

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.

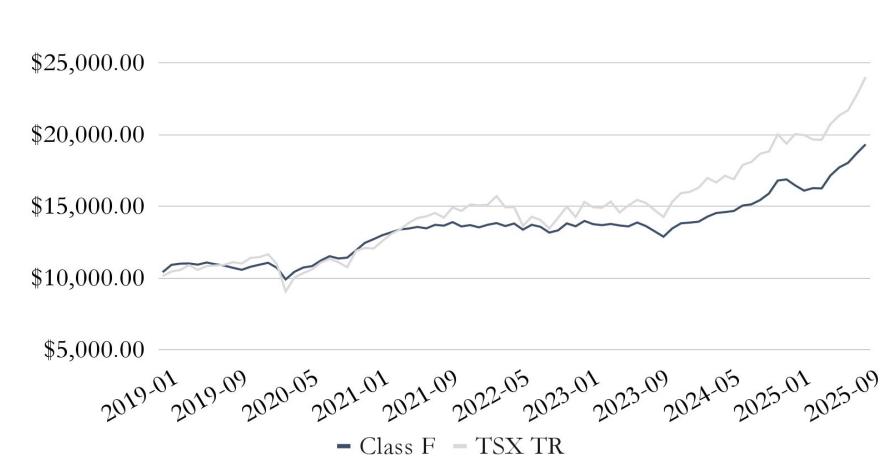
MONTHLY COMMENTARY

The NewGen Alternative Income Fund (Class F) returned 3.30% in September (14.47% YTD) including a regular monthly distribution of 4.85c/unit. September saw North American markets printing new highs, defying what is typically a softer seasonal period for equities. The TSX led the way, surging 5.1% to close above 30,000 for the first time, and delivering its best YTD performance since 2009. The rally was powered by outsized performance in gold miners and materials, lifting its share of TSX market capitalization to a decade high. In the US, enthusiasm for tech offset worries about tariffs and elevated valuations, to propel the market's fifth consecutive month in the green. Both the Federal Reserve and Bank of Canada delivered quarter-point rate cuts in September. Despite caution surrounding trade tensions, persisting inflation and the labour market, optimism surrounding corporate earnings, efficiency gains from AI and the state of the consumer remains. In commodities, gold finished at a new all-time high of US\$3,859/oz. Copper finished the month higher while oil was relatively unchanged. The market's risk-on appetite was evident with Bitcoin advancing 6% in the month. The US dollar and yields were relative unchanged. Across the TSX, Materials (18.7%), Energy (+4.8%) and Financials (+4.4%) led, while Communication Services (-3.1%), Real Estate (-1.3%) and Industrials (-1%) lagged. Some noteworthy winners from the month included: (1) long Capstone Copper (CS-TSX), which appreciated in response to a supply disruption in the copper market along with increasing M&A among copper companies; (2) long Viszla Silver (VZLA-TSX), which announced a positive project financing update along with benefitting from the increase in the price of gold and silver; and, (3) long Kraken Robotics (PNG-TSX), whose core product offering is expected to be included in a large contract awarded by the Australian Navy in the month.

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%	3.71%	3.30%				14.47%
	TSX Total Return (%)	3.48%	-0.40%	-1.51%	-0.10%	5.56%	2.91%	1.69%	4.96%	5.40%				23.94%

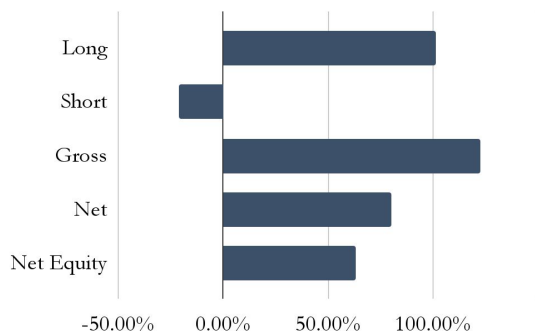
GROWTH OF \$10,000 INVESTED SINCE INCEPTION



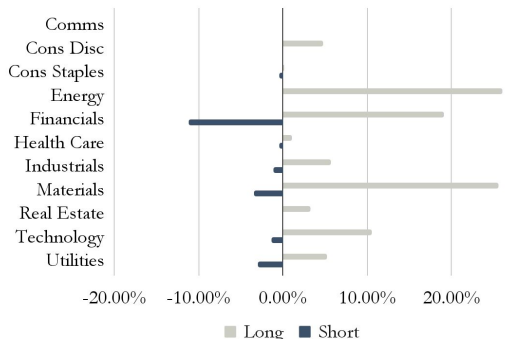
DATA SINCE INCEPTION

	Fund	TSX TR
Annualized Performance	10.24%	13.85%
Year-To-Date	14.47%	23.94%
One-Year	25.12%	28.60%
Three-Year	13.62%	21.31%
Five-Year	11.20%	16.68%
Current Annualized Yield	4.30%	2.35%
Standard Deviation	8.13%	14.23%
Downside Standard Deviation	4.05%	8.57%
Sharpe Ratio (RFR=2.25%)	0.98	0.82
Sortino Ratio (RFR=2.25%)	1.97	1.35
Correlation vs TSX	80.19%	100.00%
Beta Coefficient to TSX	0.46	1.00
Jensen's Alpha (RFR=2.25%)	2.68%	-
Positive Months	66.67%	66.67%
Avg. Monthly Gain	2.14%	3.34%
Avg. Monthly Loss	-1.76%	-3.16%
Avg. Upside Capture vs TSX TR	56.64%	100.00%
Avg. Downside Capture vs TSX TR	39.66%	100.00%

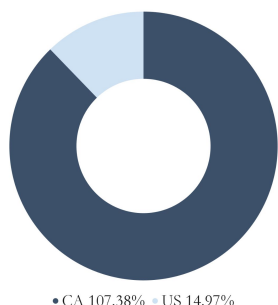
## PORTFOLIO EXPOSURE



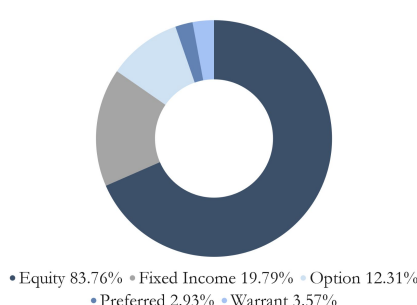
## PORTFOLIO EXPOSURE BY SECTOR



## GROSS PORTFOLIO EXPOSURE BY COUNTRY



## GROSS PORTFOLIO EXPOSURE BY SECURITY TYPE



## KEY INFORMATION

AUM	\$286.9 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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