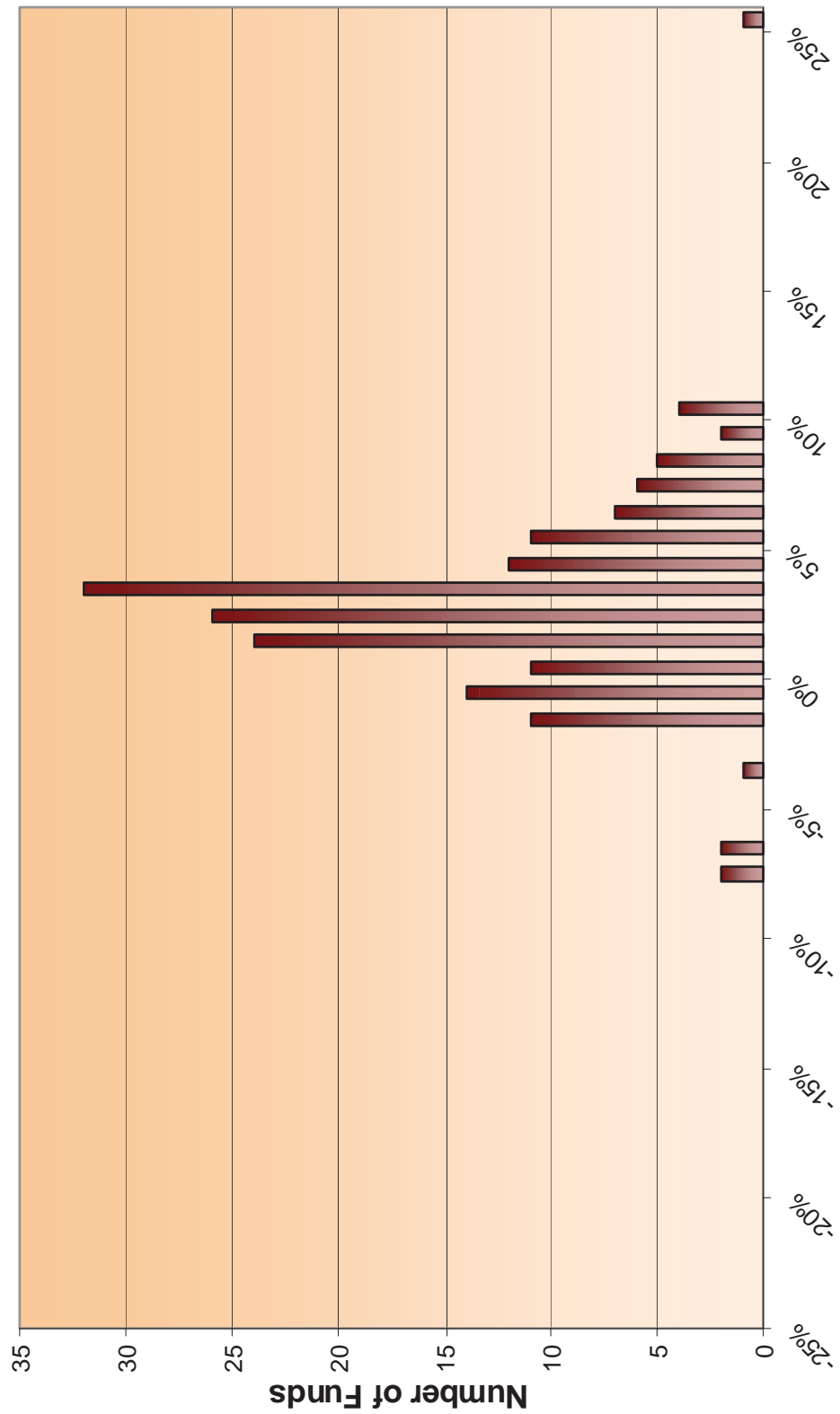
## 1.10. Distribution of Returns in the most recent Quarter

