

Fiera Quantum Diversified Alpha Fund



AUGUST 2013

Strategy Description

Absolute return, multi-strategy approach, focused on dynamic capital allocation and risk management through diversified North American investments in equity, credit/fixed income, quantitative and short term strategies. The approach optimizes risk adjusted total return while limiting volatility and preserving capital.

Portfolio Manager

Fiera Quantum Limited Partnership

Fund Details

	Class A
Fund Codes	GMP104 – A-1
Management Fee	2.00%
RSP Eligibility	Yes
Assets under management ¹	\$245 M
Minimum Investment	\$100,000
Performance Fee	20%
Hurdle Rate	No
High Water Mark	Yes
Trustee	Natcan Trust Company
Custodian	One or more financial institutions and/or their affiliates in their role as prime broker
Auditor	Deloitte & Touche LLP
Liquidity	Monthly 60 day notice required

¹ Assets Under Management is the sum of all Classes of the Fund as at previous month-end

Investment Highlights

- > Diversified, multi-strategy approach focused on dynamic capital allocation and risk management
- > Multiple asset classes with a North American focus
- > Focus on absolute returns with limited monthly volatility
- > Robust risk management through dynamic position limits and static stop losses



Performance net of all fees (Master Fund) (%)

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Year/ YTD
2008				1.01	3.27	1.72	1.44	1.07	-7.90	-13.14	-7.56	0.42	-19.22
2009	2.98	1.00	4.12	8.56	7.07	0.35	1.41	2.57	2.35	1.14	1.04	2.08	40.28
2010	1.74	0.05	1.32	1.41	-1.01	-0.67	0.13	0.08	1.86	1.98	1.70	3.05	12.19
2011	2.42	1.65	-0.84	-0.19	0.31	-0.92	0.49	-1.15	-2.09	-0.19	-0.72	-1.19	-2.48
2012	2.03	0.80	0.80	-0.44	-0.84	0.14	1.64	-0.10	0.49	0.08	-0.28	0.32	4.70
2013	1.24	-0.41	-0.11	-0.99	-0.13	-1.84	1.48	-0.73 ²					-1.52 ²

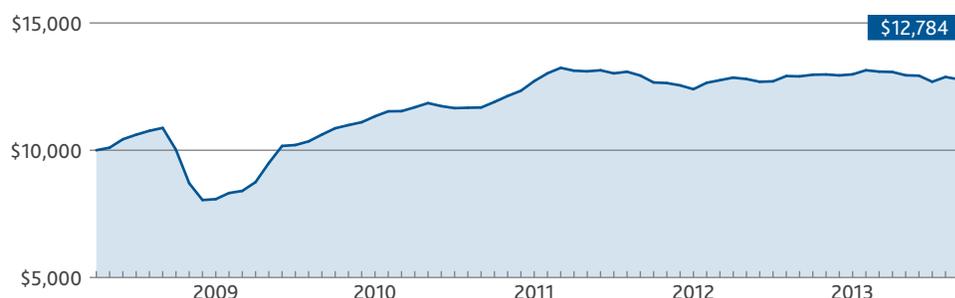
1 Month	3 Months	6 Months	YTD	1 Year	2 Years ³	3 Years ³	5 Years ³	Inception ⁴
-0.73	-1.11	-2.33	-1.52	-0.92	-0.58	3.06	3.28	4.64

² Performance figure for the month of August is preliminary and is subject to further confirmation by the portfolio manager.

³ Returns for periods greater than one year are annualized.

⁴ Prior to joining Fiera Quantum Limited Partnership on May 1, 2013, the current management team had been responsible for the management of the Fund at GMP Investment Management L.P. since December 1, 2008.

