



# Index Factsheet

October 31, 2024

## Second engine Equity Enhancer 10 Index™

### Index Overview

The Second engine Equity Enhancer 10 Index measures the performance of alternative strategies that take similar risk exposure as traditional equities, but aim to deliver better outcomes by either amplifying returns or mitigating risks through active portfolio management. These strategies primarily focus on equity or equity derivative 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

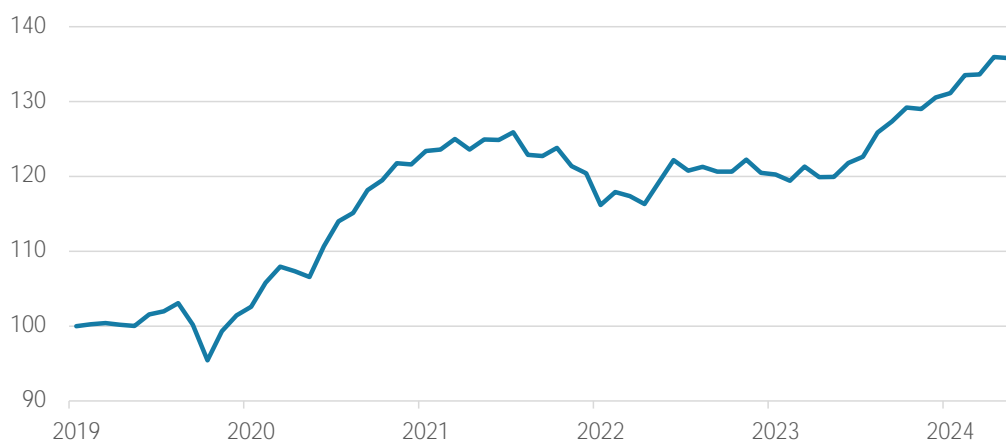
Rebased to 100 on Jun 30, 2019

### Number of Constituents

10

### Cumulative Performance - Net Returns (CAD)

(Jun 30, 2019 - Oct 31, 2024)



### Index Performance (%)

	1M	3M	YTD	1Y	3Y	5Y	Since 06/30/19
Second engine Equity Enhancer 10 Index	-0.1	1.7	10.8	13.3	2.8	6.3	5.9
S&P/TSX Composite Index	0.9	5.3	18.2	32.1	8.0	11.3	10.9
ICE BofA Canada Broad Market Index	-1.1	1.3	3.1	11.1	-0.2	0.4	0.5

### 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 Equity Enhancer 10 Index	4.9	5.9	5.7	-0.16	0.39	0.62	-7.7	Dec 2021 - Jun 2022
S&P/TSX Composite Index	13.4	15.7	15.2	0.33	0.46	0.56	-22.3	Jan 2020 - Mar 2020
ICE BofA Canada Broad Market Index	6.9	6.4	6.2	-0.55	-0.58	-0.29	-15.6	Jul 2020 - Sep 2023

**Correlation (06/30/2019 - 10/31/24)**

	Second engine Equity Enhancer 10 Index	ICE BofA Canada Broad Market Index	S&P/TSX Composite Index
Second engine Equity Enhancer 10 Index	1.00	--	--
ICE BofA Canada Broad Market Index	0.45	1.00	--
S&P/TSX Composite Index	0.84	0.53	1.00

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

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

Total	Mean	Median	Largest	Smallest
6,510	651	680	1,476	121

**Family of Second engine Liquid Alternative Indices**

Second engine  
**Liquid Alternative 35 Index™**



## Disclosure

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

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