

Fiera Quantum Diversified Alpha Fund



JANUARY 2014

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-I	F-I	F-II
Fund Codes	FQL104	FQL105	FQL106
Management Fee	2.00%	2.00%	1.00%
RSP Eligibility	Yes	Yes	Yes
Trailer Fee	1.00%	n/a	n/a
Assets under management ¹	\$173.2 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

Please note that effective January 1, 2014, Commonwealth Fund Services Ltd. ("Commonwealth") will now act as the Administrator for our Fiera Quantum Diversified Alpha Fund. Commonwealth currently performs the same function for other Fiera Quantum offerings.

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 (Class F-I) (%)

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Year/ YTD
2014	-0.90 ²												-0.90 ²
2013	1.22	-0.45	-0.17	-1.15	-0.17	-1.88	1.43	-0.87	0.87	1.06	0.41	1.03	1.26
2012	1.98	0.77	0.78	-0.50	-0.89	0.10	1.60	-0.14	0.45	0.03	-0.32	0.27	4.16
2011	2.34	1.58	-0.89	-0.25	0.25	-0.96	0.45	-1.20	-2.13	-0.24	-0.74	-1.28	-3.09
2010	1.67	0.02	1.25	1.34	-1.04	-0.72	0.07	0.01	1.78	1.92	1.63	3.02	11.42
2009	2.92	0.93	4.06	8.50	6.95	0.30	1.37	2.50	2.30	1.08 ³	0.97	2.03	39.27
2008				0.97	3.21	1.74	1.36	0.99	-7.95	-13.16	-7.60	0.36	-19.56

	1 Month	3 Months	6 Months	YTD	1 Year	2 years ⁴	3 years ⁴	5 years ⁴	Inception ⁵
	-0.90	0.53	1.58	-0.90	-0.86	1.24	-0.34	8.84	4.10

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

³ Commencing October 2009, Class A and Class F were changed to Class A-I and Class F-I in order to have the same management Fee of 2.00%. Prior to October 2009, the Class A had a management Fee of 2.75%.

⁴ Returns for periods greater than one year are annualized.

⁵ 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 (Based on Class F-I)



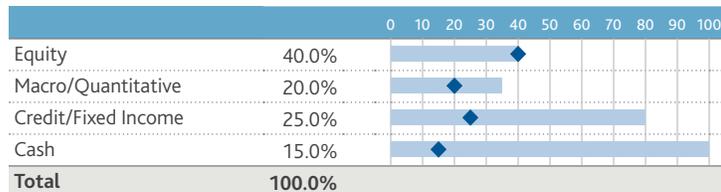
Risk/Return Analysis² (Based on Class F-I)

Net annualized return since inception	4.10
Annualized standard deviation	9.58
Annualized Sharpe ratio (1.08%)	0.32
Best monthly return	8.50
Worst monthly return	-13.16
Percentage of months with positive performance	65.71
Average return when market is up ⁶	1.08
Average return when market is down ⁶	-1.51
Worst drawdown	-26.14

⁶ 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



Fund Commentary

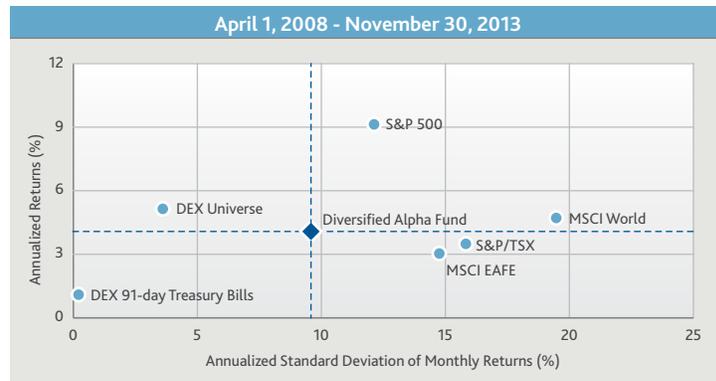
The Diversified Alpha Fund¹ experienced a negative risk adjusted return in January, down 0.90%, net of fees and expenses.

Following the “Taper” news in December, which prompted risk markets worldwide to rally, January started the year with a whimper. All looked fine as we closed out 2013, with the Fed signalling a controlled reduction in monetary stimulus, seemingly on the back of a U.S. (and in fact global) economy that appeared ready to sustain low, but steady growth. While the eurozone is indeed out of the “acute phase” of the past several years and growth is returning across the Western world, questions are surfacing about what effect the reduced liquidity will have on emerging markets. At the very least, 2014 will be a volatile year for emerging markets as the Fed continues to taper. It was this message that sent risk markets on their ear through January as emerging markets and currencies got hammered.

