Second engine

Index Factsheet

October 31, 2024

Second engine
Global Macro Index™

Index Overview

Global macro strategies adopt a top-down approach, focusing on predicting movements in underlying economic variables and the impact on equity, fixed income, currency and/or commodity markets. Managers employ a variety of techniques, both discretionary and systematic analysis. Global macro funds tend to offer a differentiated return, with low correlation to 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
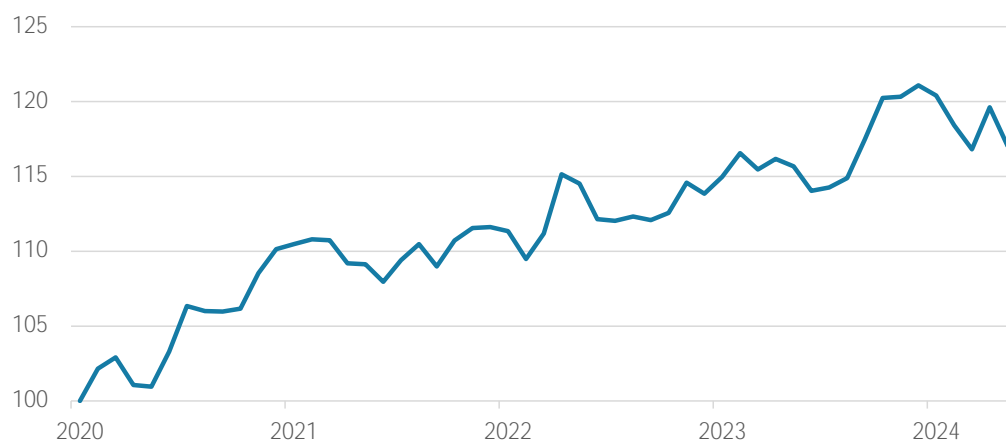Maintanance: >C$10 million

Base Value

Rebased to 100 on Jun 30, 2020

Number of Constituents

5

Cumulative Performance - Net Returns (CAD)
(Jun 30, 2020 - Oct 31, 2024)

Index Performance (%)

	1M	3M	YTD	1Y	3Y	5Y	Since 06/30/20
Second engine Global Macro Index	-2.2	-1.2	2.4	1.2	2.4	-	3.7
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 06/30/20	3Y	5Y	Since 06/30/20	%	Period
Second engine Global Macro Index	4.8	-	4.7	-0.26	-	0.28	-3.5	May 2024 - Aug 2024
S&P/TSX Composite Index	13.4	15.7	13.0	0.33	0.46	0.90	-14.4	Mar 2022 - Sep 2022
ICE BofA Canada Broad Market Index	6.9	6.4	6.2	-0.55	-0.58	-0.58	-15.6	Jul 2020 - Sep 2023

Correlation (06/30/2020 - 10/31/24)

	Second engine Global Macro Index	ICE BofA Canada Broad Market Index	S&P/TSX Composite Index
Second engine Global Macro Index	1.00	--	--
ICE BofA Canada Broad Market Index	-0.12	1.00	--
S&P/TSX Composite Index	0.12	0.53	1.00

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

Index AUM Characteristics (C$ million)

Total	Mean	Median	Largest	Smallest
1,729	346	316	681	121

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

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Alternative Fixed Income Index™

Multi-Strategy

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Multi-Strategy Index™

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Absolute Return Index™

Specialty

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Event-Driven Index™

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Global Macro Index™

Goal-based

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Equity Enhancer 10 Index™

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Fixed Income Enhancer 10 Index™

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Diversifier 10 Index™

Disclosure

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

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