

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.

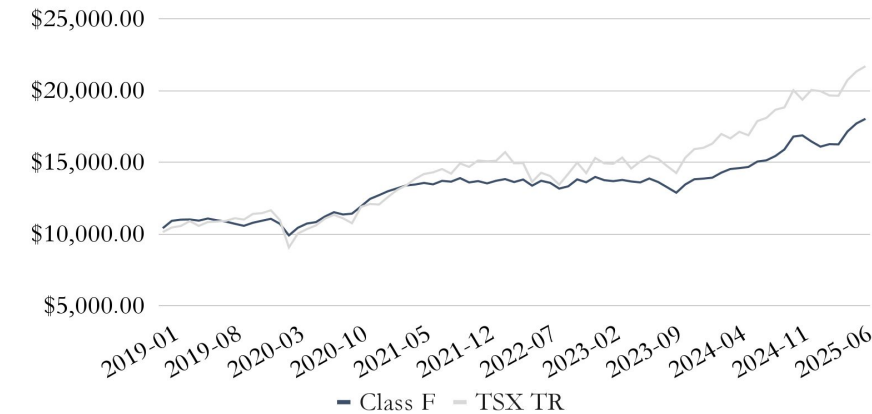
MONTHLY COMMENTARY

The NewGen Alternative Income Fund (Class F) returned 1.81% in July (6.85% YTD) including a regular monthly distribution of 4.85c/unit. July was a record setting month for equities with the S&P 500, NASDAQ and the TSX printing new all-time highs in the month. The market stared down the August 1 deadline for US tariff escalation but remained undeterred from advancing higher. Strong quarterly earnings results from big tech helped major indices close out the month near their highs despite the looming trade policy uncertainty. Commodity markets were active, most notably copper, which declined 14% in the month in response to the announcement of 50% US tariffs on imports. Gold was flat, while the US dollar broke its five month downtrend. Bitcoin appreciated 8% as the market saw a flurry of new issue treasury trust offerings. Across the TSX, Communication Services (+5%), Technology (+4.5%) and Real Estate (+4.4%) led while Industrials (-0.5%) and Health Care (-6.5%) lagged. Some noteworthy winners from the month included: (1) long MDA Space Ltd (MDA-TSX), which appreciated in response to greater investor sentiment around exposure to the aerospace and defence industries; (2) long Dye & Durham Ltd (DND-TSX), which announced a strategic review and changes to its management team; and, (3) long Capital Power Corp (CPX-TSX), which released positive quarterly earnings and an increase to its dividend.

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 Total 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 Total 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 Total 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 Total 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%	-2.70%	-2.81%	4.47%	2.67%	1.53%
	TSX Total Return (%)	7.41%	-2.45%	-0.22%	2.90%	-4.95%	3.35%	2.58%	-1.37%	-3.33%	-3.21%	7.48%	3.91%	11.75%
2024	NG AI F (%)	0.33%	0.47%	2.52%	1.77%	0.43%	0.54%	2.58%	0.57%	1.99%	2.95%	5.67%	0.48%	22.14%
	TSX Total Return (%)	0.55%	1.82%	4.14%	-1.82%	2.77%	-1.42%	5.87%	1.22%	3.15%	0.85%	6.37%	-3.27%	21.65%
2025	NG AI F (%)	-2.51%	-2.19%	1.07%	-0.10%	5.53%	3.28%	1.81%						6.85%
	TSX Total Return (%)	3.48%	-0.40%	-1.51%	-0.10%	5.56%	2.91%	1.69%						12.03%

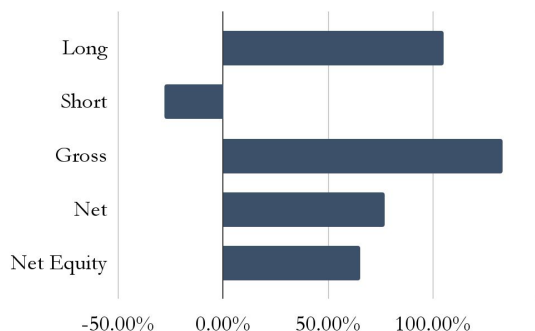
GROWTH OF \$10,000 INVESTED SINCE INCEPTION



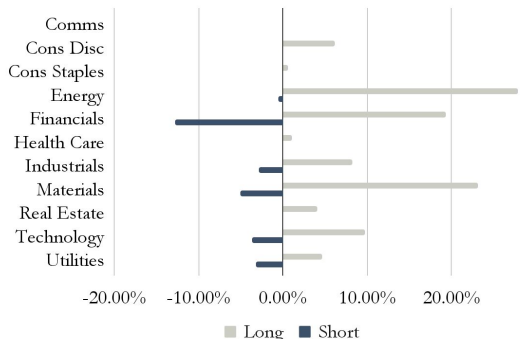
DATA SINCE INCEPTION

	Fund	TSX TR
Annualized Performance	9.37%	12.48%
Year-To-Date	6.85%	12.03%
One-Year	19.79%	21.37%
Three-Year	9.56%	14.98%
Five-Year	9.95%	14.40%
Current Annualized Yield	4.57%	2.59%
Standard Deviation	8.10%	14.23%
Downside Standard Deviation	4.09%	8.66%
Sharpe Ratio (RFR=1.5%)	0.97	0.77
Sortino Ratio (RFR=1.5%)	1.93	1.27
Correlation vs TSX TR	79.67%	100.00%
Beta Coefficient to TSX TR	0.45	1.00
Jensen's Alpha (RFR=1.5%)	2.89%	-
Positive Months	65.82%	65.82%
Avg. Monthly Gain	2.09%	3.27%
Avg. Monthly Loss	-1.76%	-3.16%
Avg. Upside Capture vs TSX TR	55.97%	100.00%
Avg. Downside Capture vs TSX TR	39.66%	100.00%

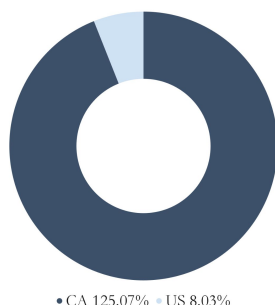
## PORTFOLIO EXPOSURE



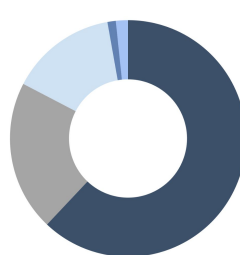
## PORTFOLIO EXPOSURE BY SECTOR



## GROSS PORTFOLIO EXPOSURE BY COUNTRY



## GROSS PORTFOLIO EXPOSURE BY SECURITY TYPE



## KEY INFORMATION

AUM	\$260.3 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 22<sup>nd</sup>, 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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Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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