The World Economic Forum in Davos, Switzerland took place this past month. Timing of the event coincided with the sell-off in emerging market risk assets, which took developed markets down along the way. The Nikkei 225 sold off almost 8% and the S&P 500 was down over 4% as capital rushed to the safety of bonds (the U.S. 30 year was up 4% and the U.S. 10 year was up over 2%). Some in Davos expressed concern that the recent enthusiasm for emerging markets might be over extended or, at the very least, needed a pause for a reality check. To make matters worse, China’s growth looks like it is slowing.

The Bernanke era came to an end in January, with the torch officially now passed to Janet Yellen. Policy from the Fed remains clear and the Taper will continue directionally, with this month’s taper amounting to another \$10B.

Stronger performance, lower relative volatility²



This leaves monthly Quantitative Easing now at \$65B. Risk assets will absorb this ongoing policy with the same level of neurotic behaviour as they have over the last several years i.e. with debate and volatility. This month’s safe-haven and asset of choice was clearly bonds.

We were positioned with a risk-on bias to start the month, reducing that exposure through hedges as the month progressed. While in previous months our maximum equity weighting in the Alpha Fund approached 40%, net of hedges that number was reduced through the month as our defensive posture increased.

In spite of recent weakness, both our medium term fundamental and quantitative models continue to favour equities over other asset classes. Heading into 2014, the models that most concerned us were sentiment models that showed excessive enthusiasm towards equities from all classes of investors. Therefore, while we were unable to predict the timing of a correction, we were not surprised by it. That being said as long as inflation remains low, Central Banks will continue to have the tools necessary to at least temporarily prop up economies and markets.

We have stated in previous months that sources of low-risk alpha-generating return are scarce, but our search continues. Over the long run, focusing on capital preservation and volatility management will keep investors in good shape. Patience is difficult, but often rewarded. We remain liquid and focused on remaining true to the Fund’s key priorities.

¹ This refers to Class F-1

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

The information and opinion herein are provided for informational purposes only and are subject to change. The information provided herein does not constitute investment advice and it should not be relied on as such. It should not be considered a solicitation to buy or an offer to sell a security. It does not take into account any investor’s particular investment objectives, strategies, tax status or investment horizon. There is no representation or warranty as to the current accuracy of, nor liability for, decisions based on such information. Past performance is no guarantee of future results. Information pertaining to Fiera Quantum funds is not to be construed as a public offering of securities in any jurisdictions of Canada. The offering of units of Fiera Quantum funds are offered on a private placement basis pursuant to an offering memorandum and only to those investors in jurisdictions of Canada who meet certain eligibility or minimum purchase requirements. Important information about Fiera Quantum funds, including a statement of the fund’s investment objective and strategies, is contained in its offering memorandum, a copy of which may be obtained from Fiera Quantum Limited Partnership. Unit values and investment returns will fluctuate. Please read the offering memorandum of the funds before investing. All performance data assume reinvestment of all distributions or dividends and do not take into account other charges or income taxes payable by any unitholder that would have reduced returns. Fiera Quantum funds are not guaranteed, their values change frequently and past performance may not be repeated. Views expressed regarding a particular company, security, industry or market sector should not be considered an indication of trading intent of any funds managed by Fiera Quantum Limited Partnership.

Canadian ABCP Fund LP



JANUARY 2014

Strategy Description

Absolute return approach dedicated to investing solely in securities from the Master Asset Vehicles ("MAV") that were created after the restructuring of the non-bank sponsored Canadian ABCP market in 2008. The strategy aims to capitalize on the attractive risk/return potential of this unique, liquid, diversified, deep-value investment opportunity.

Portfolio Manager

Fiera Quantum Limited Partnership

Fund Details

	Trust ¹	LP
Fund Codes	FQL300	FQL200
Management Fee	1.50%	1.00%
RSP Eligibility	Yes	No
Minimum Investment	\$10,000	\$50,000
Distributions	Quarterly	
Assets under management ²	\$161.9 M	
Performance Fee	10%	
Hurdle Rate	6%	
High Water Mark	Yes	
Trustee of Trust	Natcan Trust Company	
Administrator	Commonwealth Fund Services Ltd.	
Prime Broker	TD Securities Inc.	
Auditor	Deloitte & Touche LLP	
Liquidity	Monthly 60 day notice required	

¹ The Canadian ABCP Investment Fund is a feeder fund in the Canadian ABCP Fund LP.

