



**LIONGUARD MARKET NEUTRAL STRATEGY**

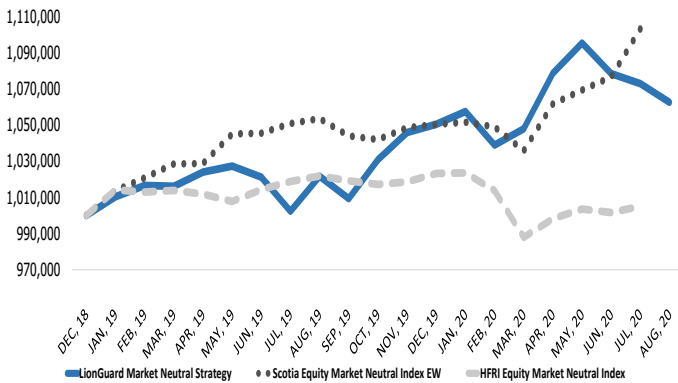
**STRATEGY DESCRIPTION**

The strategy has the objective to achieve positive absolute returns through disciplined investing across North American equities. The strategy invests on a market neutral basis and intends to achieve positive upside market capture and negative downside market capture.

**WHY INVEST IN THIS STRATEGY**

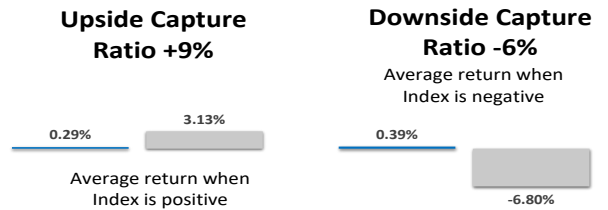
- Positive absolute returns
- Disciplined investment process
- Negative downside capture ratio

**GROWTH OF CAPITAL SINCE INCEPTION**

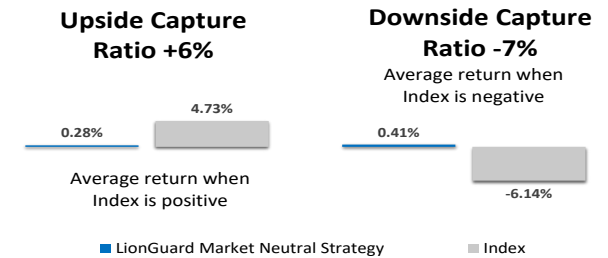


**UPSIDE VS DOWNSIDE MARKET CAPTURE**

**Versus S&P/TSX**



**Versus Wilshire 5000**



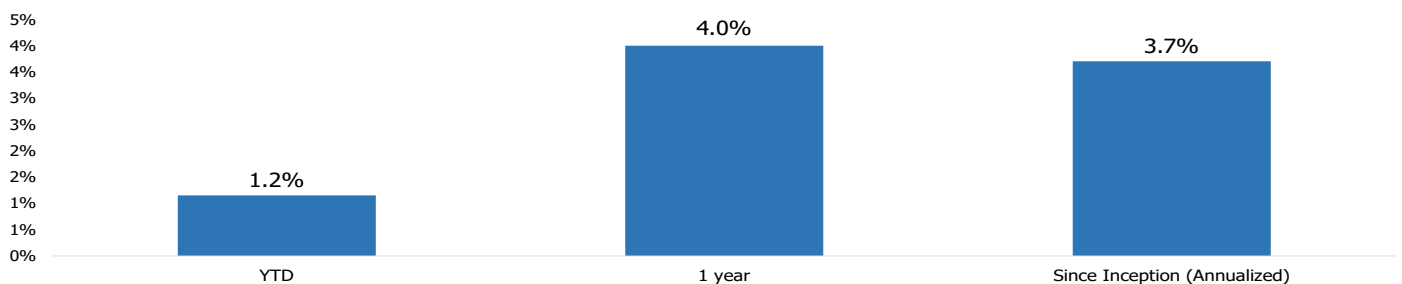
**CORRELATIONS**

DEX UNIVERSE INDEX	S&P U.S. AGGREGATE TR BOND	S&P U.S. HY CORP BOND	S&P/TSX TR	S&P 500	MSCI WORLD	GOLD	DJ COMMODITY INDEX TR
0.30	0.16	0.10	0.21	0.23	0.20	0.22	-0.17

**STRATEGY PERFORMANCE NET OF FEES**

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2020	0.67%	-1.75%	0.87%	2.93%	1.55%	-1.54%	-0.51%	-0.96%					1.15%
2019	1.03%	0.62%	-0.05%	0.78%	0.32%	-0.59%	-1.85%	1.93%	-1.21%	2.13%	1.46%	0.44%	5.04%