### Distribution of Monthly Returns January, 2015

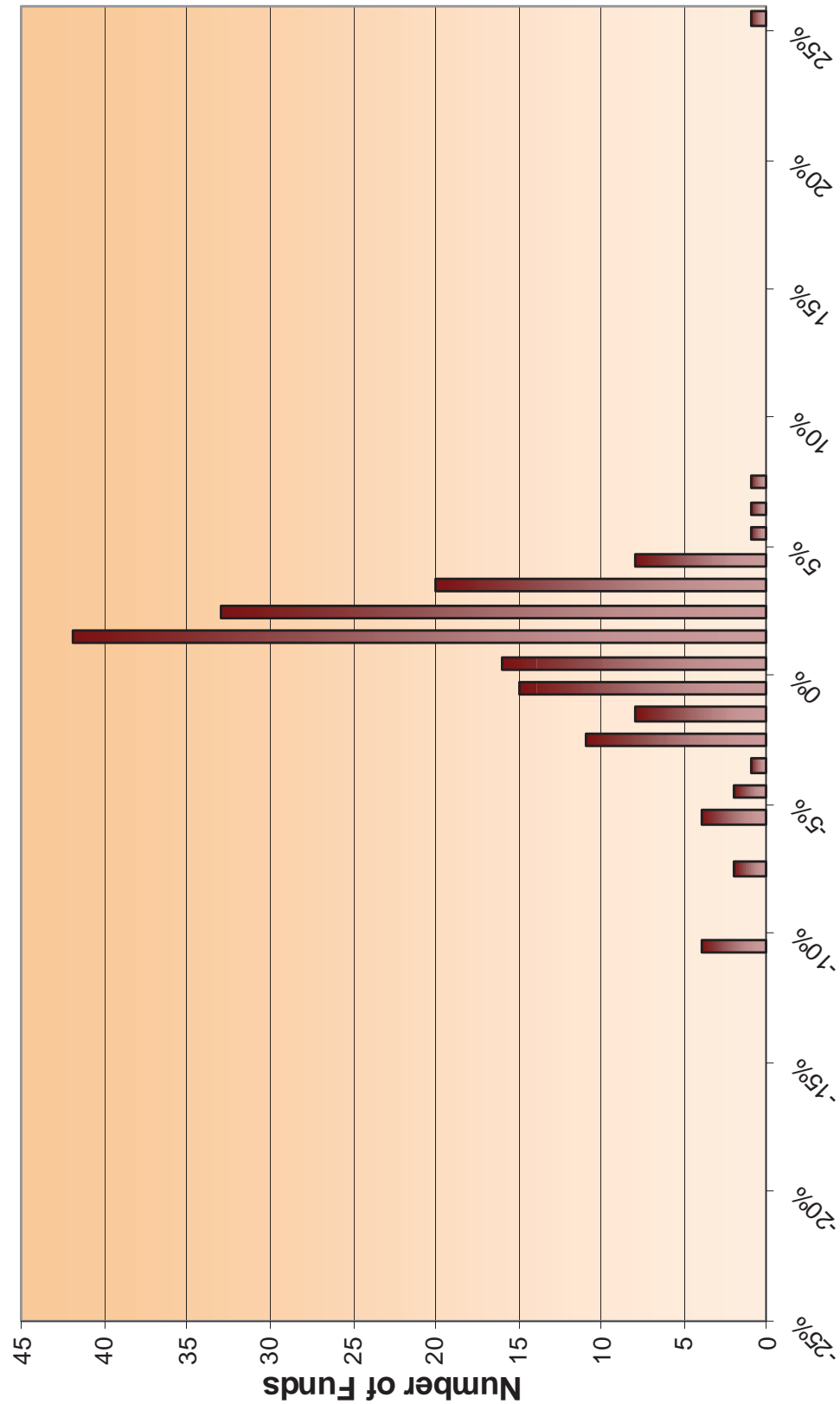


Based upon a total of 175 funds reporting to Canadian Hedge Watch in January, 2015.

## Distribution of Monthly Returns February, 2015



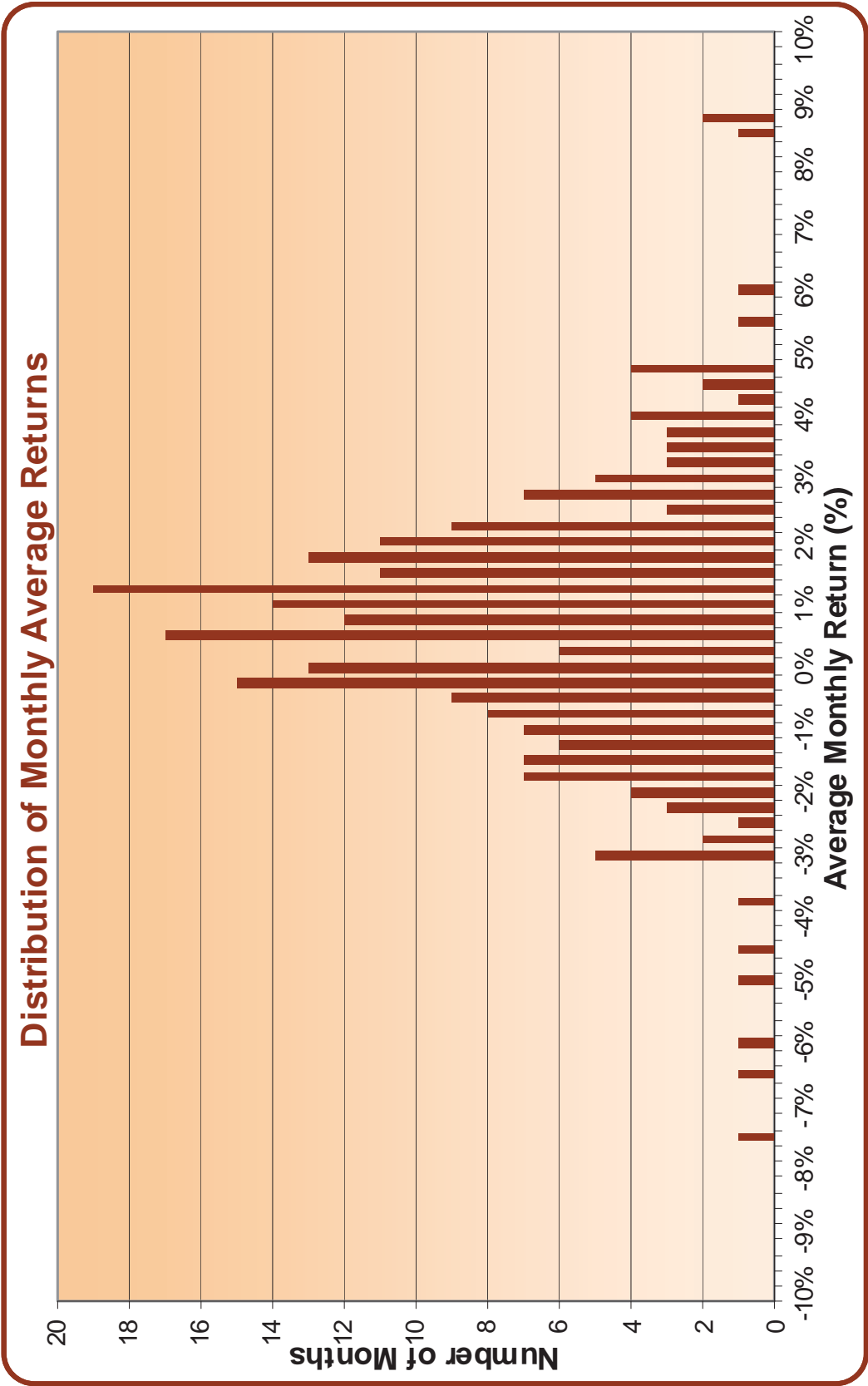
## Distribution of Monthly Returns March, 2015



