

FUND STRATEGY

The NewGen Alternative Income Fund seeks to provide unitholders with a combination of steady long-term capital appreciation and a stable stream of income. The Fund invests both long and short in an actively managed diversified portfolio of predominantly Canadian securities (equities, fixed income, preferred shares, warrants, SPACs and options). It employs a broad range of strategies including fundamental long/short, opportunistic long/short, pairs trading, hedging and option strategies. The Manager places a strong emphasis on risk management and defensive market positioning in order to reduce market Beta and preserve capital in adverse market conditions.

MONTHLY COMMENTARY

The NewGen Alternative Income Fund (Class F) was -1.78% in August (+0.10% YTD) including a monthly distribution of 4.85c/unit. This compared to the TSX Total Return Index which was -1.37% (+6.94% YTD). The June and July market rebound came to an end in August as the “higher for longer” rate narrative continued to take hold sending the US dollar and longer term government yields higher. This was compounded by economic growth concerns out of China following a series of negative economic datapoints and financial stresses in its real estate sector. As a result of these factors, rate sensitive (Utilities, Communications and Financials) and cyclical sectors (Discretionary and Materials) lagged in the TSX, while Energy was the standout performer with oil trending higher on continued inventory draws. It was also a busy earnings season with some sizable moves surrounding quarterly releases exaggerated in a low liquidity environment. Some of the noteworthy winners for the month included: (1) long Celestica Inc. (CLS-TSX), which continues to benefit from positive sentiment regarding the semi-conductor industry and potential artificial intelligence applications; (2) short Canada Goose Holdings (GOOS-TSX), which declined on fears of a slowdown in consumer spending; (3) long Whitecap Resources (WCP-TSX), which benefited from the rise in energy prices and a large dividend hike.

MONTHLY PORTFOLIO RETURNS

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2019	NG AI F (%)	4.06%	4.91%	0.76%	0.13%	-0.75%	1.36%	-1.10%	-0.86%	-1.39%	-1.32%	2.01%	1.30%	9.23%
	TSX TR Return (%)	1.34%	3.15%	1.01%	3.22%	-3.06%	2.53%	0.34%	0.43%	1.69%	-0.86%	3.59%	0.45%	14.52%
2020	NG AI F (%)	1.25%	-3.16%	-7.53%	5.38%	2.81%	0.91%	3.62%	2.66%	-1.36%	0.50%	4.41%	4.40%	13.93%
	TSX TR Return (%)	1.74%	-5.90%	-17.38%	10.79%	3.04%	2.46%	4.48%	2.35%	-2.06%	-3.11%	10.57%	1.72%	5.60%
2021	NG AI F (%)	2.10%	2.19%	1.52%	1.53%	0.49%	0.84%	-0.74%	1.81%	-0.42%	1.81%	-2.16%	0.68%	9.98%
	TSX TR Return (%)	-0.32%	4.36%	3.87%	2.39%	3.44%	2.48%	0.80%	1.63%	-2.22%	5.02%	-1.62%	3.06%	25.09%
2022	NG AI F (%)	-1.15%	1.34%	0.85%	-1.49%	1.29%	-3.09%	2.53%	-1.04%	-2.96%	1.18%	3.65%	-1.45%	-0.59%
	TSX TR Return (%)	-0.41%	0.28%	3.96%	-4.96%	0.06%	-8.71%	4.66%	-1.61%	-4.26%	5.57%	5.54%	-4.90%	-5.84%
2023	NG AI F (%)	2.73%	-1.62%	-0.49%	0.61%	-0.77%	-0.48%	1.99%	-1.78%					0.10%
	TSX TR Return (%)	7.41%	-2.45%	-0.22%	2.90%	-4.95%	3.35%	2.58%	-1.37%					6.94%

