NOVEMBER 2018

EHP Guardian International Fund

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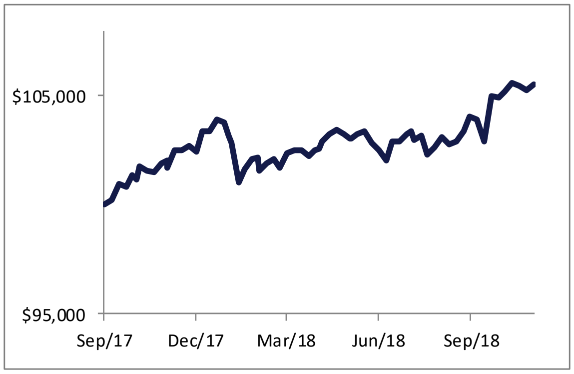
EHP Guardian International Fund

Returns (Class F units, net of all fees and expenses)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2018	0.7%	-1.0%	0.2%	0.2%	0.4%	-0.5%	0.8%	-0.2%	0.9%	1.0%	0.4%		3.0%
2017										1.2%	0.8%	0.4%	2.4%

Growth of $100,000 (weekly)



Risk/Reward Analysis

	Fund	MSCI EAFE
Annualized Return	4.7%	-1.7%
Annualized Std Deviation	2.1%	9.9%
Winning Months	79%	43%
Average Monthly Gain	0.6%	2.4%
Average Monthly Loss	-0.6%	-1.9%
Largest Drawdown	-1.0%	-7.0%
Sharpe Ratio	2.2	-0.2
Fund Correlation		26.1%
Fund Beta		0.05
Net Exposure	40%	
Gross Exposure	95%	

Compound Returns (%)

	1 Mo	3 Mo	6 Mo	1 Yr	Incep.
Fund	0.4%	2.3%	2.4%	3.5%	4.7%

Commentary

The EHP Guardian International Fund Class “F” units increased 0.4% for the month of November. Returns were muted across markets, with gains from shorts in Europe and the U.K., and losses from longs in Japan. In general, momentum strategies were weak again following a very tough October, while defensive, low volatility and dividend-paying stocks outperformed. Our Credit Momentum strategy provided positive returns as we rotated into the defensive 30-yr U.S. treasury for the first time during this market pullback. With high yield debt continuing to sell off, and with the pace of Fed hikes perhaps a little slower than previously expected, the longer-dated treasuries are finally starting to respond and move higher.

November was shaping up to be another challenging month for global equities with most markets re-testing their lows for the year, however comments from a seemingly more dovish Fed along with optimism on the trade front ignited a strong rally into month-end, pushing most indices into the green. As has been the case since the summer, leadership came from more defensive, dividend-paying stocks as investors further abandoned momentum stocks, best personified by the weakness in “FAANG” (and other overly expensive mega-cap stocks). This factor rotation has been global in nature, and most extreme in the U.S given growth stocks had been bid up to extreme valuations for the better part of the last two years, and therefore the most vulnerable. Whether this recent relative outperformance by value stocks has further legs, we will need to wait and see, however, after having lagged most other active approaches for an extended period, it is definitely long overdue for its time to shine. As managers that employ valuation as a core attribute for our holdings, we are encouraged by the return to an environment where investors once again recognize that what one pays for a stock matters - the type of backdrop that our funds are designed to do particularly well in.

It’s clear that the pace of global growth has slowed, highlighted by German and Japanese GDP posting negative Q3 numbers quarter over quarter, and with PMIs globally showing weakness. The big question is whether this is a growth “pause” made worse by the tariff trade-war that could quickly reverse itself, or whether it is the start of a more meaningful slowdown that ultimately leads to a recession. A strong US Dollar has hurt global equity markets and EM in particular, and rising rates have seen bonds sell off alongside stocks, making it a difficult market to navigate. While easy to jump on this downdraft, we need to remain cognizant that all is not dire and there are reasons to be optimistic, including; a more accommodating Fed, equity valuations which are back to their lowest levels since early ’16, and no obvious signs of a recession in the near term in the U.S. despite the slower pace of growth.

We exit the month positioned much as we began, with risk in the fund at the lower end of its targeted range. While recognizing that December has historically been one of the strongest months of the year for equities, we need to first get through the headwinds of tax loss selling, window dressing and likely repositioning for 2019. For now, rallies remain suspect as they have tended to be low quality and we’ve yet to see real buyers return to equities. Whether we remain defensively positioned will depend on where markets go from here, and as always, we respect our process and don’t attempt to call market tops or bottoms.