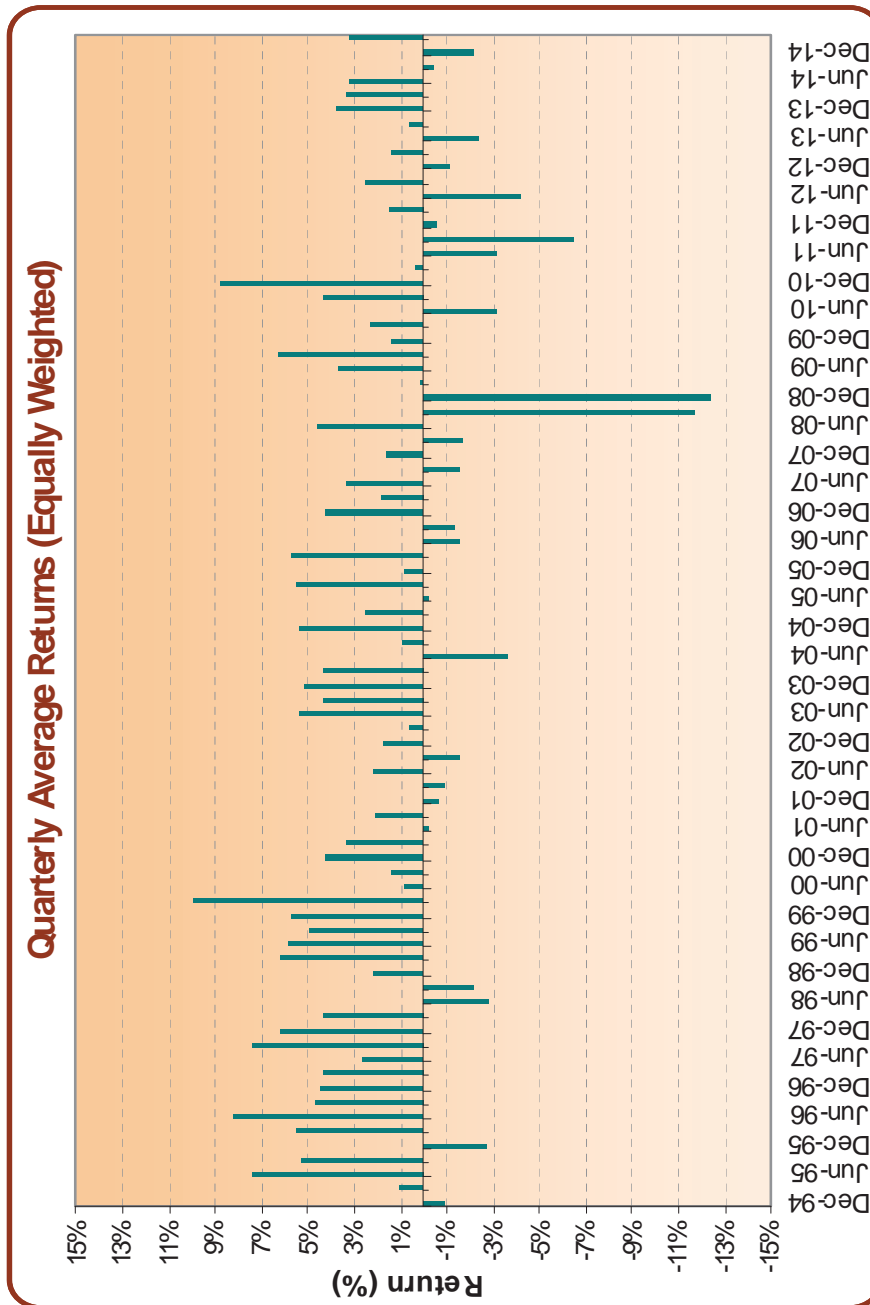
Based upon a total of 170 funds reporting to Canadian Hedge Watch in March, 2015.



