

Hedge Fund

UPDATE AS AT SEPTEMBER 30, 2016

FUND MANAGER
Frank Mersch


The Front Street Hedge Fund seeks to provide long-term capital growth by investing primarily in Canadian and U.S. equities, and may focus its assets in specific industry sectors and asset classes based on analysis of business cycles, industry sectors and market outlook. The fund will seek growth through strategic selection and trading of long and short positions in equity, debt and derivative securities.

FUND DETAILS

FUND STATUS

Open

INCEPTION DATE

August 18, 1999

AUDITORS

Deloitte & Touche, LLP

CUSTODIAN/PRIME BROKER

NBCN Inc.

CURRENCY

CAD

FUND ASSETS (CAD)

\$111.1m

MANAGEMENT FEE

Series B: 2.0%

Series F: 1.0%

PERFORMANCE FEE

20% of net profits (where annual rate of return > 6% and year-end NAV higher than previous years)

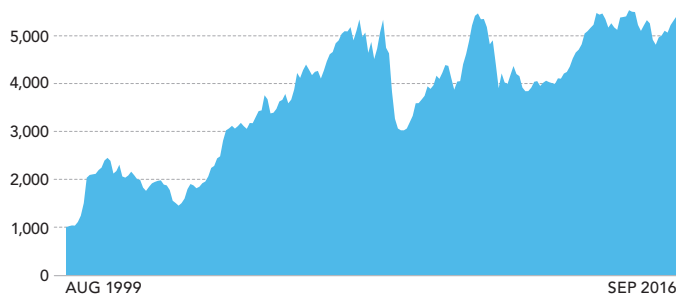
RETURN HIGHLIGHTS

Compound Annual Return	10.33%
Average Monthly Return	0.96%
Highest Monthly Return	35.25%
Lowest Monthly Return	-17.30%
Total Positive/Negative Months	131/75

STATISTICAL ANALYSIS

Percentage of Months Beat Benchmark When Positive	49%
Percentage of Months Beat Benchmark When Negative	55%
Annual Standard Deviation	18.72%
Sharpe Ratio (0.5%)	0.59
Sortino Ratio (MAR=0%)	1.03

VALUE ADDED MONTHLY INDEX (\$)



Value of \$1,000 investment from inception

FUND RETURNS vs. BENCHMARKS (%)

	1 MO	YTD	1 YR	3 YR	5 YR	10 YR	SI ¹
FRONT STREET HEDGE FUND	1.69	2.78	5.97	7.47	6.73	2.79	10.33
S&P/TSX	1.22	15.83	14.21	8.00	8.05	5.29	6.91

¹ Since Inception. Benchmarks are quoted in Total Returns. All returns are Compound Annual Growth Returns (CAGR).

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MONTHLY PERFORMANCE (%) NET OF FEES

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL/YTD
2016	-6.52	-2.13	3.18	0.85	1.94	-0.76	3.07	1.81	1.69				2.78
2015	-0.98	5.03	0.20	0.25	2.38	-0.57	-0.12	-4.88	-2.41	2.29	2.07	-1.24	1.66
2014	2.36	4.68	1.01	1.36	1.23	4.70	-0.63	0.43	-2.12	-3.32	1.74	-1.67	9.86
2013	1.08	-0.72	-0.51	-0.40	2.91	-0.18	2.60	0.79	2.63	3.92	2.74%	1.28	17.23
2012	4.79	4.36	-3.85	-1.05	-5.71	-1.97	0.05	1.90	3.13	0.34	-2.51	1.68	0.58
2011	3.89	0.94	-2.24	0.12	-3.14	-6.98	1.74	-9.90	-11.66	7.92	-4.45	-0.79	-23.40
2010	-1.59	3.15	3.79	-0.41	-5.82	-5.90	4.39	0.23	8.72	4.75	5.91	6.68	25.18
2009	-0.05	1.30	4.30	4.19	7.87	0.09	2.07	2.12	5.30	-1.35	1.97	5.01	37.73
2008	-8.39	4.92	-7.35	4.88	7.23	5.08	-10.96	-2.46	-17.30	-14.74	-6.25	-1.23	-40.33
2007	1.01	3.91	1.24	2.78	1.11	-0.08	1.77	-5.36	4.03	4.70	-6.83	1.84	9.84
2006	8.89	-2.46	3.97	2.70	-2.43	-2.64	1.65	0.44	-3.73	4.04	4.54	3.32	18.99
2005	0.42	9.20	-2.24	-8.03	0.42	2.36	4.46	0.94	3.35	-5.15	2.14	5.79	13.19
2004	7.66	1.33	1.77	-1.85	1.69	2.19	-2.22	-1.75	4.01	-0.13	3.99	3.82	22.01
2003	5.90	-1.47	-3.20	1.71	4.01	1.82	5.47	8.63	1.87	6.93	1.72	13.22	56.37
2002	1.61	1.15	0.50	-4.49	-0.89	-5.13	-12.61	-3.11	-3.65	3.70	6.28	12.39	-6.26
2001	6.03	-10.58	-1.25	2.19	3.84	-3.39	-4.00	-0.58	-8.22	-3.77	4.75	3.99	-11.87
2000	21.20	35.25	2.86	0.58	0.51	3.72	2.39	6.61	2.27	-2.55	-11.13	2.51	75.22
1999								2.16	1.51	-0.38	7.35	11.93	24.13

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