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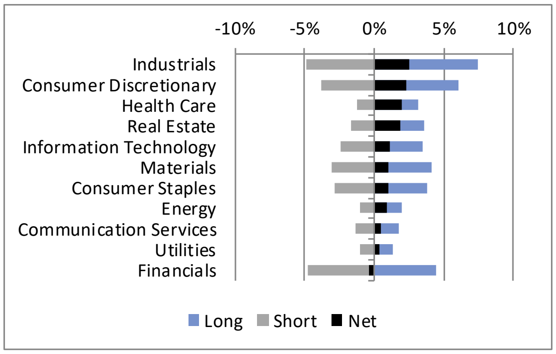
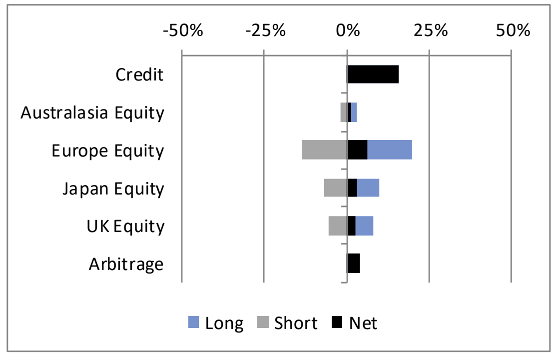
Fund Structure

Sector Allocations % of NAV



Capital Allocations % of NAV



Top 10 Equity Longs

Oesterreichische Post AG	0.5%
Koninklijke Ahold Delhaize NV	0.5%
Red Electrica Corp SA	0.4%
Austevoll Seafood ASA	0.4%
Christian Dior SE	0.4%
Warehouses De Pauw CVA	0.4%
Mycronic AB	0.4%
Logitech International SA	0.4%
Safran SA	0.4%
Leroy Seafood Group ASA	0.4%

Top 10 Equity Shorts

AP Moller - Maersk A/S	-0.7%
RWE AG	-0.3%
BillerudKorsnas AB	-0.3%
Attendo AB	-0.3%
Buzzi Unicem SpA	-0.2%
thyssenkrupp AG	-0.2%
Raiffeisen Bank International	-0.2%
Glanbia PLC	-0.2%
Elior Group SA	-0.2%
DIC Asset AG	-0.2%

Fund Information

The Fund constructs a long/short portfolio of International equities and income-producing securities by buying quality, high yielding, rising stocks and shorting overvalued, declining, volatile stocks. The Fund actively hedges equity and interest rate risk to preserve capital in declining markets or rising interest rate environments. The Fund emphasizes a disciplined process of stock selection, risk control and liquidity. The Fund targets annual returns of 6-8% net of all fees.

Portfolio Managers:	Jason Mann, Ian Fairbrother
Fund Structure:	Mutual Fund Trust
RSP Eligible:	Yes
Fee Structure:	A, UA: 2% Mgmt Fee, 20% Perf Fee F, UF: 1% Mgmt Fee, 20% Perf Fee
Subscription Amounts:	$25,000 Minimum
Subscriptions:	Weekly, Friday 4pm deadline
Redemptions:	Weekly, 1 day notice A/F, 2 day UA/UF
Fund Risk Rating:	Low to Medium
Reporting Frequency:	Weekly
Fund Codes:	$CAD: EHP400A / EHP400F $USD: EHP400UA / EHP400UF
High Water Mark:	Yes, Perpetual
Fund Administrator:	SS&C CommonWealth
Prime Broker:	Bank of Nova Scotia
Legal / Auditors:	McMillan LLP / KPMG LLP

DISCLAIMER: Performance returns refer to initial series of Class "F" Units, and are net of all fees and certain operating expenses. Partial year returns are unaudited. Returns are annualized and since inception unless otherwise noted. Statistics are calculated using monthly returns unless otherwise noted. Allocations are represented as percentages of net assets. Index statistics use total return indices. The composition of the Funds' portfolio could differ significantly from the index due to the investment strategy employed, and includes differences such as use of credit strategies, use of equal weight positions, use of short positions, varying fund net exposure, varying currency exposure, and investing in small capitalization stocks. Please see "Investment Strategies" in the Confidential Offering Memorandum for more details. Fund Risk Rating is defined in the "Risk Factors section of the Offering Memorandum. This presentation is not an offer to sell nor a solicitation of an offer to purchase interests of the Funds. The Manager reserves the right to change any terms of the offering at any time. Offers and sales of interests in the Funds will be made only pursuant to an offering memorandum, complete documentation of the relevant Fund and in accordance with the applicable securities laws, and this presentation is qualified in its entirety by reference to such documentation, including the Risk Factors and Potential Conflicts of Interest disclosure set forth therein.

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