1.11. Distribution of Monthly Average Return (Equally Weighted, since December, 1994)

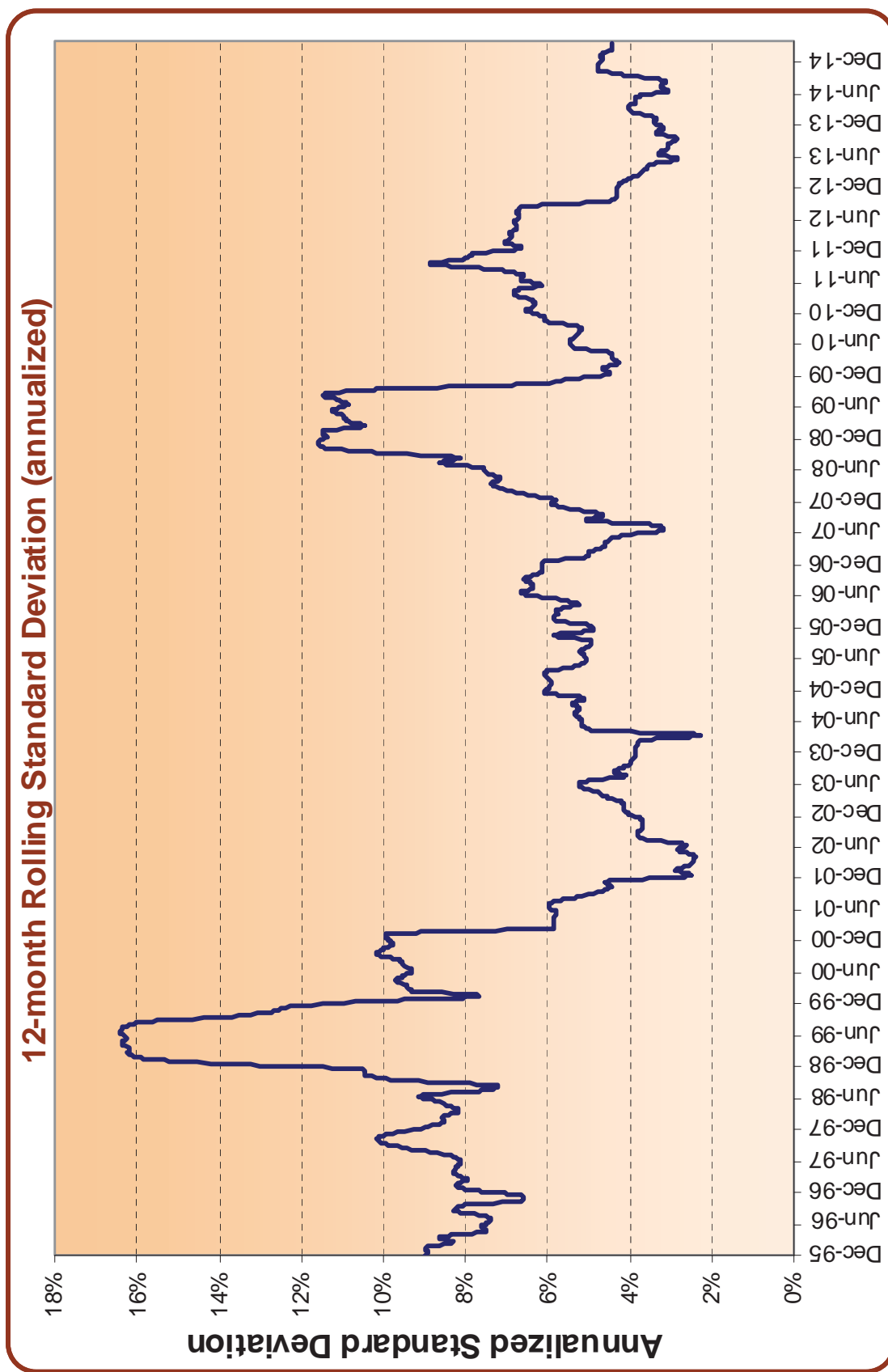


## 1.12. Quarterly Average Returns (Equally Weighted)



On average, hedge funds returned +3.17% in Q1/2015, higher than the S&P/TSX at 1.84%, but lower than the S&P500 TRI C\$ at +10.29%.

### 1.13. 12-month Rolling Standard Deviation of Equally Weighted Average Performance (annualized)



The decrease started in Q2/2012 and continued in Q1/2015 indicates that hedge fund managers are taking less risky positions. It also indicates some sort of calm state on the stock markets.

## 2. Performance Comparison: Canadian Hedge Funds vs. Major Indices

### 2.1 Commentary

Equally weighted Canadian hedge funds had a quarterly (Q1) gain of 3.17% (refer to chart 2.2 - Comparison of Returns), which was better than the S&P/TSX which posted a gain of 1.84%. The HFRI Fund Weighted Composite Index gained 2.22%, while Dow Jones Global Index (C\$) rose 11.57%, and the S&P 500 Total Return Index (C\$) was at 10.29%.

On the risk side, (refer to Chart 2.3 – Efficiency and Calendar Year Returns) the annual standard deviation (measured for the period of December, 1994 to March, 2015) of equally weighted Canadian hedge funds was 7.58% compared to the Canadian market's TSX of 15.08%. The largest drawdown was also significantly lower for Canadian hedge funds with a negative 23.24% loss compared to the S&P/TSX's negative 45.05% loss. Overall, Canadian hedge funds performed efficiently and hedged against the market - TSX since 1994, in terms of the annual returns and standard deviations of 7.06%, 7.58%, and 6.29%, 15.08%, respectively. Equally weighted Canadian hedge funds had 0.247 beta to the TSX and correlation was 0.492 since 1994.

For risk and efficiency parameters of Canadian hedge funds compared to other major indices, the Canadian hedge funds had similar figures (Chart 2.3 – Efficiency and Calendar Year Returns) in terms of annualized standard deviation, percentage of positive months, and percentage of positive quarters, largest drawdown and alpha against TSX compared to the HFRI Fund Weighted Composite Index. Over the past 5 years the correlation between Canadian hedge funds and the TSX was 0.822 (refer to chart 2.4 – Correlation Matrices); and was also highly correlated with HFRI Fund Weighted Composite Index of 0.846. The correlations for last 12 months were 0.855 and 0.766 for the TSX and HFRI Fund Weighted Composite Index respectively.



