

# CALDWELL CANADIAN VALUE MOMENTUM FUND ("CCVMF")



October 31, 2016

## About Caldwell

We are a 100% employee controlled firm that has been providing investment solutions to individual and institutional clients for over 35 years.

### Investment Strategy

The CCVMF uses a proprietary, quantitative model to screen the Canadian market for stocks that are undergoing a positive re-rating by the market. The model uncovers these stocks by combining the disciplines of value and momentum to create an investing style we coined MARP, "Momentum at a Reasonable Price." The MARP model combines screening and ranking methodologies on a custom set of quantitative factors to produce a list of strict buy and sell decisions. These are further vetted by our portfolio management team through a fundamental research overlay in order to prevent unwanted risks in the portfolio. The result is a portfolio that owns 15-20 of the most timely stocks in Canada. The Fund has demonstrated the potential for superior investment results with reduced risk. Companies uncovered by the MARP model are undergoing a positive fundamental change driven by company or industry-specific events. These are often independent of factors driving the overall market, which has allowed the Fund to demonstrate low correlation with market moves. In particular, the Fund has shown a strong ability to produce favorable results in down markets.

### Reasons to Own

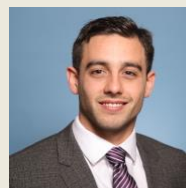
1. Our exclusive screening process identifies companies that are creating significant value for investors.
2. Our portfolio of 15-20 stocks means our clients' money is focused on owning the best opportunities the market has to offer (no closet indexing here).
3. The Fund has a tendency to perform better when markets decline.
4. The Fund ranks in the top percentile in the Morningstar Canadian Equity category for the 5-year return ended August 2016.
5. A 5 year track record speaks to a successful history of decision making and a proven and repeatable investment process.

## PORTFOLIO MANAGERS



Jennifer Radman, CFA  
Lead Portfolio Manager

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Portfolio Manager

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For more information, visit our website at  
[www.caldwellinvestment.com](http://www.caldwellinvestment.com)

## MONTHLY FUND PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2011</b>								-0.2%	-5.5%	-0.1%	3.6%	-1.9%	-4.2%
<b>2012</b>	2.6%	7.1%	-0.7%	0.3%	-6.8%	0.0%	3.1%	1.9%	4.2%	0.6%	0.7%	2.4%	15.8%
<b>2013</b>	5.7%	0.6%	2.6%	0.7%	0.3%	-1.2%	3.7%	1.8%	2.0%	4.4%	4.6%	0.2%	28.3%
<b>2014</b>	-0.4%	5.4%	-0.1%	3.0%	2.3%	1.1%	-1.6%	-0.6%	-6.4%	-2.6%	-0.9%	-0.2%	-1.6%
<b>2015</b>	-0.3%	3.6%	1.2%	0.1%	3.0%	-2.6%	3.0%	-5.2%	-0.5%	1.5%	4.5%	-0.4%	7.8%
<b>2016</b>	-4.4%	1.8%	8.1%	-0.5%	3.8%	-0.5%	3.1%	3.9%	1.4%	-0.1%			17.4%

## COMPARATIVE PERFORMANCE

	CCVMF	Benchmark <sup>1</sup>	Net Difference
1 Month	-0.1%	0.6%	-0.7%
3 Month	5.2%	2.1%	3.1%
Year to Date	17.4%	16.5%	0.8%
1 year	22.1%	12.7%	9.4%
3 year	9.3%	6.6%	2.7%
5 year	13.5%	7.0%	6.5%
Since Inception <sup>2</sup>	11.6%	6.1%	5.4%

(1) Results are calculated monthly by the administrator, SGGG Inc. Results are net of fees.

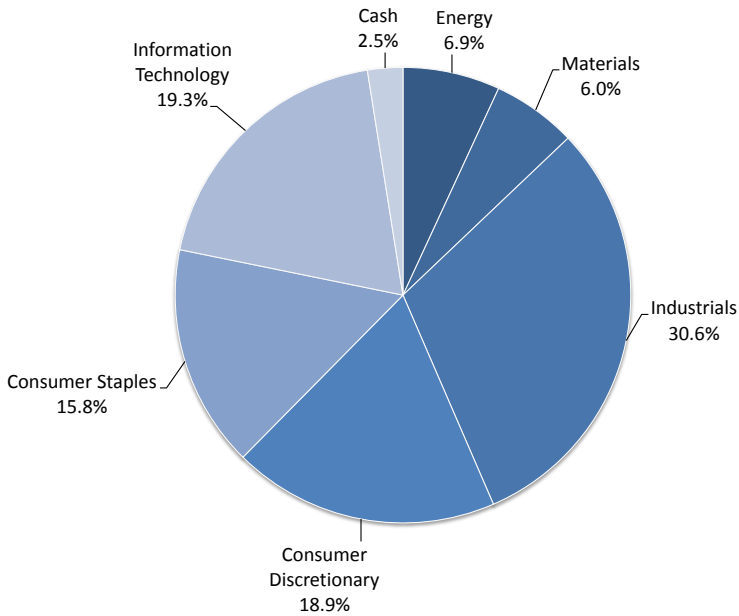
(2) Results are annualized from August 15, 2011.

