

Fiera Quantum Diversified Alpha Fund



JULY 2015

Strategy Description

Absolute return, multi-strategy approach, focused on dynamic capital allocation and risk management through diversified North American investments in equity, credit/fixed income, quantitative and short term strategies. The approach optimizes risk adjusted total return while limiting volatility and preserving capital.

Portfolio Manager

Fiera Quantum Limited Partnership

Fund Details

Class	A-I	F-I	F-II
Fund Codes	FQL104	FQL105	FQL106
Management Fee	2.00%	2.00%	1.00%
RSP Eligibility	Yes	Yes	Yes
Trailer Fee	1.00%	n/a	n/a
Assets under management ¹	\$129 M		
Minimum Investment	\$100,000		
Performance Fee	20%		
Hurdle Rate	No		
High Water Mark	Yes		
Trustee	Natcan Trust Company		
Custodian	One or more financial institutions and/or their affiliates in their role as prime broker		
Auditor	Deloitte & Touche LLP		
Liquidity	Monthly 60 day notice required		

¹ Assets Under Management is the sum of all Classes of the Fund as at June 30, 2015

Investment Highlights

- > Diversified, multi-strategy approach focused on dynamic capital allocation and risk management
- > Multiple asset classes with a North American focus
- > Focus on absolute returns with limited monthly volatility
- > Robust risk management through dynamic position limits and static stop losses



Performance net of all fees (Class F-I) (%)

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Year/YTD
2015	1.80	1.86	-0.31	-0.31	1.81	0.69	1.23						6.94
2014	-0.88	1.67	0.66	0.34	1.70	1.52	0.89	0.55	0.10	0.27	1.65	-2.39	6.17
2013	1.22	-0.45	-0.17	-1.15	-0.17	-1.88	1.43	-0.87	0.87	1.06	0.41	1.03	1.26
2012	1.98	0.77	0.78	-0.50	-0.89	0.10	1.60	-0.14	0.45	0.03	-0.32	0.27	4.16
2011	2.34	1.58	-0.89	-0.25	0.25	-0.96	0.45	-1.20	-2.13	-0.24	-0.74	-1.28	-3.09
2010	1.67	0.02	1.25	1.34	-1.04	-0.72	0.07	0.01	1.78	1.92	1.63	3.02	11.42
2009	2.92	0.93	4.06	8.50	6.95	0.30	1.37	2.50	2.30	1.08 ²	0.97	2.03	39.27
2008				0.97	3.21	1.74	1.36	0.99	-7.95	-13.16	-7.60	0.36	-19.56

1 Month	3 Months	6 Months	YTD	1 Year	2 Years ³	3 Years ³	5 Years ³	Inception ⁴
1.23	3.77	5.05	6.94	7.08	7.88	4.86	4.74	5.18

² Commencing October 2009, Class A and Class F were changed to Class A-I and Class F-I in order to have the same management Fee of 2.00%. Prior to October 2009, the Class A had a management Fee of 2.75%.

³ Returns for periods greater than one year are annualized.

⁴ Prior to joining Fiera Quantum Limited Partnership on May 1, 2013, the current management team had been responsible for the management of the Fund at GMP Investment Management L.P. since December 1, 2008.

Growth of \$10,000 (Based on Class F-I)

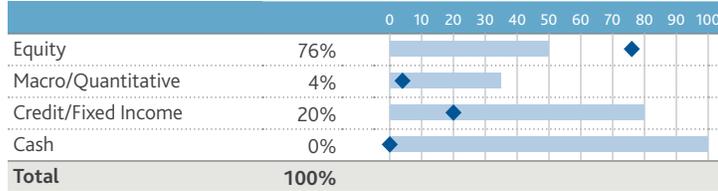


Risk/Return Analysis (Based on Class F-I)

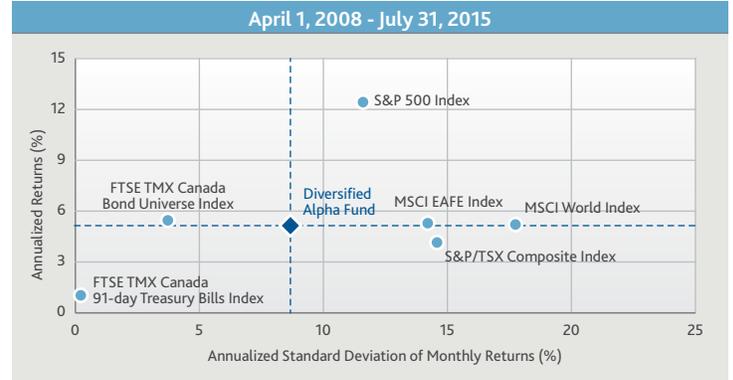
Net annualized return since inception	5.18
Annualized standard deviation	8.71
Annualized Sharpe ratio (1.04%)	0.48
Best monthly return	8.50
Worst monthly return	-13.16
Percentage of months with positive performance	69.32
Worst drawdown	-26.14

Fiera Quantum Diversified Alpha Fund

Diversification



Stronger performance, lower relative volatility



Source: Rimes

Fund Commentary

The Diversified Alpha Fund – Class F-I (“the Fund”) generated a positive return of 1.23% for the month of July, net of fees and expenses. As a result, the Fund’s year to date return is 6.94%.

US Equities enjoyed a strong month with the S&P 500 and NASDAQ closing up 1.97% and 2.84% respectively. The TSX Composite, on the other hand, closed down -0.58% and the Loonie lost -4.52% versus the Greenback once again showing Canada’s reliance on commodities. Gold fell by -6.72%, silver dropped by -5.37% and crude oil plunged -20.77% closing at 47.12 per barrel. Both oil and the Canadian dollar are back at levels last seen in November 2008. Unlike 2008, however, US equities are at record highs and there is no global economic crisis. Therefore, we are unwilling to call a bottom and continue to watch closely for signs of a change in this trend.

The drama in Greece continued to dominate headlines through the month with their citizens voting to reject bailout terms on July 5th followed by their government somewhat perplexingly agreeing to substantially those same terms on July 13th. The can has been kicked down the road yet again, and we feel the instability in the Eurozone will remain a risk to the market. Meanwhile investors have once again been reassured that an 11th hour solution will always be found.

Of greater concern, the Shanghai stock market lost -30% by July 9th from its highs in mid-June. Trading was suspended on 45% of the listed companies and prices stabilized for three weeks until the end of the month when the index again fell by a further -8.5% on July 27th. China’s global economic influence makes this the story to watch while their government’s willingness to intervene makes it difficult to predict. We currently view China as the biggest risk to global markets.

Once again our Equity holdings delivered the gains in our portfolio led by our Market Neutral and Long US strategies. We are pleased with the gains we have achieved especially in light of our defensive posture and believe the portfolio is well positioned to preserve capital regardless of market volatility.

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