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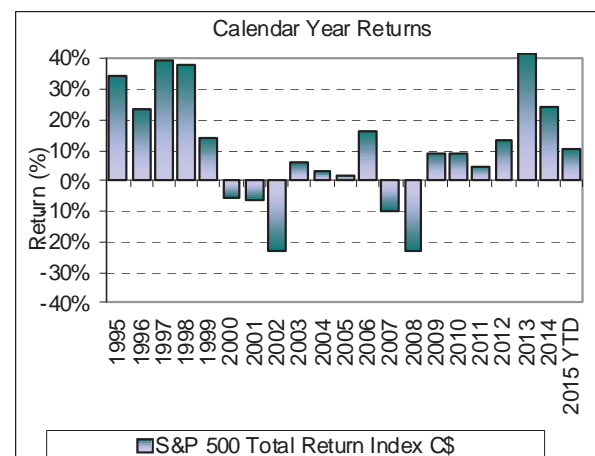
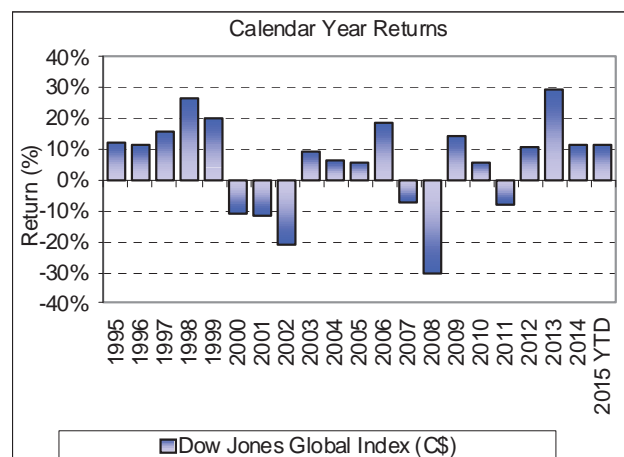
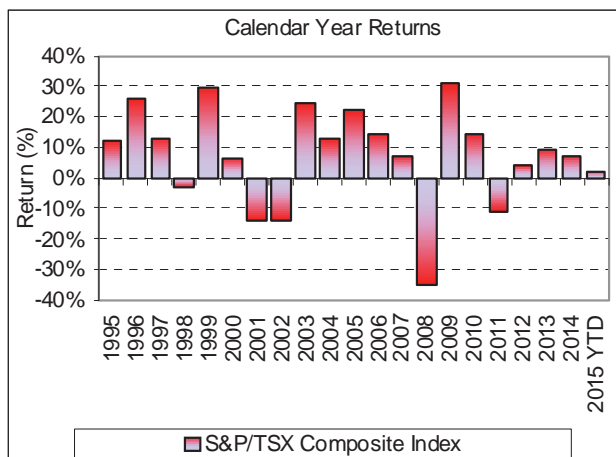
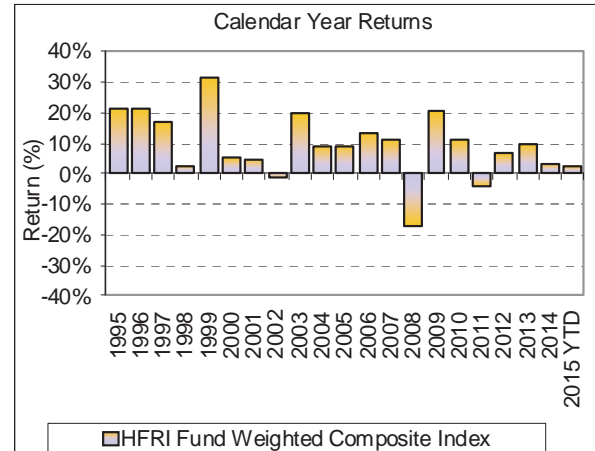
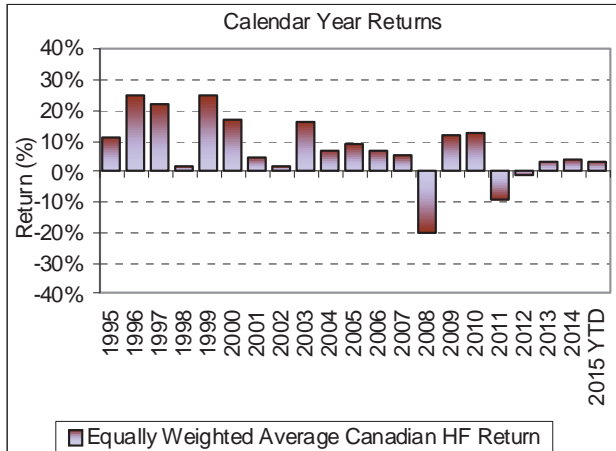
## 2.2. Comparison of Returns

RETURN	Equally Weighted Average Canadian HF Return	S&P/TSX Composite Index	S&P 500 Total Return Index C\$	Dow Jones Global Index (C\$)	HFRI Fund Weighted Composite Index
1 month	-0.07%	-2.18%	-0.11%	-0.08%	0.37%
3 month	3.17%	1.84%	10.29%	11.57%	2.22%
6 month	1.02%	-0.39%	20.20%	15.93%	2.39%
YTD	3.17%	1.84%	10.29%	11.57%	2.22%
1 year	3.77%	3.95%	29.56%	18.74%	4.35%
3 year *	2.56%	6.34%	25.85%	17.77%	5.57%
5 year *	1.73%	4.36%	19.80%	11.85%	4.98%
* annual					

## 2.3. Efficiency and Calendar Year Returns

Since December, 1994	Equally Weighted Average Canadian HF Return	S&P/TSX Composite Index	S&P 500 Total Return Index C\$	Dow Jones Global Index (C\$)	HFRI Fund Weighted Composite Index
Annualized Return:	7.06%	6.29%	9.24%	4.73%	8.95%
Annualized Standard Deviation:	7.58%	15.08%	12.81%	12.31%	6.83%
Sharpe Ratio (1%):	0.80	0.35	0.64	0.30	1.16
% Positive Months:	62.04%	61.63%	62.45%	56.73%	67.76%
% Positive Quarters:	69.51%	68.29%	68.29%	67.07%	75.61%
Sortino Ratio (1%):	1.21	1.49	3.26	1.45	5.48
Skewness:	9.90%	-99.96%	-47.55%	-60.59%	-57.01%
Kurtosis:	251.71%	309.32%	21.09%	64.75%	277.73%
Largest Drawdown:	-23.24%	-45.05%	-51.16%	-50.31%	-19.51%
Beta (S&P/TSX):	0.247	-	0.494	0.588	0.383
Alpha (S&P/TSX):	4.75%	-	5.63%	0.62%	5.93%

CALENDAR YEAR RETURNS	Equally Weighted Average Canadian HF Return	S&P/TSX Composite Index	S&P 500 Total Return Index C\$	Dow Jones Global Index (C\$)	HFRI Fund Weighted Composite Index
1995	11.34%	11.87%	33.92%	12.50%	21.50%
1996	24.85%	25.74%	23.55%	11.21%	21.10%
1997	22.26%	13.03%	39.19%	15.99%	16.79%
1998	1.47%	-3.19%	37.82%	26.42%	2.62%
1999	24.60%	29.72%	13.94%	20.21%	31.29%
2000	17.22%	6.18%	-5.57%	-10.66%	4.98%
2001	4.59%	-13.94%	-6.41%	-11.50%	4.62%
2002	1.43%	-13.97%	-22.84%	-20.79%	-1.44%
2003	16.50%	24.28%	5.76%	9.33%	19.54%
2004	7.02%	12.48%	2.80%	6.12%	9.05%
2005	8.82%	21.90%	1.51%	5.86%	9.28%
2006	7.16%	14.52%	16.04%	18.76%	13.01%
2007	5.23%	7.16%	-9.80%	-7.30%	11.06%
2008	-20.40%	-35.03%	-23.08%	-30.23%	-17.25%
2009	11.85%	30.69%	9.17%	14.11%	20.35%
2010	12.48%	14.45%	8.89%	5.81%	11.02%
2011	-9.53%	-11.07%	4.70%	-7.88%	-4.49%
2012	-1.24%	4.01%	13.19%	10.94%	6.55%
2013	3.46%	9.57%	41.88%	29.42%	9.70%
2014	3.91%	7.41%	24.31%	11.55%	3.22%
2015 YTD	3.17%	1.84%	10.29%	11.57%	2.22%



