



Unconstrained Multi-Asset Fund

Performance (in CAD)

Annualized	3 months	YTD	1 year	2 years	3 years	Since inception
Hexavest Fund	1.47%	4.95%	4.45%	1.96%	2.41%	4.36%
FTSE TMX 91-Day Canada T-Bills	0.41%	0.81%	1.58%	1.28%	1.00%	0.87%
VALUE ADDED	1.06%	4.14%	2.87%	0.68%	1.41%	3.49%

Risk-Return Profile

Standard deviation (annualized volatility)	3.0%
Information ratio (since inception)	1.1

Up capture	18.5%	Best quarter	5.00%
Down capture	13.1%	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%	32%	100%	4.6% (div.)
PREFERRED SHARES	0%	11%	25%	5.8% (div.)
FIXED INCOME	0%	18%	50%	4.0% (int.)
CASH	0%	33%	50%	--
PRECIOUS METALS & COMMODITIES	0%	6%	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%	4%	15%
SEK	-15%	3%	15%
AUD	-15%	-3%	15%
MXN	-15%	1%	15%
IDR	-15%	1%	15%

After increasing our allocation to fixed income earlier this year, we reduced it slightly in the second quarter as the sharp drop in yields over the last few months suggests that financial markets discount important interest rate cuts by the US Federal Reserve. Expectations have likely swung too far which opens the door for a snap back in interest rates if the US central bank fails to deliver. The drop in interest rates weighed on preferred shares and we took advantage of the poor sentiment to increase our allocation. Our exposure to gold bullion is supported by our guarded outlook for financial markets and our expectation that the USD will weaken.

Market Outlook

MACROECONOMIC ENVIRONMENT	VALUATION	SENTIMENT
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We continue to have a guarded outlook, limiting our exposure to equities. The economic backdrop is not showing signs of improvement and the lack of visibility over the next few months means that a sustainable recovery is unlikely. We continue to favour stocks that provide visibility and value as clouds continue to linger over the economic outlook. Opportunities to deploy cash into other asset classes remain limited considering fixed income valuation.



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Summary

Inception date	June 30, 2015
Benchmark	FTSE TMX Canada 91-Day T-Bills
AUM	\$35,060,767
Approach	Top-down, fundamental and opportunistic
Style	Capital preservation, value bias, long-only
Asset classes	Equities, fixed income, precious metals, preferred shares, commodities, cash and currencies
Target return	Index + 4%
Target volatility	< 50% vs. MSCI ACWI (hedged in CAD)
Number of holdings	64
Fund liquidity	Monthly
Objectives	<ul style="list-style-type: none"> - Strong risk-adjusted returns over full market cycles - Less than 50% of the volatility of the MSCI ACWI Index hedged in CAD - Global diversification

Investment Team

Strategy Team

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

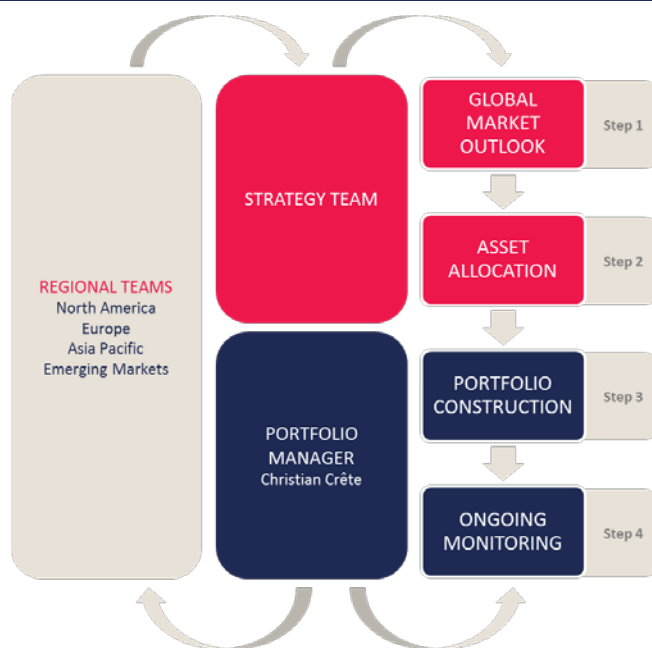
Management Fees

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

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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.