

# NCM MARKET NEUTRAL INCOME FUND

A Canadian absolute return fund targeting positive returns regardless of market direction, providing low volatility and targets an annual distribution of 4.0% payable quarterly to help with downside protection.

## FOR INVESTORS

Who don't want large-scale movements in markets to affect their investments and who want to receive a quarterly distribution.

## PERFORMANCE

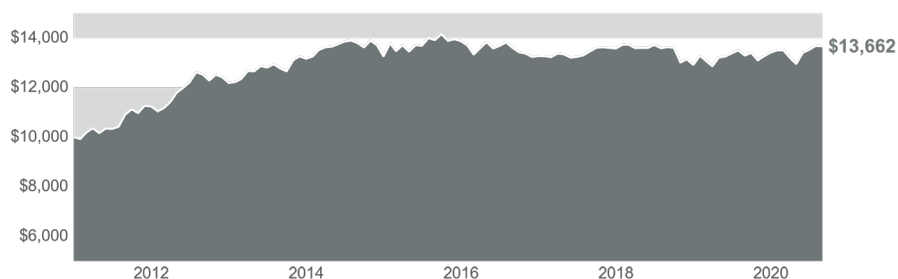
NAV/Unit

F Series: \$9.18

A Series: \$8.26

	1 month	3 month	6 month	YTD	1 year	3 year	5 year	Inception
F	-0.1%	2.0%	1.2%	1.9%	2.9%	0.5%	-0.4%	3.3%
A	-0.2%	1.7%	0.7%	1.2%	1.8%	-0.6%	-1.5%	2.2%

## VALUE OF \$10,000 INVESTED AT INCEPTION



## DISTRIBUTIONS

Paid Quarterly

2019 Paid Distributions	\$0.186
2018 Paid Distributions	\$0.432
2017 Paid Distributions	\$0.428
2016 Paid Distributions	\$0.484
2015 Paid Distributions	\$0.516
2014 Paid Distributions	\$0.523

Aggregate of eligible and capital gains dividends paid.  
Complete list and breakdown available at [ncminvestments.com](http://ncminvestments.com).

## PORTFOLIO ATTRIBUTES

	Trailing P/E	Trailing ROE	Earnings Surprise	QEM	Dividend Yield
Longs	13.3x	17.9%	15.9%	8.6%	3.3%
Shorts	28.9x	5.3%	2.6%	-20.9%	2.8%

Morningstar as at August 31, 2020

## MONTHLY PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2011	-0.8%	2.6%	1.8%	-2.0%	1.9%	-0.1%	0.9%	4.8%	1.7%	-1.2%	2.6%	-0.2%	12.3%
2012	-1.8%	1.2%	2.3%	3.3%	1.7%	1.9%	3.3%	-0.8%	-1.9%	1.9%	-0.8%	-1.9%	8.5%
2013	0.3%	1.0%	2.6%	-0.1%	1.7%	-0.5%	1.1%	-1.3%	-0.9%	3.5%	1.2%	-0.7%	8.0%
2014	0.7%	2.0%	0.8%	0.2%	0.7%	0.8%	0.3%	-0.8%	-1.3%	2.0%	-1.3%	-3.4%	0.7%
2015	4.1%	-2.3%	1.8%	-1.9%	1.9%	-0.2%	2.3%	-0.6%	1.7%	-2.0%	0.5%	-0.6%	4.7%
2016	-1.2%	-2.7%	2.0%	1.8%	-1.9%	0.8%	1.0%	-1.6%	-1.3%	-0.4%	-1.0%	0.2%	-4.3%
2017	0.0%	-0.3%	1.1%	-0.2%	-1.0%	0.2%	0.5%	1.2%	1.1%	0.1%	-0.2%	-0.2%	2.3%
2018	1.1%	0.1%	-1.0%	0.0%	0.0%	0.9%	-1.0%	0.3%	-0.2%	-4.3%	1.0%	-1.7%	-4.8%
2019	2.8%	-1.4%	-1.7%	2.6%	0.3%	1.0%	0.9%	-1.6%	0.8%	-2.2%	1.2%	1.1%	3.8%
2020	0.7%	0.0%	-2.3%	-1.8%	3.4%	0.9%	1.2%	-0.1%	-	-	-	-	1.9%

Canadian absolute return fund targeting positive returns in both up and down markets

