

This factsheet should be read in conjunction with our current Investment Strategy. It is for information purposes only and does not constitute an offer to sell or a solicitation to buy the strategy referred herein. While every efforts have been made to provide reliable data, no guarantees can be made as to its accuracy or completeness. Past performance is not indicative of future results.

## TOTAL RETURN • LONG/SHORT QUANTITATIVE & AI STRATEGY

### INVESTMENT APPROACH

Lakeroad's focused and experienced money managers target private market returns with public market liquidity. This alpha-generating investment strategy combines multi-factor models, quantitative and machine learning (AI) strategies.

### INVESTMENT OBJECTIVES

This investment strategy targets 1) a 15% net annualized return over 5-year periods 2) a positive down capture, protecting capital in difficult market environments and 3) a correlation lower than 0.30 with public markets. The combination of those three objectives should maximize alpha generation in the long run.

### MONTHLY RETURNS <sup>1</sup>

Net Annualized Return of 12.5% (net of all fees)

	J	F	M	A	M	J	JL	A	S	O	N	D	Total
2019	-0.5	5.7	3.2	4.0	-11.3	-1.1	4.0	-3.7					<b>-0.8</b>
2018	0.6	-3.2	-1.8	0.9	3.7	-1.0	-2.2	3.4	-0.4	-1.6	1.0	-8.5	<b>-9.3</b>
2017	0.1	4.2	-1.4	0.3	1.4	-0.8	0.8	1.6	5.5	2.6	2.3	1.2	<b>19.1</b>
2016	-5.1	0.9	0.3	-11.6	2.4	-1.9	5.1	-2.2	0.1	-0.1	2.8	1.9	<b>-8.2</b>
2015	-1.5	2.2	1.5	-6.5	5.2	-2.9	8.2	-3.4	2.2	3.7	0.9	3.7	<b>13.1</b>
2014	-9.1	7.3	3.2	-0.2	-1.5	-1.1	4.1	2.1	3.0	6.0	5.2	-0.7	<b>18.6</b>
2013	10.1	-0.1	-2.1	5.1	1.7	5.3	3.2	-1.7	9.0	9.9	7.8	-3.3	<b>53.5</b>
2012	4.6	3.8	7.3	1.3	0.4	-1.7	-5.5	3.1	0.0	-1.6	1.1	2.8	<b>16.1</b>

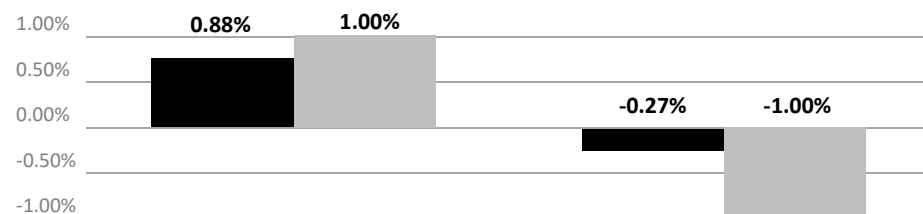
### STRATEGY DETAILS

Inception	January 2012
Auditors	EY Canada
Asset Class	US, CAN Equities
Net Exposure	Max 200%, Min -100%
Risk Level	High
Turnover	High
Management Fee	2%
Profit Sharing	20%, 5% hurdle rate
High Water Mark	Yes
Liquidity	Monthly

### RISK METRICS <sup>1,2</sup>

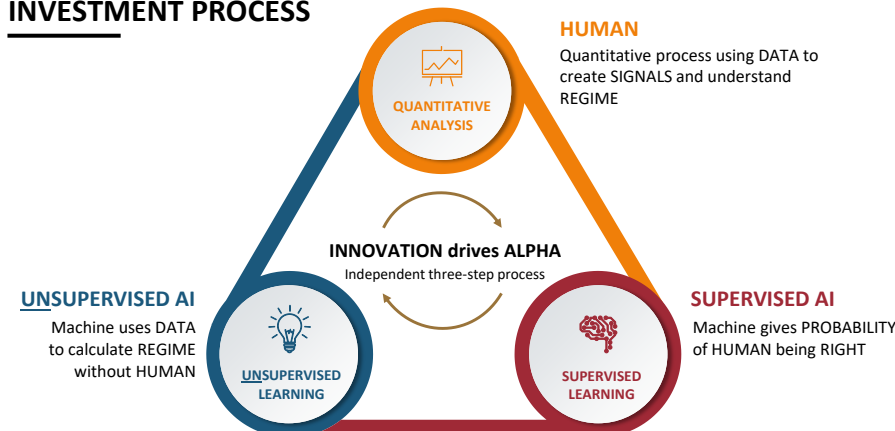
	Lakeroad	Index
Net Annualized Return	11.8%	8.0%
Net Cumulative Return	135%	80%
Maximum Drawdown	-15.1%	-12.8%
Return/Drawdown	0.78x	0.63x
Downside Deviation	8.1%	5.4%
Sortino Ratio	1.46x	1.47x
Correlation	0.40	-
Beta	0.61	-
Beta – Up Markets	0.44	-
Beta – Down Markets	0.83	-
Jensen's Alpha	7.5%	-%

### UP CAPTURE / DOWN CAPTURE ANALYSIS <sup>1,2</sup>



Since inception, when the Index is down an average of -1.00% in a month, this strategy is down only -0.22%. In the 92 months since inception, the Index was down 33 times for a return of -65%. During those same months, this strategy was up 15 times for a return of -17%. Exhibiting low correlation (0.40), this strategy represents an efficient way to diversify a portfolio.

### INVESTMENT PROCESS



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1. Except for the current year, monthly returns are audited and net of all fees. 2. INDEX represents a combination of the S&P500 INDEX (TR) in USD\$ and the TSX INDEX (TR). **DISCLAIMER:** Any information or opinion contained in this document does not consider specific investors' investment objectives, their individual financial situation and/or any investor specific requirement or need. An investor can potentially lose all or a significant portion of its investment. Performance will fluctuate and there is no assurance that the strategy can maintain a specific performance level. Your investment decisions should not be based solely on past performance. For more information, including Risks Factors, please request a copy of the latest Investment Strategy at info@lakeroad.ca.