(3) Benchmark: S&P/TSX Composite Total Return Index

## PERFORMANCE PERFORMANCE

Statistic	Description	CCVMF	Benchmark
Alpha	Risk adjusted return over benchmark (higher is better)	7.1%	-
Sharpe Ratio	Performance relative to risk (higher is better)	1.07	0.60
Sortino Ratio	Performance relative to downside risk (higher is better)	0.52	0.25
Maximum Drawdown	Largest decline from peak to trough (less is better)	-10.9%	-8.2%
Up Capture Ratio	% of upside market participation (higher is better)	90.9%	100.0%
Down Capture Ratio	% of downside market participation (lower is better)	34.9%	100.0%
Standard Deviation	Volatility of returns (lower is better)	10.3%	9.4%
Beta	Volatility relative to the TSX Composite	0.71	1.00

## SECTOR WEIGHTS



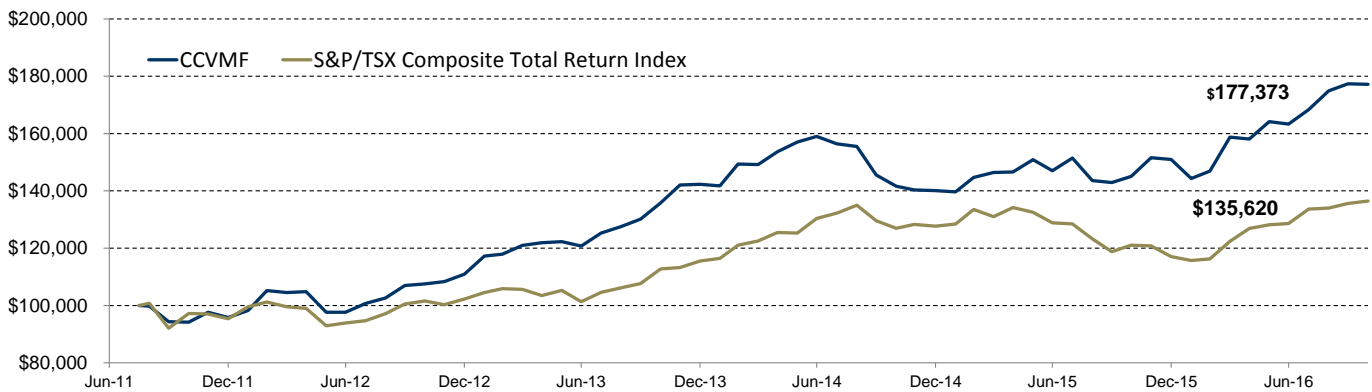
## TOP HOLDINGS

New Flyer	7.2%
CGI Group	7.1%
ZCL Composites	6.9%
IBI Group	6.9%
Imvescor Restaurant Group	6.8%
Hardwoods Distribution	6.5%
Premium Brands	6.3%
Calian Group	6.2%

## FUND HOLDINGS ATTRIBUTES

	CCVMF	Benchmark
Market Float	2.13	38.55
Debt/Equity	0.7	0.6
Forward P/E	13.7x	15.9x
Price/Cash Flow	10.8x	8.8x
Dividend Yield	1.8%	2.8%
Return on Equity	23.1%	11.8%

## GROWTH OF \$100,000 SINCE INCEPTION (NET OF ALL FEES)



## FUND INFORMATION

### Accredited Investors Only

Minimum Investment	\$50,000	RRSP Eligible	Yes
Management Fee	1.5% (Includes Brokerage)	Launch Date	August 15, 2011
Performance Fee	20% on amount over hurdle	Prime Broker	Caldwell Securities Ltd.
Valuation	Monthly	Auditor	Deloitte & Touche LLP
Lock-up Period	None	Legal Counsel	McCarthy Tetrault LLP
Redemption Terms	Monthly	Administrator	SGGG Fund Services Inc.
Benchmark	TSX Composite Total Return Index	Fundserve Code	CWF 700/701/702/703
Hurdle	TSX Composite + 1%		

The Fund is available on a private placement basis only to residents of Canada who are qualified "accredited investors" as defined under National Instrument 45-106 Prospectus Exemptions and who are resident in Canada. This material is for information purposes only and does not constitute an offering memorandum or an offer or solicitation in any jurisdiction in which an offer or solicitation is not authorized.

Please read the Fund's Offering Memorandum before investing. Prospective investors should rely solely on the Offering Memorandum which outlines the risk factors in making a decision to invest.

The indicated rates of return are historical annual compounded total returns net of fees and expenses paid by the Fund, including changes in unit value and reinvestment of all distributions, but do not take into account sales charges or income taxes payable by any securityholder that would have reduced returns. Investments in the Fund are not guaranteed, their values change frequently and past performance may not be repeated. Investment losses do and may occur, and investors could lose some or all of their investment in the Fund.

The information herein does not consider the specific investment objectives, financial situation or particular needs of any prospective investor. No assurance can be given that the Fund's investment objective will be achieved or that investors will meet their investment goals. Prospective investors should consult their appropriate advisors prior to investing.

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