

Hedge Strategies Fund (USD)

Quarterly Report, Q3 2022
Issue 37



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|-----------------------|-----------|
| Sept Net Asset Value: | \$10.7417 |
| Assets: | \$10.25M |
| Inception: | Nov-11 |

PERFORMANCE as at Q3 2022

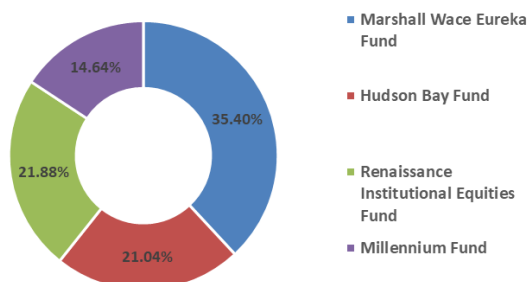
| | Fund | Benchmark* | S&P 500 |
|---------|--------|------------|---------|
| 1 Month | -0.71% | -0.61% | -7.78% |
| 3 Month | -1.11% | 0.73% | -3.65% |
| 1Yr | -0.25% | -5.96% | -15.33% |
| 3Yr | -0.29% | 3.66% | 7.51% |

*HFRI Fund of Funds Index

TOP HOLDINGS

| | |
|---|--------|
| MARSHALL WACE EUREKA FUND | 35.40% |
| RENAISSANCE INSTITUTIONAL EQUITIES FUND | 21.88% |
| HUDSON BAY FUND | 21.04% |
| MILLENNIUM FUND | 14.64% |

ALLOCATION



The Hedge Strategies Fund is a sub fund of the RF International Investment fund. Performance shown is for Series 1 shares, and the asset allocation is subject to change without notice and at the discretion of the investment manager, subject to the restrictions outlined in the fund's offering documents. Past performance doesn't guarantee future success.

Managing Downside Risk

The Fund had a strong Q3 relative to the global market. The Fund outperformed the benchmark by 5.71% over the 12 months ended September 30, 2022. Over the last three years the Fund underperformed versus the benchmark, but in early 2021 we restructure the portfolio and recent performance supports the changes made.

Over the 12 months ended September 2022 the Fund, the benchmark, and the S&P 500 returned -0.25%, -5.96%, and -15.33%, respectively. Managers have managed to beat benchmarks through active management, which helped them navigate the volatile market.

The forward direction for various stock, bond, commodity and currency markets during the fourth quarter (and beyond) seems to center around the future level and path of global inflation. The elements causing inflation to be at multi-decade highs are well known. The difficulty is figuring out the catalysts that will bring price pressures down without causing extensive economic harm.

The chart to the left shows the allocation of the Fund, which is invested in four funds. The allocation between these funds is nearly balanced, with Marshall Wace Eureka Fund making up the largest portion of the fund.

Global central banks are attempting to ease price pressures with aggressive monetary policy, and regime shifts like the one we are currently experiencing are typically accompanied by assets that are difficult to correctly price.

This fund is expected to allow investors to participate in equity market upside, while reducing downside risk.