



# Index Factsheet

April 30, 2025

## Objective

Establish an appropriate and representative baseline for measuring the performance of the liquid alternative strategies in Canada.

## Key Features

- Designed to measure the performance of the liquid alternative universe that is increasingly popular, but difficult to track
- Constituents comprised of NI 81-102 alternative mutual funds
- Consists of 1) an overall index, 2) seven strategy-based indices, and 3) three goal-based indices

## Weighting

Equal weighted

## Rebalance Frequency

Quarterly  
(Mar, Jun, Sep, and Dec)

## Re-constitution Frequency

Semi-annual - Jun and Dec

## AUM Requirement

Inclusion: >C\$20 million

Maintenance: >C\$10 million

## Base Value

Rebased to 100 on Jun 30, 2019

## Number of Constituents

10

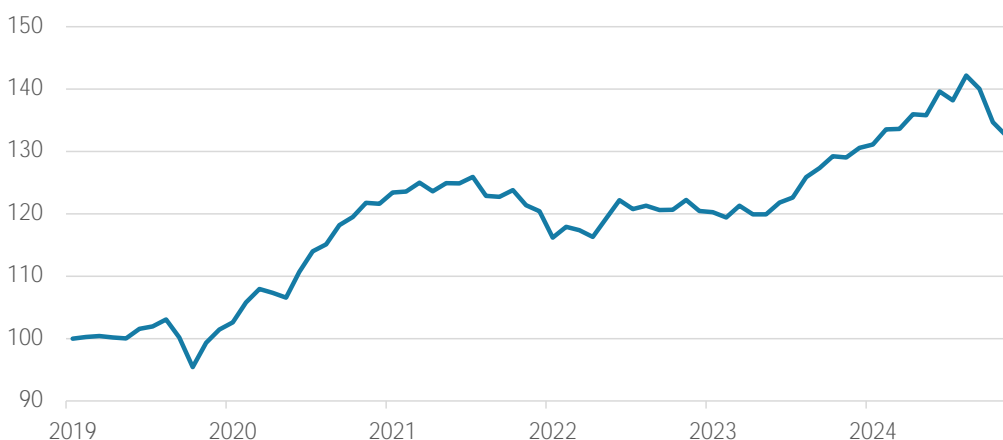
# Second engine Equity Enhancer 10 Index™

## Index Overview

The Second engine Equity Enhancer 10 Index measures the performance of alternative strategies that take similar risk exposure as traditional equities, but aim to deliver better outcomes by either amplifying returns or mitigating risks through active portfolio management. These strategies primarily focus on equity or equity derivative markets.

## Cumulative Performance - Net Returns (CAD)

(Jun 30, 2019 - Apr 30, 2025)



## Index Performance (%)

|  | 1M   | 3M   | YTD  | 1Y   | 3Y  | 5Y   | Since 06/30/19 |
|--|------|------|------|------|-----|------|----------------|
| Second engine Equity Enhancer 10 Index | -1.6 | -6.8 | -4.1 | 2.7  | 3.0 | 5.9  | 4.9            |
| S&P/TSX Composite Index                | -0.1 | -2.0 | 1.4  | 17.8 | 9.6 | 14.4 | 10.7           |
| ICE BofA Canada Broad Market Index     | -0.8 | 0.1  | 1.2  | 8.8  | 3.2 | -0.1 | 0.9            |

## Index Risk and Return Characteristics

|  | Annualized Standard Deviation (%) |      |                | Sharpe Ratio |       |                | Maximum Drawdown |                     |
|--|-----------------------------------|------|----------------|--------------|-------|----------------|------------------|---------------------|
|  | 3Y                                | 5Y   | Since 06/30/19 | 3Y           | 5Y    | Since 06/30/19 | %                | Period              |
| Second engine Equity Enhancer 10 Index | 5.7                               | 5.6  | 6.0            | -0.20        | 0.29  | 0.41           | -7.7             | Dec 2021 - Jun 2022 |
| S&P/TSX Composite Index                | 13.5                              | 12.6 | 14.9           | 0.40         | 0.80  | 0.56           | -22.3            | Jan 2020 - Mar 2020 |
| ICE BofA Canada Broad Market Index     | 6.2                               | 5.9  | 6.0            | -0.16        | -0.74 | -0.26          | -15.6            | Jul 2020 - Sep 2023 |

### Correlation (06/30/2019 - 04/30/25)

|   | Second engine<br>Equity Enhancer 10<br>Index | ICE BofA<br>Canada Broad<br>Market Index | S&P/TSX<br>Composite<br>Index |
|---|--|--|-------------------------------|
| Second engine<br>Equity Enhancer 10 Index | 1.00   | --                                       | --                            |
| ICE BofA Canada Broad<br>Market Index     | 0.44   | 1.00                                     | --                            |
| S&P/TSX Composite<br>Index                | 0.81   | 0.53                                     | 1.00                          |

The table above aims to show the correlation coefficient of the Second engine Equity Enhancer 10 Index with broad Canadian equity and fixed income markets.

### Index AUM Characteristics (C\$ million)

| Total | Mean | Median | Largest | Smallest |
|-------|------|--------|---------|----------|
| 6,435 | 643  | 497    | 1,378   | 38       |

## Family of Second engine Liquid Alternative Indices

### Second engine Liquid Alternative 35 Index™

#### Strategy-based

##### Equity

Second engine  
| **Equity Long  
Short Index™**

Second engine  
| **Equity Market  
Neutral Index™**

##### Bond

Second engine  
| **Alternative Fixed  
Income Index™**

##### Multi-Strategy

Second engine  
| **Multi-Strategy  
Index™**

Second engine  
| **Absolute Return  
Index™**

##### Specialty

Second engine  
| **Event-Driven  
Index™**

Second engine  
| **Global Macro  
Index™**

#### Goal-based

Second engine  
| **Equity Enhancer 10 Index™**

Second engine  
| **Fixed Income Enhancer  
10 Index™**

Second engine  
| **Diversifier 10 Index™**

## Disclosure

For further information, please email [support@secondengine.com](mailto:support@secondengine.com).

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