

## INDEX FACTSHEET

March 31, 2026

### Objective

Establish an appropriate and representative baseline for measuring the performance of the liquid alternative strategies in Canada.

### Key Features

- Designed to measure the performance of the liquid alternative universe that is increasingly popular, but difficult to track
- Constituents comprised of NI 81-102 alternative mutual funds
- Consists of 1) an overall index, 2) seven strategy-based indices, and 3) three goal-based indices

### Weighting

Equal weighted

### Rebalance Frequency

Quarterly  
(Mar, Jun, Sep, and Dec)

### Re-constitution Frequency

Semi-annual - Jun and Dec

### AUM Requirement

Inclusion: >C\$20 million  
Maintenance: >C\$10 million

### Base Value

Rebased to 100 on Jun 30, 2019

### Number of Constituents

35

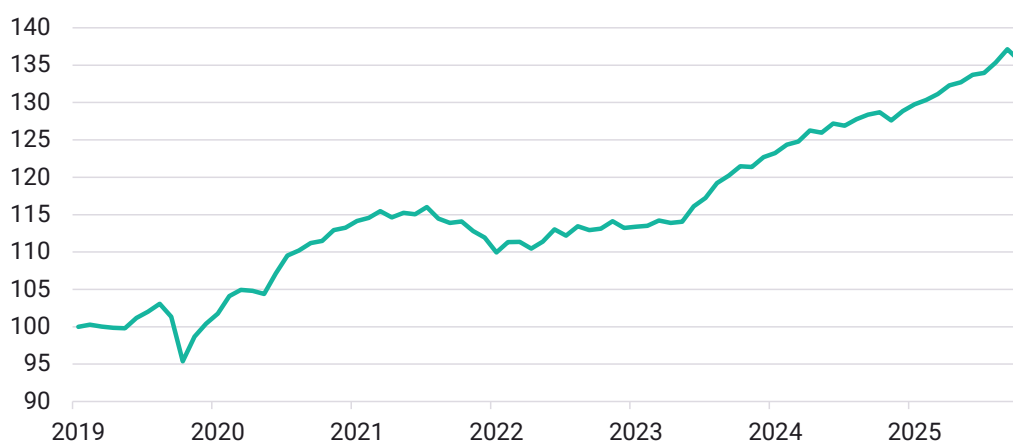
## 2ND ENGINE LIQUID ALTERNATIVE 35 INDEX

### Index Overview

The 2ND ENGINE Liquid Alternative 35 Index serves as an aggregate benchmark, encompassing the top 35 Canadian liquid alternative funds by AUM. This index represents a diverse set of strategies, providing a comprehensive view of the overall market performance.

### Cumulative Performance - Net Returns (CAD)

(Jun 30, 2019 - Mar 31, 2026)



### Index Performance (%)

	1M	3M	YTD	1Y	3Y	5Y	Since 06/30/19
2ND ENGINE Liquid Alternative 35 Index	-1.1	1.3	1.3	5.4	6.2	4.0	4.6
S&P/TSX Composite Index	-4.3	3.9	3.9	34.8	21.2	15.2	14.2
ICE BofA Canada Broad Market Index	-2.0	0.3	0.3	0.7	3.4	0.7	1.0

### Index Risk and Return Characteristics

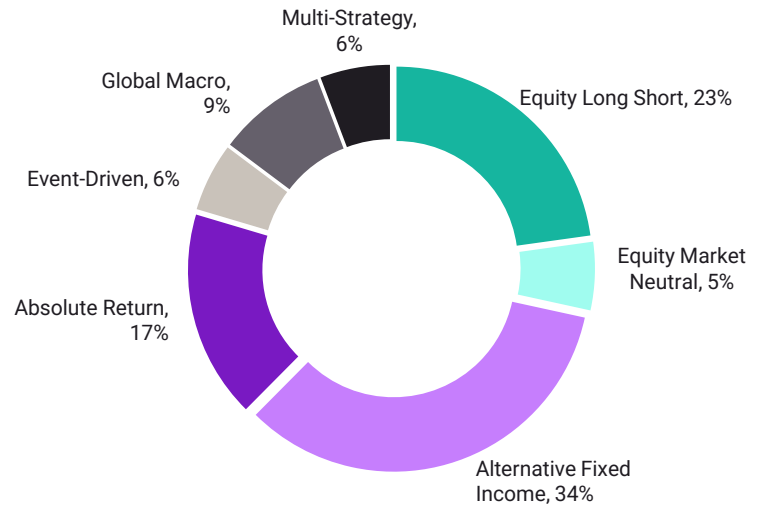
	Annualized Standard Deviation (%)			Sharpe Ratio			Maximum Drawdown	
	3Y	5Y	Since 06/30/19	3Y	5Y	Since 06/30/19	%	Period
2ND ENGINE Liquid Alternative 35 Index	2.3	2.7	4.0	1.01	-0.37	0.54	-7.5	Jan 2020 - Mar 2020
S&P/TSX Composite Index	11.5	12.5	14.6	1.50	0.82	0.80	-22.3	Jan 2020 - Mar 2020
ICE BofA Canada Broad Market Index	5.1	5.8	5.8	-0.12	-0.75	-0.26	-15.6	Jul 2020 - Sep 2023

## Correlation (06/30/2019 - 03/31/2026)

	2ND ENGINE Liquid Alternative 35 Index	ICE BofA Canada Broad Market Index	S&P/TSX Composite Index
<b>2ND ENGINE Liquid Alternative 35 Index</b>	1.00	–	–
<b>ICE BofA Canada Broad Market Index</b>	0.55	1.00	–
<b>S&amp;P/TSX Composite Index</b>	0.86	0.54	1.00

The table above aims to show the correlation coefficient of the 2ND ENGINE Liquid Alternative 35 Index with broad Canadian equity and fixed income markets.

## Strategy Weights



## Index AUM Characteristics (C\$ million)

Total	Mean	Median	Largest	Smallest
34,527	986	713	3,245	182

## Family of 2ND ENGINE Liquid Alternative Indices

### 2ND ENGINE LIQUID ALTERNATIVE 35 INDEX

#### STRATEGY-BASED

##### EQUITY

2ND ENGINE  
**Equity Long Short Index**

2ND ENGINE  
**Equity Market Neutral Index**

##### BOND

2ND ENGINE  
**Alternative Fixed Income Index**

##### MULTI-STRATEGY

2ND ENGINE  
**Multi-Strategy Index**

2ND ENGINE  
**Absolute Return Index**

##### SPECIALTY

2ND ENGINE  
**Event-Driven Index**

2ND ENGINE  
**Global Macro Index**

#### GOAL-BASED

2ND ENGINE  
**Equity Enhancer 10 Index**

2ND ENGINE  
**Fixed Income Enhancer 10 Index**

2ND ENGINE  
**Diversifier 10 Index**

**Disclosure**

For further information, please email [inquiry@secondengine.com](mailto:inquiry@secondengine.com).

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