



# Unconstrained Multi-Asset Fund

## Performance (in CAD)

Annualized	3 months	YTD	1 year	2 years	3 years	Since inception
Hexavest Fund	3.43%	3.43%	3.22%	1.33%	3.36%	4.25%
FTSE TMX 91-Day Canada T-Bills	0.40%	0.40%	1.47%	1.11%	0.90%	0.82%
<b>VALUE ADDED</b>	<b>3.03%</b>	<b>3.03%</b>	<b>1.75%</b>	<b>0.22%</b>	<b>2.46%</b>	<b>3.43%</b>

## Risk-Return Profile

Standard deviation (annualized volatility)	3.1%
Information ratio (since inception)	1.1

Up capture	18.6%	Best quarter	5.00%
Down capture	13.3%	Worst quarter	-2.04%

Note: Daily returns of the fund divided by the daily returns of the MSCI ACWI Index (hedged in CAD) during days of up-market and down-market, multiplied by 100.

## Positioning

### ASSET ALLOCATION

ASSET CLASS	MINIMUM	CURRENT WEIGHT	MAXIMUM	ANNUAL YIELD
EQUITIES	0%	29%	100%	4.7% (div.)
PREFERRED SHARES	0%	10%	25%	4.9% (div.)
FIXED INCOME	0%	20%	50%	3.6% (int.)
CASH	0%	36%	50%	--
PRECIOUS METALS & COMMODITIES	0%	5%	25%	--

### CURRENCY ALLOCATION

CURRENCY	MINIMUM	CURRENT WEIGHT	MAXIMUM
CAD	50%	94%	100%
USD	-25%	-5%	25%
BRL	-15%	2%	15%
JPY	-15%	2%	15%
EUR	-15%	5%	15%
SEK	-15%	3%	15%
AUD	-15%	-4%	15%
MXN	-15%	1%	15%
IDR	-15%	1%	15%

Unlike equity market investors, we don't see any signs of meaningful economic improvement. Moreover, markets are more expensive and we see renewed investor optimism. On these grounds, we have a cautious asset allocation with a high level of cash. We increased our allocation to fixed income during the quarter as the new dovish stance of central banks – in the midst of a 180 degree policy shift from the US Fed – could cap any future rise in interest rates. Furthermore, our cautious outlook continues to support an allocation to gold, which remained unchanged in the quarter.

## Market Outlook

MACROECONOMIC ENVIRONMENT	VALUATION	SENTIMENT
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We remain cautious with a limited exposure to equities. Most recent economic data are positive but do not substantiate the significant improvement currently being priced in by risky assets. We continue to favour stocks that provide us visibility and value as clouds continue to linger over the economic outlook. Opportunities to increase our equity allocation should occur in the coming months as investors digest what we believe will be a more pessimistic earnings growth outlook over the next 12-18 months.

# Unconstrained Multi-Asset Fund

## Summary

<b>Inception date</b>	June 30, 2015
<b>Benchmark</b>	FTSE TMX Canada 91-Day T-Bills
<b>AUM</b>	\$35,702,106
<b>Approach</b>	Top-down, fundamental and opportunistic
<b>Style</b>	Capital preservation, value bias, long-only
<b>Asset classes</b>	Equities, fixed income, precious metals, preferred shares, commodities, cash and currencies
<b>Target return</b>	Index + 4%
<b>Target volatility</b>	< 50% vs. MSCI ACWI (hedged in CAD)
<b>Number of holdings</b>	58
<b>Fund liquidity</b>	Monthly
<b>Objectives</b>	<ul style="list-style-type: none"> <li>- Strong risk-adjusted returns over full market cycles</li> <li>- Less than 50% of the volatility of the MSCI ACWI Index hedged in CAD</li> <li>- Global diversification</li> </ul>

