CAPSTONE FIXED INCOME POOL

F Class

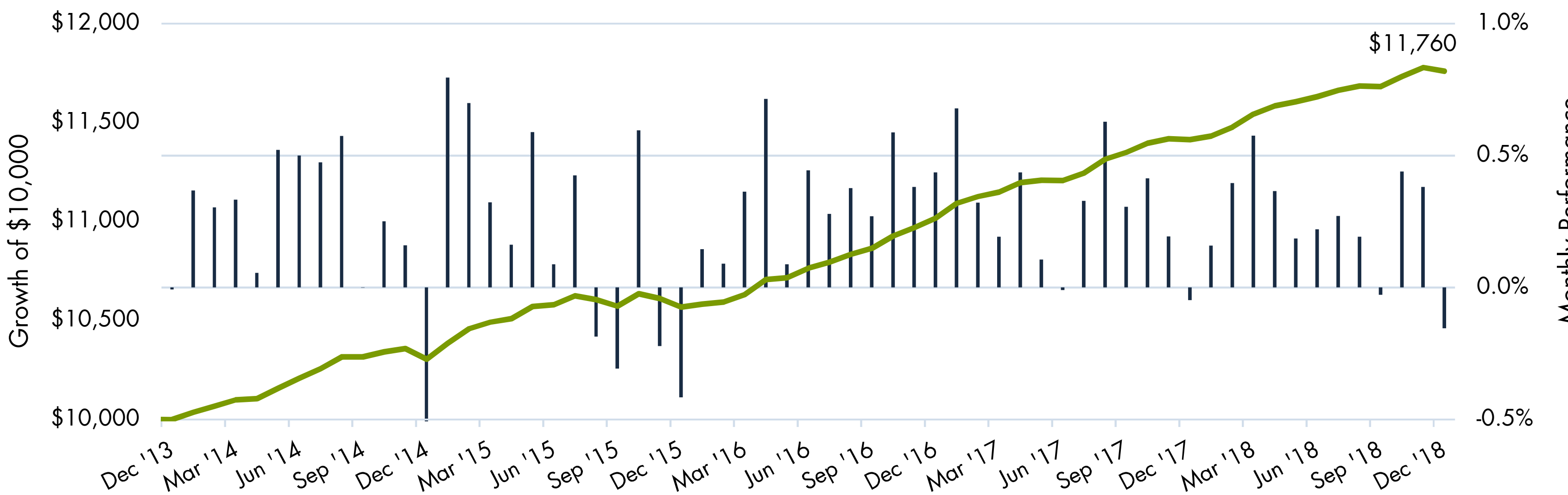
CAPSTONE
ASSET MANAGEMENT™

TRANSPARENCY REPORT
December 2018

Fund Code:	CVT211	*First Trade Date:*	December 6, 2013	*Assets Under Management:*	$41 MM
Current Price:	$10.4804	*Purchase Frequency:*	Weekly		
Settlement:	T + 3	*Redemption Frequency:*	Weekly		

PERFORMANCE

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2018	0.16%	0.40%	0.58%	0.37%	0.19%	0.22%	0.27%	0.19%	-0.03%	0.44%	0.38%	-0.15%	3.04%
2017	0.68%	0.32%	0.19%	0.44%	0.11%	-0.01%	0.33%	0.63%	0.31%	0.41%	0.19%	-0.05%	3.60%
2016	0.14%	0.09%	0.36%	0.71%	0.09%	0.44%	0.28%	0.38%	0.27%	0.59%	0.38%	0.44%	4.25%
2015	0.79%	0.70%	0.32%	0.16%	0.59%	0.09%	0.42%	-0.19%	-0.31%	0.60%	-0.22%	-0.42%	2.56%
2014	0.37%	0.30%	0.33%	0.05%	0.52%	0.50%	0.47%	0.57%	0.00%	0.25%	0.16%	-0.52%	3.05%
2013												-0.01%	-0.01%



PERFORMANCE COMPARISON

	CFIP F CLASS	TSX TR[i]	XBB TR[ii]
1 Month	-0.15%	-5.40%	1.14%
3 Month	0.66%	-10.11%	1.51%
6 Month	1.10%	-10.62%	0.45%
1 Year	3.04%	-8.89%	1.00%
2 Year	3.32%	-0.30%	1.71%
3 Year	3.63%	6.37%	1.55%
4 Year	3.36%	2.49%	1.99%
5 Year	3.30%	4.06%	3.22%
Inception (Actual)	17.6%	24.4%	16.8%
Inception (Annualized)[iii]	3.3%	4.4%	3.1%
2018	3.0%	-8.9%	1.0%
2017	3.6%	9.1%	2.4%
2016	4.2%	21.1%	1.3%
2015	2.6%	-8.3%	3.3%
2014	3.0%	10.6%	8.3%
# Negative Months	11/61	23/61	23/61
# Negative Weeks	80/274	120/258	111/258

