



# Index Factsheet

September 30, 2024

# Second engine Event-Driven Index™

## Index Overview

Event-driven strategies aim to capitalize on price inefficiencies resulting from events such as mergers and acquisitions, corporate restructuring, shareholder buybacks, financial distress, or other corporate events. The type of securities traded can range from the most senior in the corporate capital structure to common shares, and may involve additional derivative securities. Returns from event-driven strategies are typically idiosyncratic and less dependent on broad 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

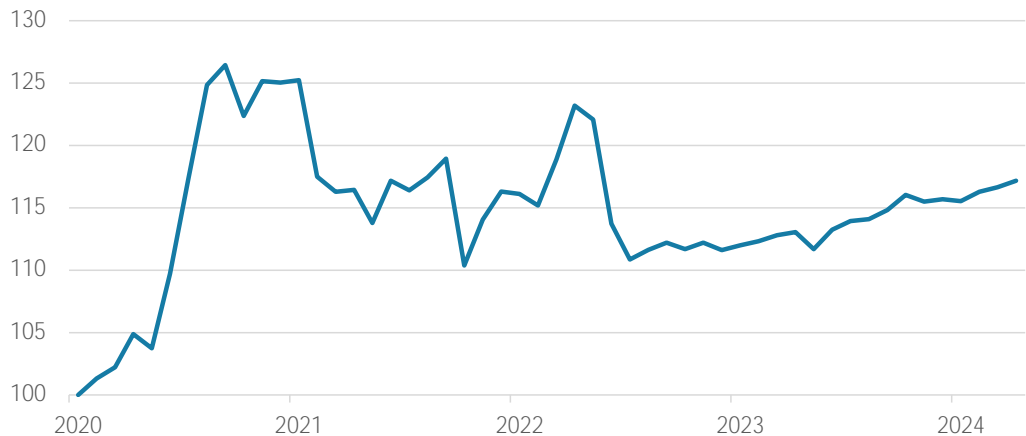
Rebased to 100 on Jun 30, 2020

## Number of Constituents

6

## Cumulative Performance - Net Returns (CAD)

(Jun 30, 2020 - Sep 30, 2024)



## Index Performance (%)

	1M	3M	YTD	1Y	3Y	5Y	Since 06/30/20
Second engine Event-Driven Index	0.4	1.4	2.8	3.6	0.2	-	3.8
S&P/TSX Composite Index	3.2	10.5	17.2	26.7	9.5	10.9	14.2
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 06/30/20	3Y	5Y	Since 06/30/20	%	Period
Second engine Event-Driven Index	7.6	-	9.2	-0.41	-	0.17	-12.7	Feb 2021 - Mar 2022
S&P/TSX Composite Index	13.6	15.7	13.1	0.45	0.45	0.90	-14.4	Mar 2022 - Sep 2022
ICE BofA Canada Broad Market Index	6.9	6.3	6.2	-0.49	-0.52	-0.52	-15.6	Jul 2020 - Sep 2023

**Correlation (06/30/2020 - 09/30/24)**

	Second engine Event-Driven Index	ICE BofA Canada Broad Market Index	S&P/TSX Composite Index
Second engine Event-Driven Index	1.00	--	--
ICE BofA Canada Broad Market Index	-0.03	1.00	--
S&P/TSX Composite Index	-0.06	0.53	1.00

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

**Index AUM Characteristics (C\$ million)**

Total	Mean	Median	Largest	Smallest
1,258	210	49	865	14

**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  
**Diversifier 10 Index™**

## Disclosure

For further information, please email [support@secondengine.com](mailto: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.