## 2.4. Correlation Matrices

Correlation (1 year)	Equally Weighted Average Canadian HF Return	S&P/TSX Composite Index	S&P 500 Total Return Index C\$	Dow Jones Global Index (C\$)	HFRI Fund Weighted Composite Index
Equally Weighted Avg. Cdn. HF Return	1	0.855	0.176	0.376	0.766
S&P/TSX Composite Index	0.855	1	0.118	0.253	0.668
S&P 500 Total Return Index C\$	0.176	0.118	1	0.889	0.229
Dow Jones Global Index (C\$)	0.376	0.253	0.889	1	0.227
HFRI Fund Weighted Composite Index	0.766	0.668	0.229	0.227	1

Correlation (2 year)	Equally Weighted Average Canadian HF Return	S&P/TSX Composite Index	S&P 500 Total Return Index C\$	Dow Jones Global Index (C\$)	HFRI Fund Weighted Composite Index
Equally Weighted Avg. Cdn. HF Return	1	0.845	0.387	0.540	0.716
S&P/TSX Composite Index	0.845	1	0.357	0.471	0.673
S&P 500 Total Return Index C\$	0.387	0.357	1	0.835	0.465
Dow Jones Global Index (C\$)	0.540	0.471	0.835	1	0.550
HFRI Fund Weighted Composite Index	0.716	0.673	0.465	0.550	1

Correlation (3 year)	Equally Weighted Average Canadian HF Return	S&P/TSX Composite Index	S&P 500 Total Return Index C\$	Dow Jones Global Index (C\$)	HFRI Fund Weighted Composite Index
Equally Weighted Avg. Cdn. HF Return	1	0.812	0.464	0.577	0.742
S&P/TSX Composite Index	0.812	1	0.430	0.601	0.720
S&P 500 Total Return Index C\$	0.464	0.430	1	0.848	0.532
Dow Jones Global Index (C\$)	0.577	0.601	0.848	1	0.660
HFRI Fund Weighted Composite Index	0.742	0.720	0.532	0.660	1

Correlation (5 year)	Equally Weighted Average Canadian HF Return	S&P/TSX Composite Index	S&P 500 Total Return Index C\$	Dow Jones Global Index (C\$)	HFRI Fund Weighted Composite Index
Equally Weighted Avg. Cdn. HF Return	1	0.822	0.500	0.653	0.846
S&P/TSX Composite Index	0.822	1	0.551	0.677	0.780
S&P 500 Total Return Index C\$	0.500	0.551	1	0.873	0.638
Dow Jones Global Index (C\$)	0.653	0.677	0.873	1	0.801
HFRI Fund Weighted Composite Index	0.846	0.780	0.638	0.801	1

Correlation (Since 1994)	Equally Weighted Average Canadian HF Return	S&P/TSX Composite Index	S&P 500 Total Return Index C\$	Dow Jones Global Index (C\$)	HFRI Fund Weighted Composite Index
Equally Weighted Avg. Cdn. HF Return	1	0.492	0.162	0.322	0.608
S&P/TSX Composite Index	0.492	1	0.581	0.720	0.846
S&P 500 Total Return Index C\$	0.162	0.581	1	0.882	0.490
Dow Jones Global Index (C\$)	0.322	0.720	0.882	1	0.679
HFRI Fund Weighted Composite Index	0.608	0.846	0.490	0.679	1

## CHW Canadian Hedge Indices

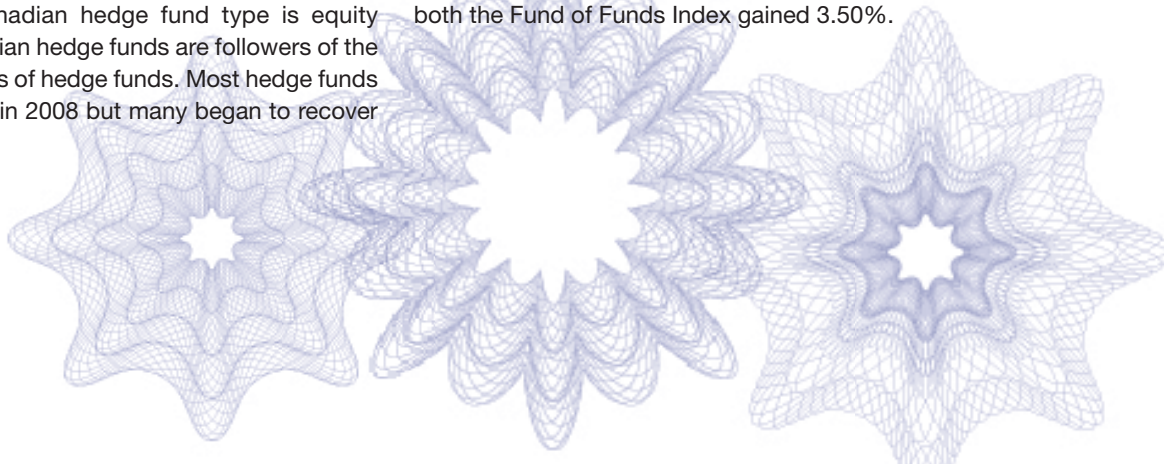
Canada's first non-investible hedge fund indices were created by Canadian Hedge Watch. They include 3 sub indices:

- . CHW-HF Equity Hedged Index
- . CHW-HF Notes Index
- . CHW-FOHF Index

The composite index is the asset weighted CHW-HF Composite Index. The most prevalent Canadian hedge fund type is equity hedged as the majority of Canadian hedge funds are followers of the traditional equity long-short types of hedge funds. Most hedge funds exhibited negative performance in 2008 but many began to recover

lost ground in 2009. However, a number of hedge funds have taken a more defensive position since 2009 by holding cash and taking short positions in the market. There have been a growing number of managed futures funds and real estate funds reporting as well.

The CHW-HF Composite Index is down by 4.21% in the last 12 months. Losses derive from the Equity Index, which lost 4.97%, while both the Fund of Funds Index gained 3.50%.