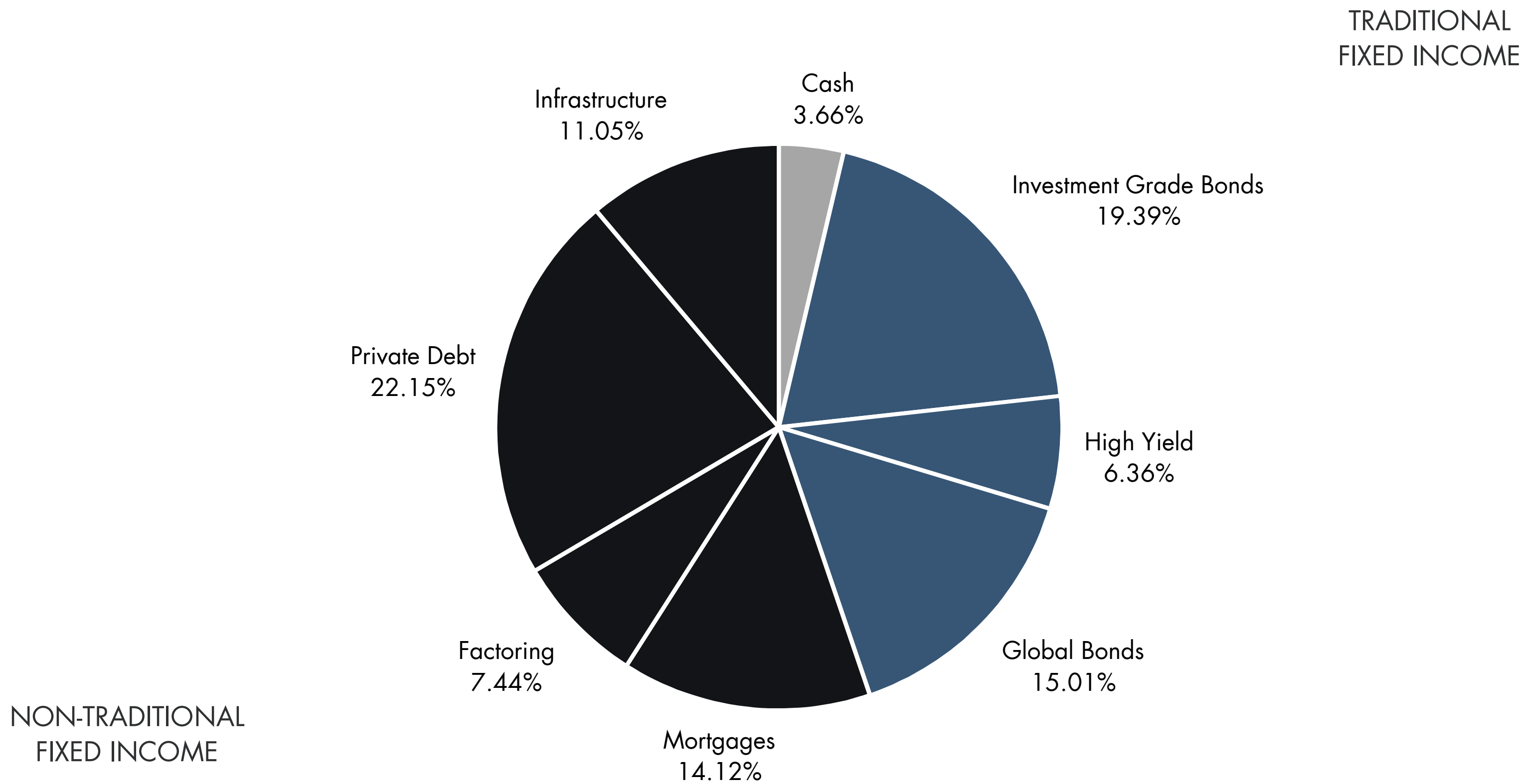
RISK MEASURES

	CFIP F CLASS	TSX TR	XBB TR
Volatility [iv]	1.00%	11.42%	4.00%
β (With TSX As Market)	0.02	1.00	-0.04
Sharpe [v] (Inception)	2.5	0.3	0.6
1 Year Sharpe	1.7	-0.9	-0.1
Semi-Volatility [vi]	0.94%	12.45%	4.35%
Sortino (Inception)	2.6	0.3	0.5
Treynor Ratio	1.1	0.0	-0.5
M^2 (Modigliani)	29.4%	5.0%	8.0%
Jensen's α	2.4%	0.0%	2.5%
Skewness	-0.1	-0.5	-0.4
Excess Kurtosis	2.5	1.5	1.0
Max Drawdown	-1% Nov '15 to Dec '15	-22% Apr '15 to Jan '16	-5% Sep '16 to Dec '16
Time to Recovery	161 days	510 days	ongoing days

CORRELATIONS[vii]

	TSX TR	XBB TR	CAPSTONE NON-TRADITIONAL EQUITY	CAPSTONE TRADITIONAL EQUITY	CAPSTONE MORTGAGE
CFIP F Class	0.41	0.21	0.22	0.06	0.03