Growth of \$10,000²



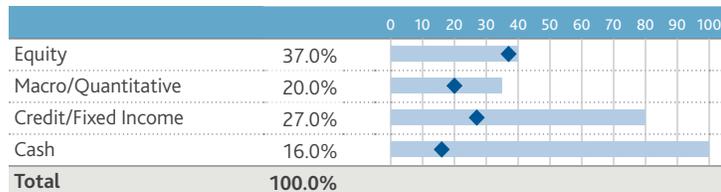
Risk/Return Analysis²

Net annualized return since inception	4.64
Annualized standard deviation	9.93
Annualized Sharpe ratio (1.09%)	0.36
Best monthly return	8.56
Worst monthly return	-13.14
Percentage of months with positive performance	64.62
Average return when market is up ⁵	1.24
Average return when market is down ⁵	-1.43
Worst drawdown	-26.04

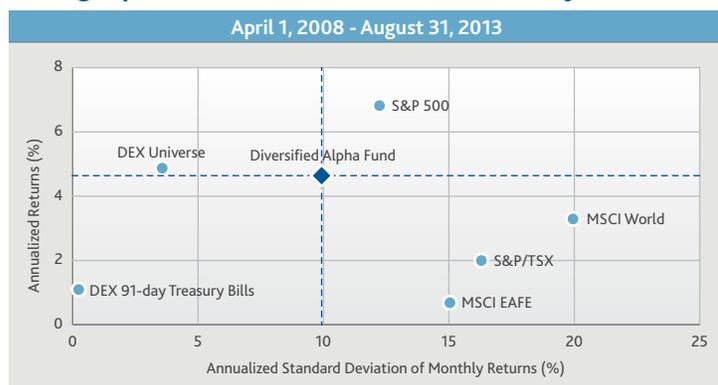
⁵ Market based on Fiera Quantum's blended benchmark: 40% S&P/TSX, 20% Merrill Lynch High Yield CAD, 20% Merrill Lynch US Master II, 20% S&P 500 USD.

Fiera Quantum Diversified Alpha Fund

Diversification



Stronger performance, lower relative volatility²



Fund Commentary

Throughout the month of August, the investment community continued its' attempt to determine the direction of U.S. monetary policy. Market participants looked to a bevy of data and statements by Federal Reserve Governors to help determine whether the "taper" of Fed purchases would begin in September (as was broadly speculated) or be delayed further into the future. With no clear pronouncement, the markets have gyrated with a sell-off in June, a rally in July and another heavy sell-off in August.

In August, "Harbours of Safety" (including gold and silver) rallied on the increased volatility of risk assets. In addition, oil rocketed forward at month's end based on the crisis in Syria. This political uncertainty added to the unease felt in global equity markets. U.S. Defense Secretary Chuck Hagel told the BBC on the 27th of the month that the U.S. military was "ready to go" once instructed by President Obama. Immediately on this quote hitting the wire, gold reached \$1,415 an ounce, an 11 month high and oil rose 3%.

As mentioned, concerns about the timing of the scaling back of the Fed's asset purchase program continued to weigh on markets. A string of positive data releases for the U.S. economy had led many investors to expect the U.S. central bank to announce it was scaling back its stimulus in September. However, the durable goods report issued on the 26th of the month came in substantially below expectations, down 7.3% in July. Market reactions and over-reactions were made worse by the thin end-of-summer volume resulting in a 2%, one day sell-off.

As we look forward to September, it is setting up to be both interesting and challenging. This is why we are maintaining a "partially hedged" position within the Fund. Not only is there the fact that September has historically been one of the worst months for equity and risk markets, but now we have lousy durable goods numbers, worrisome housing data and a mid-month Fed meeting to factor into our investing decisions. Add to that, German elections, tax changes in Japan and a U.S. budget debate...should make for some interesting market volatility. Several analysts have suggested that the huge run-up in U.S. equities during the first six months of the year was driven off the belief that the U.S. economy would be stronger in the second half of the year. That forecast now looks somewhat less clear. Overall, the Fund maintains a positive view towards risk assets. However, with so much uncertainty on the horizon, we believe it is prudent to reduce risk in the short term.

1501 McGill College Avenue, Suite 800
Montréal (Québec) H3A 3M8
 T: 514-954-3755 / 1-800-361-3499

1 Adelaide Street East, Suite 600
Toronto, Ontario M5C 2V9
 T: 416-364-3711 / 1-800-994-9002



info@fieraquantum.com

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