² Assets Under Management is the sum of all Classes of the Fund as at previous month-end

Investment Highlights

- > Appealing Internal Rate of Return over the life of the ABCP Fund.
- > MAV notes trade at a discount to fair value.
- > Tax advantaged returns, as they are expected to be mainly capital gains due to the discount to par.
- > The floating rate coupon minimizes the risk of rising interest rates, which exists with fixed rate longer dated bonds.

Performance net of all fees (ABCP LP-Benchmark Series) (%)

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Year/YTD
2014	0.04 ³												0.04 ³
2013	2.94	0.60	0.50	0.20	2.66	-0.52	-0.57	0.00	0.48	0.82	0.16	1.07	8.59
2012	2.60	3.01	4.93	0.62	-0.56	1.00	2.77	1.77	2.06	0.68	1.13	1.77	23.96
2011	6.53	4.56	-0.36	3.16	2.32	-0.87	0.46	-3.82	-3.88	4.55	-2.23	-0.40	9.81
2010											1.88	2.61	4.54

1 Month	3 Months	6 Months	YTD	1 Year	2 Years ⁴	3 Years ⁴	5 Years ⁴	Inception ⁴
0.04	1.27	2.59	0.04	5.52	14.56	11.55		14.34

³ Performance figure for the month of January is preliminary and is subject to further confirmation by the portfolio manager.

⁴ Returns for periods greater than one year are annualized.

Growth of \$10,000³



Risk/Return Analysis³

Net annualized return since inception	14.34
Annualized standard deviation	7.35
Annualized Sharpe ratio (1.00%)	1.82
Best monthly return	6.53
Worst monthly return	-3.88
Percentage of months with positive performance	76.92
Average return when market is up	1.79
Average return when market is down	-1.35
Worst drawdown	-7.93

Canadian ABCP Fund LP

Fund Commentary

For the month of January, the Canadian ABCP Fund LP (the "Fund") returned 0.04% (preliminary), net of fees and expenses. As a result, the Fund's return since inception is 54.59%.

The results of the first unwind auction were released in December with the targeted amount of C\$1.5 billion being successfully sold. The ABCP strip¹ traded at a weighted price of 91.37 compared to a fair value of 94.58 (after the expenses of the unwind process). Based on the market reaction, there was clearly more demand than product auctioned. Notwithstanding the sell-off in risk assets experienced in January, the price for the ABCP MAV Notes remained stable. As such, holders of the MAV Notes were happy to maintain their positions and await the second auction which is scheduled for February 11, 2014. The maximum eligible amount for the February auction was recently increased to C\$3 billion.

Based on our analysis, we continue to anticipate that that the structure will mature in December 2016 with no losses incurred to the ABCP strip.

1. The ABCP strip consists of 53% A-1 notes, 37% A-2 notes, 7% B notes and 3% C notes. Losses accrue to the C notes first and A-1 notes last. Accordingly, the C notes are the most risky in the structure and the A-1 notes the least risky.

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



The information and opinion herein are provided for informational purposes only and are subject to change. The information provided herein does not constitute investment advice and it should not be relied on as such. It should not be considered a solicitation to buy or an offer to sell a security. It does not take into account any investor's particular investment objectives, strategies, tax status or investment horizon. There is no representation or warranty as to the current accuracy of, nor liability for, decisions based on such information. Past performance is no guarantee of future results. Information pertaining to Fiera Quantum funds is not to be construed as a public offering of securities in any jurisdictions of Canada. The offering of units of Fiera Quantum funds are offered on a private placement basis pursuant to an offering memorandum and only to those investors in jurisdictions of Canada who meet certain eligibility or minimum purchase requirements. Important information about Fiera Quantum funds, including a statement of the fund's investment objective and strategies, is contained in its offering memorandum, a copy of which may be obtained from Fiera Quantum Limited Partnership. Unit values and investment returns will fluctuate. Please read the offering memorandum of the funds before investing. All performance data assume reinvestment of all distributions or dividends and do not take into account other charges or income taxes payable by any unitholder that would have reduced returns. Fiera Quantum funds are not guaranteed, their values change frequently and past performance may not be repeated. Views expressed regarding a particular company, security, industry or market sector should not be considered an indication of trading intent of any funds managed by Fiera Quantum Limited Partnership.