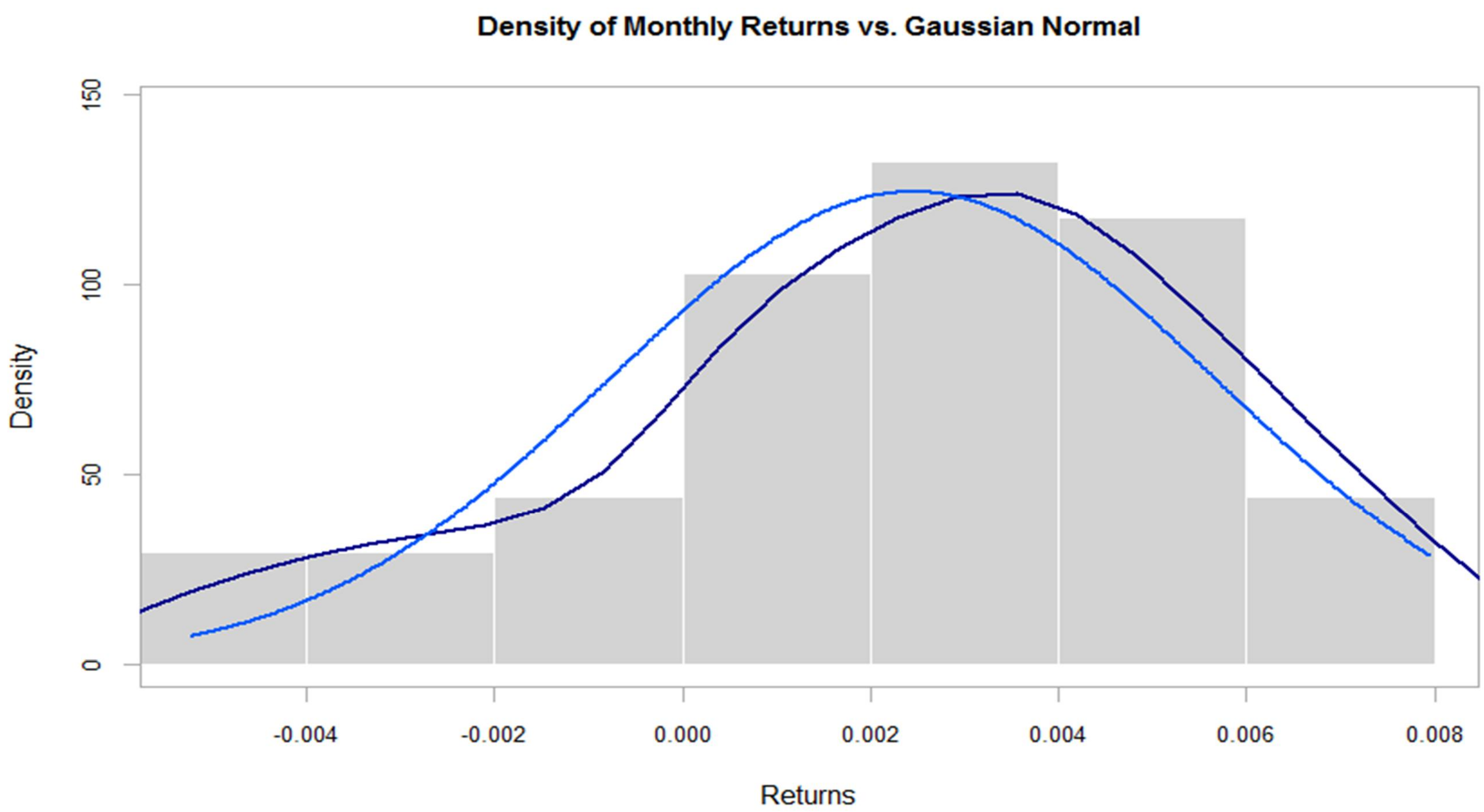
EXPOSURE & STRATEGIES



PROBABILITY DENSITY

Density of Monthly Returns vs. Gaussian Normal

Purple density plot compares observed distribution with Blue Gaussian Normal density plot.



DISCLOSURES

Capstone Fixed Income Pool, F Class (CVT211) includes a 1.0% management fee. Registered dealers may charge additional service fees. Additional classes are available appropriate for dealers or directly managed portfolios of Capstone Asset Management.

This document is intended for dealer use and due diligence purposes only. It does not constitute an offering of securities. Prospective investors should seek professional investment advice before purchasing.

Individual investors are required to certify that they qualify as an accredited investor. Corporate and other legal entity investors must qualify as accredited investors or make an initial purchase of at least $150,000.

[i] S&P/TSX Composite Index, iShares DEX Universe Bond Index Fund (XBB), and Canadian MIC "inception" matches CFIP F Class here for the sake of comparison.
[ii] iShares DEX Universe Bond Index ETF.
[iii] Annualized using days since first trade date.
[iv] Annualized standard deviation of weekly returns.
[v] Sharpe ratio computed by dividing the difference between annualized CFIP F and benchmark bond performance by the annualized monthly standard deviation of CFIP F returns. Uses Canadian Benchmark 1 month bonds (as reported by FactSet Inc.) as the reliable benchmark that most closely matches CFIP F liquidity.
[vi] The annualized standard deviation of weekly returns below arithmetic mean of all returns.
[vii] Measured on total return monthly for all available months of each respective pair.

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