

Alternative Strategies Fund (USD)

Quarterly Report, Q4 2021
Issue 37



Dec Net Asset Value:	\$10.6518
Assets:	\$5.677M
Inception:	Nov-11

PERFORMANCE

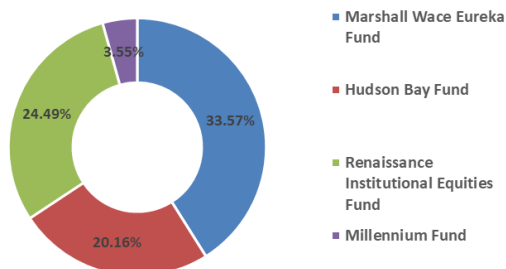
	Fund	Benchmark*
1 Month	-1.06%	0.76%
3 Month	-0.32%	0.79%
1Yr	6.01%	6.48%

* HFRF Fund of Funds Index

TOP FIVE HOLDINGS

MARSHALL WACE EUREKA FUND	33.57%
RENAISSANCE INSTITUTIONAL EQUITIES FUND	24.49%
HUDSON BAY FUND	20.16%
MILLENNIUM FUND	3.55%

ALLOCATION



The Alternative 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.

Alternatives Hold Their Ground

The Fund had a rough December and Q4 relative to the outperformance of the global market. The Fund underperformed the benchmark by 0.47% in 2021, but in 2021 we replaced two hedge fund managers, which we feel will improve performance going forward.

On average, equities hedge funds made gains of 12.3% in 2021, compared with 10% for peers more generally, according to data from industry tracker eVestment. .

Hedge funds returned 8.7% on average from January—November 2021, according to HFR. It represents the third consecutive year that the industry reported positive returns but still trail the S&P index, which returned 24% over the same period. Managers have lagged behind benchmarks as they tend to hold smaller positions in large tech companies such as Apple, Google and Tesla, which drove S&P higher.

The outlook is with increased volatility and market forces driving indexes down that active management, especially hedge funds stand to benefit .

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. Hudson Bay replaced Two Sigma in the third quarter and the Millennium Fund was added in the fourth quarter.

Inflation and increased covid cases remain potential headwinds that may derail forward momentum but if companies continue to report strong earnings the market should shove off the headwind of inflations and the delta variant.

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