**ANNUALIZED PERFORMANCE NET OF FEES**



**STATISTICS SINCE INCEPTION**

Annualized Alpha vs Scotia Equity Market Neutral Index	-1.86%	Sharpe ratio	0.82
Annualized Alpha vs HFRI Equity Market Neutral Index	4.22%	Positive months	60%
Beta vs S&P/TSX Total Return Index	0.05	Largest drawdown	-2.99%
Beta vs Wilshire 5000 Index	0.05	Average net long	1%



## LIONGUARD MARKET NEUTRAL STRATEGY

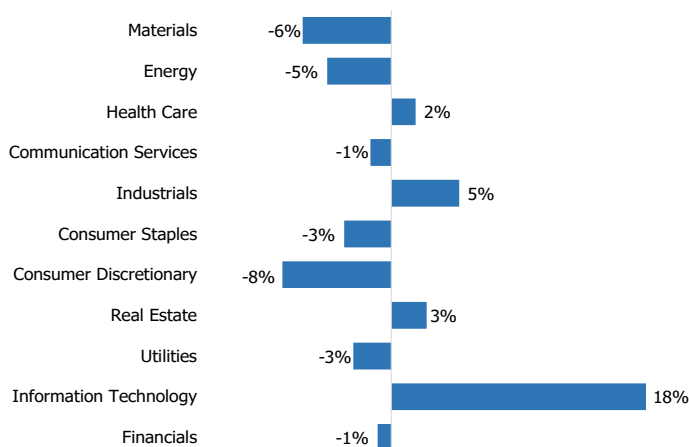
### STRATEGY SNAPSHOT

Total positions	64
Long/short positions	34 / 30
Canada/US gross allocation	47% / 53%
Long allocation	62%
Short allocation	62%
Net long	0%
Cash levels	38%

### LATEST QUARTER COMMENTARY

During Q2/2020, we have seen one of the fastest comebacks for the North American stock market indices. For that, market participants must thank, above all, the Federal Reserve. Without swift and unprecedented action, more “normal” economic forces would have taken place. Recently we have seen increasing number of mainly larger-cap companies trading notably above their fundamental values on the back of positive fund flow dynamics. With record number of personal investment accounts opened over the last 2-3 months, there has been an influx of “trigger-happy capital” into the market. In addition, with so much institutional capital managed without reliance on companies’ fundamentals, it is warranted to see increasing cases of market inefficiencies.

### NET LONG SECTOR ALLOCATION



### MARKET NEUTRAL STRATEGY

#### LONG POSITIONS

On the long side we invest in companies that demonstrate high quality characteristics, fall within our circle of competence and sell at a discount to intrinsic value.



On the short side we look for companies that exhibit traits of systematic under performance and which provide excellent risk management characteristics at the same time.

#### SHORT POSITIONS

### DETAILS

Lockup	None
Subscription / redemption	Monthly
Qualification	Accredited investors

Fund currency	Canadian dollars
Fees (Institutional)	1% or 20% of profits
High water mark	Yes, perpetual no resets

### ABOUT LIONGUARD CAPITAL MANAGEMENT

LionGuard Capital Management Inc. (“LionGuard”) is a Montréal-based investment management company incorporated under the laws of Canada and registered in the Province of Quebec with the Autorité des Marchés Financiers (AMF), as Portfolio Manager, Investment Fund Manager and Exempt Market Dealer. LionGuard manages assets for institutional investors, endowments, foundations, family offices, fund of funds, investment advisors and select high net worth individuals.

### INVESTMENT TEAM

Andrey Omelchak, CFA, CIM, FRM, MSc, Portfolio Manager  
 Jordan Steiner, CFA, Portfolio Manager  
 Jay Tan, CFA, Investment Officer  
 Colin Lebeau-Mathieu, CFA, Senior Investment Analyst  
 Karim Meneim, Senior Investment Analyst & Risk Manager

### CONTACT INFORMATION

**Pierre Czyzowicz, MBA, CFA, CAIA**  
 Managing Director, Head of Distribution  
 pierrec@lionguardcapital.com  
 514-380-5788

**Andrey Omelchak, CFA, CIM, FRM, MSc**  
 President, CEO and Chief Investment Officer  
 aomelchak@lionguardcapital.com  
 514-448-6441

**LionGuard Capital Management Inc.**  
 1010 Sherbrooke Street W., Suite 2350  
 Montréal, QC, CANADA H3A 2R7  
 info@lionguardcapital.com  
 +1 (844) 448-6442

[WWW.LIONGUARDCAPITAL.COM](http://WWW.LIONGUARDCAPITAL.COM)

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