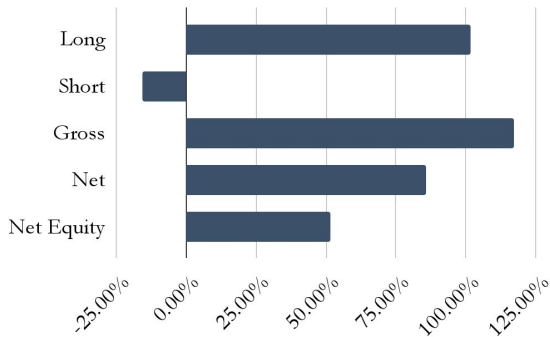
GROWTH OF \$10,000 INVESTED SINCE INCEPTION



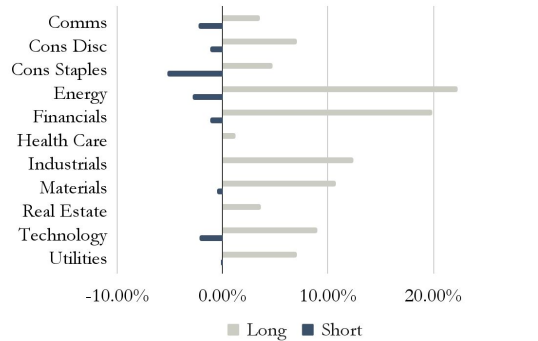
DATA SINCE INCEPTION

	Fund	TSX TR
Annualized Performance	6.84%	9.44%
Year-To-Date	0.10%	6.94%
One-Year	0.39%	8.49%
Three-Year	5.75%	10.37%
Current Annualized Yield	5.29%	3.31%
Standard Deviation	8.01%	15.37%
Downside Standard Deviation	4.33%	9.90%
Sharpe Ratio (RFR=1.5%)	0.67	0.52
Sortino Ratio (RFR=1.5%)	1.23	0.80
Correlation vs TSX TR	83.39%	100.00%
Beta Coefficient to TSX TR	0.43	1.00
Jensen's Alpha (RFR=1.5%)	1.89%	-
Positive Months	60.71%	66.07%
Avg. Monthly Gain	2.05%	3.20%
Avg. Monthly Loss	-1.69%	-3.70%
Avg. Upside Capture vs TSX TR	52.78%	100.00%
Avg. Downside Capture vs TSX TR	42.57%	100.00%

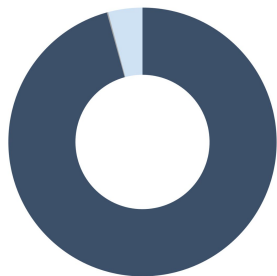
PORTFOLIO EXPOSURE



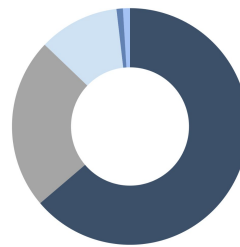
PORTFOLIO EXPOSURE BY SECTOR



GROSS PORTFOLIO EXPOSURE BY COUNTRY



GROSS PORTFOLIO EXPOSURE BY SECURITY TYPE



KEY INFORMATION

AUM	\$363.4 million
Fund Inception	January 22, 2019
FundSERV Code	NEW 401
Minimum Investment	\$500
Management Fee	1.00%
Performance Fee	15.00%
Risk Rating	Low to Medium
Legal Advisor	McMillan LLP
Administrator	SGGG Fund Services
Auditor	Deloitte LLP
Prime Broker	CIBC World Markets
Custodian	CIBC World Markets



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FOOTNOTES & DISCLAIMERS

The NewGen Alternative Income Fund began trading on January 22nd, 2019 – performance for the month reflects that

Standard deviation is a form of hypothetical performance data; Sharpe Ratio, Sortino Ratio and Jensen's Alpha are hypothetical measures of excess return and we assume a risk-free rate of 1.5% in their calculations

This monthly distribution is fixed but not guaranteed and may be adjusted from time to time at the discretion of the fund manager.

The Fund's current annualized yield is calculated based on the most recent monthly distribution assuming reinvestment, divided by the most recent month-end NAV

Portfolio exposures are all calculated as of the most recent calendar quarter-end

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