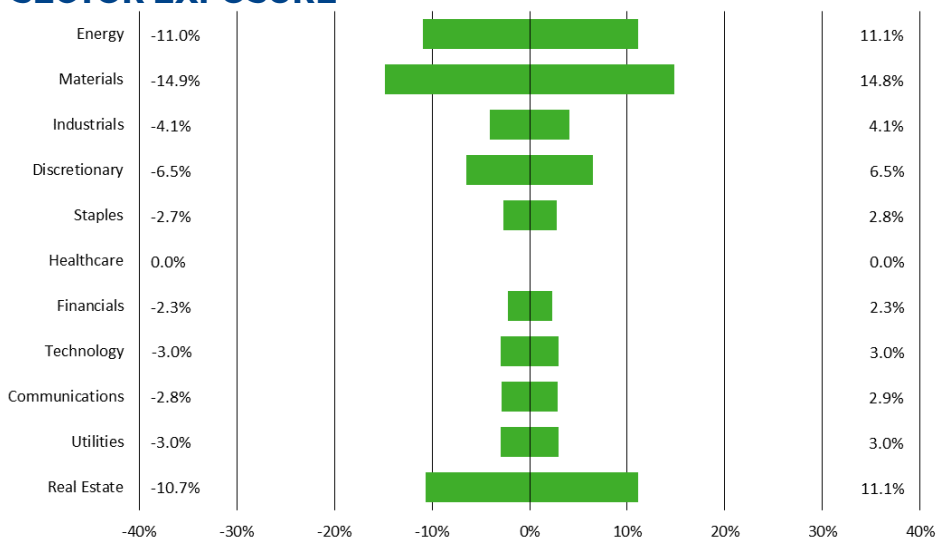
Provides low volatility with returns uncorrelated to the equity market

A Canadian absolute return fund targeting positive returns regardless of market direction, providing low volatility and targets an annual distribution to help with downside protection

	S&P/TSX TRI	NCM Market Neutral Income Fund
Average Monthly Return Since Inception	0.5%	0.3%
Average Monthly Return In Up Markets	2.2%	0.3%
Average Monthly Return In Down Markets	-2.6%	0.3%
Maximum Drawdown <sup>2</sup>	-22.3%	-9.1%
Standard Deviation <sup>3</sup>	11.4%	5.7%
Correlation <sup>3</sup>	-	0.14
Beta <sup>3</sup>	-	0.07

2. Based on monthly performance 3. Since Inception

## SECTOR EXPOSURE



## UNCORRELATED RETURNS

	Percentage of Positive Months	Number of Positive Months	Average Fund Return
Up Markets <sup>1</sup>	56.8%	42/74	0.3%
Down Markets <sup>1</sup>	52.4%	22/42	0.3%
Overall <sup>1</sup>	55.2%	64/116	0.3%

1. Based on the S&P TSX Composite Total Return Index

Number of Longs	37	Percent Long	61.5%
Number of Shorts	57	Percent Short	60.8%
Number of Bonds	13	Percent Bond	72.9%
		Modified Duration (years)	1.0

<b>Fund Codes</b>	NRP3100 (F) NRP3101 (A)
<b>Net Assets</b>	\$10.3 Million
<b>Inception</b>	December 31, 2010
<b>CIFSC Category</b>	Alternative Strategies
<b>Risk Rating</b>	Low to Medium
<b>Management Fee</b>	
<b>F Series</b>	0.90%*
<b>A Series</b>	1.90%*
<b>Capped MER</b>	
<b>F Series</b>	1.25%*
<b>A Series</b>	2.25%*
<b>Portfolio Manager</b>	NCM Asset Management Ltd.
<b>Auditor</b>	KPMG LLP
<b>Custodian</b>	CIBC Mellon Trust Company
<b>Transfer Agent and Registrar</b>	CIBC Mellon Global Securities Services Company

\*Does not include performance bonus or taxes.

## PORTFOLIO MANAGER

**Keith Leslie, CFA**  
Portfolio Manager

Except where indicated otherwise, F Series data as of August 31, 2020, net of fees, annualized. NCM Market Neutral Income Fund is available for sale to Accredited Investors, and sold pursuant to other available exemptions from the prospectus requirement, and are subject to resale restrictions under applicable securities laws. The fund is not guaranteed, unit values changes frequently and past performance may not be repeated. Commissions, trailing commissions, management fees and expenses all may be associated with this investment. Indicated rates of return are the historical annual compound total returns including changes in unit value and reinvestment of all dividends and distributions and do not take into account sales, redemption, distribution or optional charges or income tax payable by any security holder, if any, that would have reduced returns. The rate of return is used to illustrate the effects of the compound growth rate and is not intended to reflect future values of the fund or returns on investment in the fund. NCM Asset Management Ltd. as manager and portfolio manager of the NCM Mutual Funds may engage one or more sub advisors to provide investment management services to certain Funds, including its affiliate, Cumberland Investment Counsel Inc.