## Investment Team

**Strategy Team**

<p><b>Vital Proulx, CFA</b> Co-CIO &amp; Chairman of the Board</p> <p><b>Emerging Markets</b></p> <p><b>Jean-Pierre Couture, M.Sc.</b> Chief Economist &amp; Portfolio Manager</p> <p><b>Jean-Benoit Leblanc, M.Sc., CFA</b> Portfolio Manager</p> <p><b>Jean-Christophe Lermusiaux, MBA</b> Portfolio Manager</p> <p><b>Europe</b></p> <p><b>Christian Crête, CFA</b> Vice President &amp; Portfolio Manager</p> <p><b>Marc C. Lavoie, CPA, CA, CFA</b> President &amp; Portfolio Manager</p> <p><b>Catherine Bilodeau</b> Analyst</p>	<p><b>Vincent Delisle, CFA</b> Co-CIO</p> <p><b>Quantitative Research</b></p> <p><b>Jean-François Bérubé, Ph.D.</b> Vice President, Quantitative Analysis &amp; IT</p> <p><b>Asia Pacific</b></p> <p><b>Etienne Durocher-Dumais, CFA</b> Portfolio Manager</p> <p><b>North America</b></p> <p><b>Kevin LeBlanc, CFA</b> Portfolio Manager</p> <p><b>Mathieu Roy, M.Sc., CFA</b> Portfolio Manager</p> <p><b>Multi-Region</b></p> <p><b>Julien Tousignant, M.Sc., CFA</b> Economist</p>
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\* Lead Portfolio Manager of the strategy

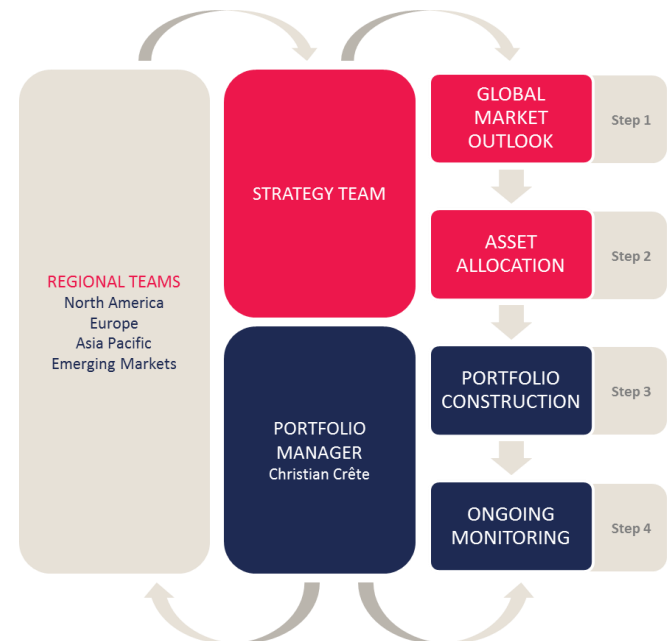
## Management Fees

Commingled vehicle		Separate accounts	
First \$10 million:	0.60%	First \$20 million:	0.70%
Next \$30 million:	0.50%	Next \$30 million:	0.60%
Next \$60 million:	0.40%	Next \$50 million:	0.50%
> \$100 million:	0.30%	Next \$100 million:	0.40%
		> \$200 million:	0.30%

## Contact Us

514-390-8484 or 1-855-HEXAVES  
 service@hexavest.com  
 hexavest.com

## Investment Process



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 The performance shown is that of the Hexavest Unconstrained Multi-Asset Fund managed by Hexavest. The inception date of the fund is June 30, 2015. Performance results are presented gross of management fees and net of administrative and trading fees. Returns for periods greater than 12 months are annualized. Past performance is not necessarily indicative of future performance. The information and opinions herein are provided for informational purposes only, and are subject to change based on market and other conditions. It should not be relied upon as the basis for your investment decisions. This document is not and should not be construed as a solicitation or offering of units of any fund or other security in any jurisdiction. No part of this document may be reproduced in any manner without the prior written permission of Hexavest Inc.