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## Historical Monthly Returns

CHW INDICES		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Composite	2015	3.19%	0.56%	-1.05%										2.68%
	2014	4.38%	4.07%	-2.33%	-0.69%	-1.21%	3.15%	-0.24%	0.38%	-3.88%	-4.49%	0.25%	0.02%	-1.02%
	2013	0.60%	-2.05%	-0.30%	-3.22%	-0.25%	-2.24%	1.87%	2.33%	-0.06%	0.62%	-0.96%	0.33%	-3.42%
	2012	2.48%	2.07%	-2.73%	-1.85%	-1.93%	-1.64%	0.59%	1.21%	1.42%	-0.41%	-1.65%	-1.70%	-4.24%
	2011	-1.49%	1.81%	-0.78%	0.29%	-2.41%	-2.52%	1.74%	-3.92%	-5.21%	1.27%	-0.81%	-1.92%	-13.35%
	2010	-0.61%	1.14%	1.82%	0.78%	-3.45%	-1.12%	0.31%	1.43%	4.08%	3.25%	2.20%	3.06%	13.41%
	2009	2.10%	-1.40%	1.66%	2.26%	3.92%	0.11%	1.31%	0.89%	3.47%	-0.33%	0.58%	1.95%	17.70%
	2008	-4.31%	2.65%	-2.88%	0.67%	3.42%	1.08%	-5.99%	-2.32%	-9.20%	-9.81%	-4.14%	-3.79%	-30.37%
	2007	0.45%	2.55%	0.68%	2.58%	0.42%	-0.26%	1.82%	-4.52%	3.34%	3.87%	-3.70%	1.14%	8.29%
	2006	4.86%	-0.21%	3.86%	1.49%	-1.89%	-2.81%	0.65%	0.73%	-2.51%	3.25%	1.54%	2.97%	12.23%
	2005	1.23%	4.21%	-1.40%	-2.89%	0.36%	1.29%	3.40%	1.50%	2.12%	-3.38%	1.52%	2.63%	10.79%
Equity	2015	3.42%	0.38%	-1.05%										2.73%
	2014	4.21%	4.14%	-2.56%	-0.74%	-1.41%	3.21%	-0.28%	0.50%	-4.27%	-4.88%	0.22%	0.15%	-2.18%
	2013	0.64%	-2.21%	-0.32%	-3.50%	-0.33%	-2.30%	1.99%	2.67%	-0.07%	0.54%	-0.97%	0.25%	-3.72%
	2012	2.73%	2.16%	-2.89%	-1.93%	-1.91%	-1.73%	0.63%	1.31%	1.49%	-0.43%	-1.73%	-1.89%	-4.30%
	2011	-1.56%	1.84%	-0.78%	0.29%	-2.50%	-2.56%	1.75%	-3.96%	-5.27%	1.31%	-0.81%	-2.10%	-13.68%
	2010	-0.68%	1.23%	1.96%	0.78%	-3.74%	-1.33%	0.32%	1.45%	4.14%	3.28%	2.23%	3.10%	13.21%
	2009	1.67%	-1.68%	1.83%	2.61%	4.56%	0.37%	1.39%	0.97%	3.85%	0.33%	2.64%	2.19%	22.62%
	2008	-5.04%	3.30%	-3.32%	0.87%	3.98%	1.22%	-7.33%	-2.51%	-11.04%	-10.39%	-4.54%	-2.81%	-32.73%
	2007	0.53%	3.91%	1.04%	3.47%	0.57%	-0.32%	2.50%	-5.37%	4.41%	4.72%	-4.66%	1.78%	12.65%
	2006	6.44%	-0.38%	5.29%	1.93%	-2.48%	-3.53%	0.98%	0.92%	-3.46%	4.74%	2.28%	4.54%	17.95%
	2005	2.05%	6.31%	-1.99%	-4.20%	0.50%	1.94%	5.02%	2.30%	2.99%	-4.59%	1.99%	4.01%	16.87%
FoHF	2015	1.62%	1.94%	0.51%										4.12%
	2014	6.14%	2.01%	-0.42%	-0.34%	0.59%	2.80%	0.11%	-0.55%	-0.48%	-1.83%	0.32%	-1.14%	7.18%
	2013	0.08%	-0.40%	-0.07%	-0.76%	0.42%	-1.78%	0.92%	-0.82%	-0.03%	1.40%	0.37%	1.03%	0.32%
	2012	0.02%	0.29%	-0.62%	-0.71%	-2.22%	-0.57%	0.11%	-0.09%	0.45%	-0.14%	-0.65%	0.43%	-3.65%
	2011	0.09%	1.07%	-1.25%	-0.16%	-1.89%	-1.97%	0.51%	-3.20%	-3.50%	-0.02%	-1.50%	-0.24%	-11.53%
	2010	-0.34%	0.82%	1.78%	0.79%	-1.99%	-0.33%	0.72%	0.64%	2.44%	2.62%	1.07%	2.68%	11.36%
	2009	7.91%	0.11%	0.72%	1.35%	3.74%	-1.95%	1.58%	-0.30%	1.36%	-7.34%	-28.46%	-1.14%	-24.54%
	2008	-2.43%	0.51%	-1.74%	0.22%	0.74%	0.40%	-1.33%	-1.62%	-6.34%	-10.52%	-6.04%	-17.30%	-38.25%
	2007	0.74%	-0.22%	0.14%	1.11%	0.53%	0.31%	-0.35%	-2.85%	0.61%	1.49%	-1.96%	-0.11%	-0.65%
	2006	3.01%	-0.03%	1.88%	1.07%	-1.32%	-1.25%	-0.30%	0.37%	-2.02%	0.44%	-0.26%	-0.26%	1.24%
	2005	0.25%	2.98%	-0.93%	-1.52%	-0.39%	-0.04%	2.74%	0.53%	1.97%	-2.17%	1.38%	1.37%	6.22%

