



Index Factsheet

September 30, 2024

Second engine Diversifier 10 Index™

Index Overview

The Second engine Diversifier 10 Index measures the performance of alternative strategies that aim to deliver returns in excess of cash, and without exposing investors to traditional broad market risks. Therefore offering great diversification benefits to traditional portfolios. These strategies can take positions across different markets.

Objective

Establish an appropriate and representative baseline for measuring the performance of the liquid alternative strategies in Canada.

Key Features

- Designed to measure the performance of the liquid alternative universe that is increasingly popular, but difficult to track
- Constituents comprised of NI 81-102 alternative mutual funds
- Consists of 1) an overall index, 2) seven strategy-based indices, and 3) three goal-based indices

Weighting

Equal weighted

Rebalance Frequency

Quarterly
(Mar, Jun, Sep, and Dec)

Re-constitution Frequency

Semi-annual - Jun and Dec

AUM Requirement

Inclusion: >C\$20 million
Maintenance: >C\$10 million

Base Value

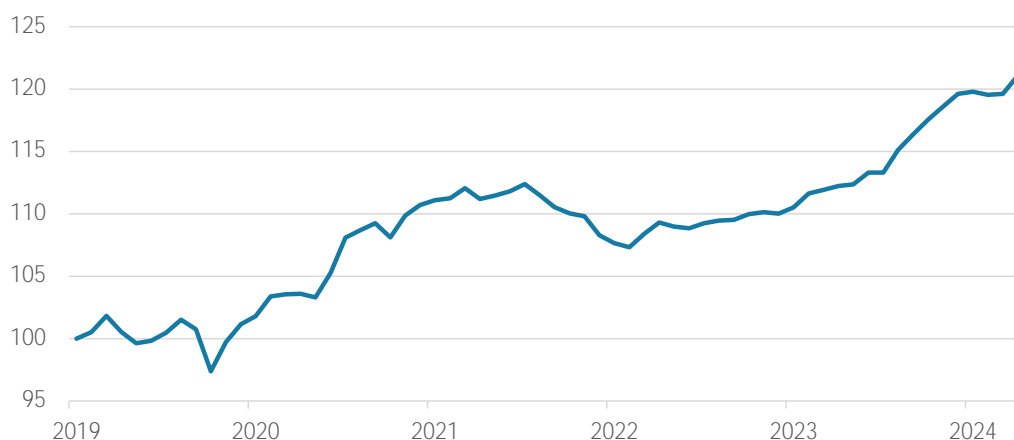
Rebased to 100 on Jun 30, 2019

Number of Constituents

10

Cumulative Performance - Net Returns (CAD)

(Jun 30, 2019 - Sep 30, 2024)



Index Performance (%)

	1M	3M	YTD	1Y	3Y	5Y	Since 06/30/19
Second engine Diversifier 10 Index	1.2	1.1	6.9	7.9	2.9	3.8	3.7
S&P/TSX Composite Index	3.2	10.5	17.2	26.7	9.5	10.9	10.9
ICE BofA Canada Broad Market Index	1.8	4.5	4.2	12.8	-0.1	0.6	0.8

Index Risk and Return Characteristics

	Annualized Standard Deviation (%)			Sharpe Ratio			Maximum Drawdown	
	3Y	5Y	Since 06/30/19	3Y	5Y	Since 06/30/19	%	Period
Second engine Diversifier 10 Index	2.2	3.3	3.3	-0.20	-0.01	0.45	-4.5	Dec 2021 - Jul 2022
S&P/TSX Composite Index	13.6	15.7	15.4	0.45	0.45	0.57	-22.3	Jan 2020 - Mar 2020
ICE BofA Canada Broad Market Index	6.9	6.3	6.3	-0.49	-0.52	-0.24	-15.6	Jul 2020 - Sep 2023

Correlation (06/30/2019 - 09/30/24)

	Second engine Diversifier 10 Index	ICE BofA Canada Broad Market Index	S&P/TSX Composite Index
Second engine Diversifier 10 Index	1.00	--	--
ICE BofA Canada Broad Market Index	0.33	1.00	--
S&P/TSX Composite Index	0.52	0.53	1.00

The table above aims to show the correlation coefficient of the Second engine Diversifier 10 Index with broad Canadian equity and fixed income markets.

Index AUM Characteristics (C\$ million)

Total	Mean	Median	Largest	Smallest
7,102	710	550	1,623	262

Family of Second engine Liquid Alternative Indices

 Second engine
Liquid Alternative 35 Index™
Strategy-based
Equity

 Second engine
**Equity Long
Short Index™**

 Second engine
**Equity Market
Neutral Index™**
Bond

 Second engine
**Alternative Fixed
Income Index™**
Multi-Strategy

 Second engine
**Multi-Strategy
Index™**

 Second engine
**Absolute Return
Index™**
Specialty

 Second engine
**Event-Driven
Index™**

 Second engine
**Global Macro
Index™**
Goal-based

 Second engine
Equity Enhancer 10 Index™

 Second engine
**Fixed Income Enhancer
10 Index™**

 Second engine
IDiversifier 10 Index™

Disclosure

For further information, please email support@secondengine.com.

Second engine is a division of Picton Mahoney Asset Management.

Second engine™, Second engine Liquid Alternative 35 Index™, Second engine Absolute Return Index™, Second engine Alternative Fixed Income Index™, Second engine Diversifier 10 Index™, Second engine Equity Enhancer 10 Index™, Second engine Equity Long Short Index™, Second engine Equity Market Neutral Index™, Second engine Event-Driven Index™, Second engine Fixed Income Enhancer 10 Index™, Second engine Global Macro Index™ and Second engine Multi-Strategy Index™ are registered trademarks of Picton Mahoney Asset Management.

This material has been published by Picton Mahoney Asset Management (“PMAM”) on October 03, 2024. It is provided as a general source of information, is subject to change without notification and should not be construed as investment advice. This material should not be relied upon for any investment decision and is not a recommendation, solicitation or offering of any security in any jurisdiction. The information contained in this material has been obtained from sources believed reliable, however, the accuracy and/or completeness of the information is not guaranteed by PMAM, nor does PMAM assume any responsibility or liability whatsoever. All investments involve risk and may lose value. This information is not intended to provide financial, investment, tax, legal or accounting advice specific to any person, and should not be relied upon in that regard. Tax, investment and all other decisions should be made, as appropriate, only with guidance from a qualified professional.

©2024 Morningstar. All Rights Reserved. The data used in part to create the index information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.