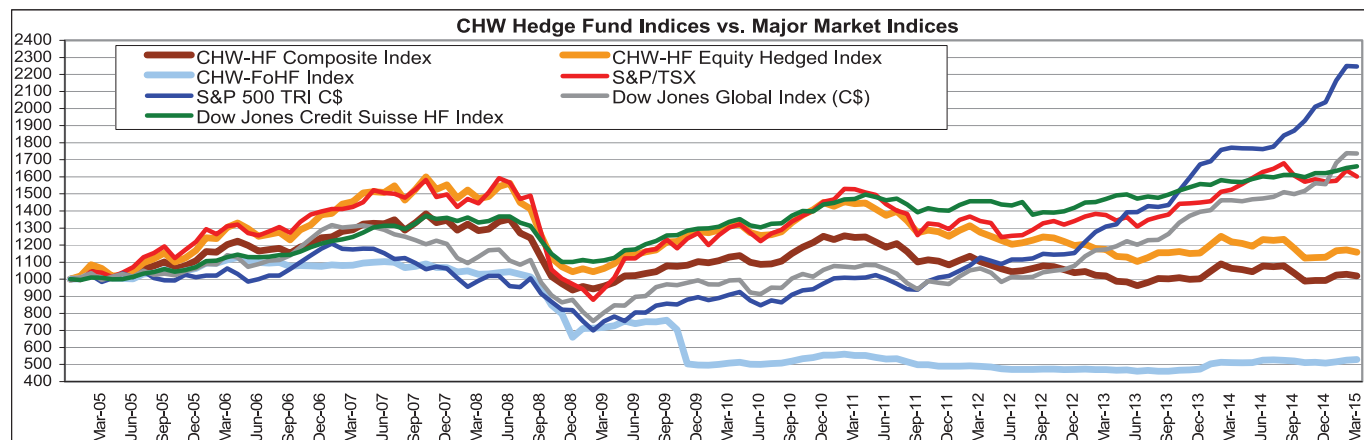
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# Canada's First Hedge Fund Indices

## Index Summary



CHW HEDGE FUND INDICES	Index Level	Assets Represented by the Index (\$MM)	3 mo.	6 mo.	YTD	1 year	Since Jan-05	Max. Draw down	% High Water mark	% Pos. Month	Ann. Std. Dev.	
CHW-HF Composite Index	1019.22	1051.383	2.68%	-1.66%	2.68%	-4.21%	0.19%	-32.18%	73.73%	57.72%	7.93%	9.33%
CHW-HF Equity Hedged Idx.	1158.87	1049.963	2.73%	-1.92%	2.73%	-4.97%	1.45%	-34.75%	72.41%	58.54%	8.51%	10.93%
CHW-FoHF Index	529.09	1.420	4.12%	1.38%	4.12%	3.50%	-6.02%	-59.09%	46.98%	50.41%	4.57%	12.77%

MARKET INDICES	PERFORMANCE						Ann. Std. Dev.	
	1 mo.	3 mo.	6 mo.	YTD	1 year	Jan-05	1 year	Jan-05
CHW-HF Composite Index	-1.05%	2.68%	-1.66%	2.68%	-4.21%	0.19%	7.93%	9.33%
S&P/TSX	-2.18%	1.84%	-0.39%	1.84%	5.05%	4.70%	8.22%	13.81%
S&P 500 TRI C\$	-0.11%	10.29%	20.10%	10.29%	26.94%	8.22%	7.49%	11.26%
Dow Jones Global Index (C\$)	-0.08%	11.57%	15.93%	11.57%	18.74%	5.53%	8.41%	11.64%
Dow Jones Credit Suisse HF Index	0.60%	2.49%	3.21%	2.49%	5.74%	5.09%	2.45%	5.82%

CORRELATION (since January, 2005)	CHW-HF Composite Index	S&P/TSX	S&P 500 TRI C\$	MSCI World Index (C\$)	Dow Jones Credit Suisse HF Index
CHW-HF Composite Index	1	0.805	0.255	0.507	0.827
S&P/TSX	0.805	1	0.462	0.659	0.827
S&P 500 TRI C\$	0.255	0.462	1	0.892	0.384
Dow Jones Global Index (C\$)	0.507	0.659	0.892	1	0.626
Dow Jones Credit Suisse HF Index	0.827	0.827	0.384	0.626	1

### Constituent Funds:

Arrow Canadian Income Fund  
 Arrow Act II New Media Fund A  
 Arrow Enhanced Income Fund  
 Arrow Global Long/Short Fund  
 Arrow High Yield Fund  
 Arrow JC Clark Opportunities Fund  
 Arrow PMC Global Long/Short Fund  
 Arrow U.S. Equity Income Fund Class  
 CI Global Opportunities Fund  
 Dynamic Alpha Performance Fund  
 Dynamic Contrarian Fund  
 Dynamic Income Opportunities Fund  
 Dynamic Power Emerging Markets Fund  
 Dynamic Power Hedge Fund Series C  
 Front Street Canadian Hedge Fund  
 Goodwood Fund  
 Hillsdale Canadian U/S Equity Fund Class A

Hillsdale Global U/S Equity Fund Class A US  
 Northern Rivers Global Energy Fund LP  
 Roadmap Trust  
 Picton Mahoney Global Market Neutral Equi  
 Picton Mahoney Long Short Equity Fund  
 Picton Mahoney Market Neutral Equity Fund A  
 Spratt Bull/Bear RSP Fund  
 Spratt Hedge Fund L.P.  
 Spratt Hedge Fund L.P. II  
 Spratt Opportunities Hedge Fund  
 Spratt Opportunities RSP Fund  
 The Friedberg Currency Fund  
 Vertex Fund

ONE PLI G7 Global Index Note Series 1  
 ONE PLI G7 Global Index Note Series 2  
 ONE PLI Gold Note Series 1  
 ONE PLI Gold Note Series 2  
 ONE PLIC Canadian Dividend Note Series 1  
 ONE PLIC Global Dividend Note Series 1

IA Multi-Strategy  
 Arrow Focus Fund Class A2  
 Arrow Focus Fund Class U2  
 Arrow Multi-Strategy Fund  
 Arrow Multi-Strategy Fund US  
 Arrow Focus Fund Class F2  
 Arrow Focus Fund Class G2  
 Arrow Multi-Strategy Fund Class F  
 Arrow Multi-Strategy Fund Class G US Class F

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