



QUEEN'S UNIVERSITY ALTERNATIVE ASSETS FUND

Queen's University Alternative Assets Fund

2019-2020

Annual Report



Queen's
Smith

SCHOOL OF BUSINESS

www.quaaf.ca



Mission

The Queen's University Alternative Assets Fund ("QUAAF") seeks capital appreciation through allocation to multiple internal and external alternative asset allocation programs.

Vision

QUAAF is Canada's first student-directed portfolio of alternative strategies, managing funds endowed by private investors, Queen's alumni, and corporate sponsors. QUAAF is a fund-of-funds investment mandate, primarily holding portfolios managed by third party external managers but also holding small exposures in exchange-traded funds and direct securities. QUAAF is an educational initiative of the Smith School of Business Master of Business Administration ("MBA"), Master of Finance ("MFin"), Master of Management Analytics ("MMA"), and Master of Management in Artificial Intelligence ("MMAI") programs. QUAAF strives to create a professional environment of continuous learning for aspiring capital markets professionals through exposure to alternative strategies, while also providing the practical experience of running a funded portfolio. We aspire to engage alumni, current members, and industry professionals in this mutually beneficial platform, while enhancing the educational experience at the Smith School of Business at Queen's University.

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FOREWORD



LETTER FROM THE CEO

This year, QUAAF has undertaken a number of innovative initiatives. We onboarded students from programs outside our traditional scope, developed a new software and data platform, created a new portfolio, and began really tapping into first-hand expertise through our Alumni Board. These initiatives, along with the exciting new developments made in the first half of 2020, cements QUAAF as a professionally run student club that provides an experiential approach to the alternative assets space.

I would like to extend my sincere thanks to our Chairman, Peter Copestake, for continually sharing his wisdom and knowledge to support QUAAF as a whole. I would also like to thank our Alumni Board members – Rees Barnett, Will McIsaac, Jesse Coote, and Jeremy Yumul – for providing their direct input and guidance. Lastly, I would like to recognize our previous leaders – Chunxiao Xu, Michael Tian, and their respective teams – for their hand in the above initiatives and ensuring a rock-solid foundation upon which QUAAF can continue to grow.

In the first half of 2020, despite the coronavirus pandemic, our organization has continued to flourish. We created a new division for Predictive Analytics headed by Samuel Lee. The team has been instrumental in developing a model that has the potential to reliably and accurately forecast market returns. They are currently in the process of building a factor model that will go towards the new Beijing Macro portfolio. The Investment and Risk teams, led by Stefanie Wu & Hasibur Rahman respectively, prepared new training materials and models that assist current and incoming analysts in being thorough and diligent throughout the investment process. Edem Harrison, Alexander Banh, and Abhinav Narayanan have been crucial in improving QUAAF's social media presence, updating and maintaining the website, and truly taking the QUAAF alumni engagement initiative far beyond its initial targets. The renewed level of alumni engagement and visibility has been exceptional and I highly commend their work.

As we look ahead to uncertain times, I am confident that QUAAF has meaningfully built on its past roots while further innovating in new and exciting ways. We are very well-positioned to continue moving forward as representatives and an extension of Queen's University, and to keep providing an opportunity to students like no other.

Sean D'Souza

Chief Executive Officer

Letter from the CIO

The QUAAF Portfolio Management team, together with Macro and Risk worked diligently throughout 2019 to uncover new investment opportunities and conduct deeper due diligence on existing holdings to drive outcomes. As investors, it's our job to gather facts, make judgments and we continue to pride ourselves on our rationality, teamwork, process, and discipline.

For much of 2019, economic growth abated, the Fed hesitated, then cooperated, and the financial markets accelerated, and resoundingly celebrated on the heels of unprecedented monetary stimulus at a time where no real growth in the underlying economy is shown. Staying true to our goal of capital preservation, QUAAF's exposure to Market Neutral Portfolio has never been higher, at around 65% at the end of Q4 2019. At the same time, we kept an average cash position of 13% as we see liquidity will be increasingly important over the next few years. Throughout 2019, we made three new investments: Dynamic Global Growth Opportunities Fund, Lynwood Opportunities Fund, and Newgen Equity Long Short Fund and exited Vantage Protected Performance Fund. We remain disciplined and opportunistic when it comes to putting cash to work and to have more opportunities to do so in 2020.

The first quarter of 2020 has pointed to a more volatile and uncertain market backdrop. However, QUAAF's 1Q 2020 return of -0.79% vs broad market decline of -21.75% for the S&P/TSX highlights the fund's ability to weather through such environment. As we write to you today, we look forward, to the future despite its intermittent calamities. As world changes and the investment landscape gets more and more complicated, our tactics will evolve but our goals will remain the same: capital preservation and maintaining the real purchasing power of the asset base.

Beneath these investment milestones is also a tremendous improvement in our investment processes and working as a team. Our Macro team expanded its research capability by leveraging quantitative models to assist both the Portfolio Management Team and the Beijing Team. The Portfolio Management team continues to drive the ongoing refinement and improvement of our investment process as well as the documentation of such processes. During 2019, we expand new learning opportunities by rolling out training videos, due diligence checklists, as well as QUAAF low maintenance book club.

The trust and support bestowed on us from our sponsors and various master level programs continue to reinforce our view on multi-year time horizon investing while boosting our spirits as we navigate increasing frothy markets. We remain fortunate to have access to the collective wisdom of our predecessors who regularly deliver important insights regarding both investing and the business of running an alternative fund. Jointly our Board of Directors and Alumni will undoubtedly make a significant contribution to our thinking in 2020 and beyond.

Ziqian (Stefanie) Wu

Chief Investment Officer





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ABOUT US



ORGANIZATIONAL OVERVIEW

Mission

The Queen's University Alternative Assets Fund ("QUAAF") seeks capital appreciation through allocation to multiple internal and external investment mandates.

Strategy

QUAAF is an absolute return strategy focused on consistent returns throughout most market cycles. The Fund is a pooled investment mandate holding both internally and externally managed portfolios of alternative assets. The management team believes that alternative assets and strategies are critical to providing superior returns and that traditional long-only strategies will struggle in future markets. Externally managed portfolios compose a majority of the total investment allocation and consist of exposures to 3rd party managers operating in the total return/hedge fund universe. In addition to the externally managed portfolios, the Fund also manages a substantially smaller internal mandate that attempts to identify thematic and opportunistic investment opportunities designed to enhance total return. These thematic investment opportunities will be executed through a variety of direct investments in various asset classes and securities. The management team believes through the combination of superior managers and strategies, opportunistic investments, and limited market correlation they can manage a fund that yields superior risk adjusted returns in any market environment.

Vision

QUAAF is Canada's first student-directed portfolio of alternative strategies, managing funds endowed by private investors, Queen's Alumni, and corporate sponsors. QUAAF is a pooled investment mandate primarily holding portfolios managed by third party external managers but also holding small exposures in exchange-traded funds and direct securities. QUAAF is an educational initiative of the Queen's School of Business Master of Business Administration ("MBA") and Master of Finance ("MFin") Master of Management Analytics ("MMA"), and Master of Management in Artificial Intelligence ("MMAI") programs. QUAAF strives to create a professional environment of continuous learning for aspiring capital markets professionals through exposure to alternative strategies while providing the practical experience of running a funded portfolio. We aspire to engage alumni, current members, and industry professionals in this mutually beneficial platform, while enhancing the educational experience at Queen's University.

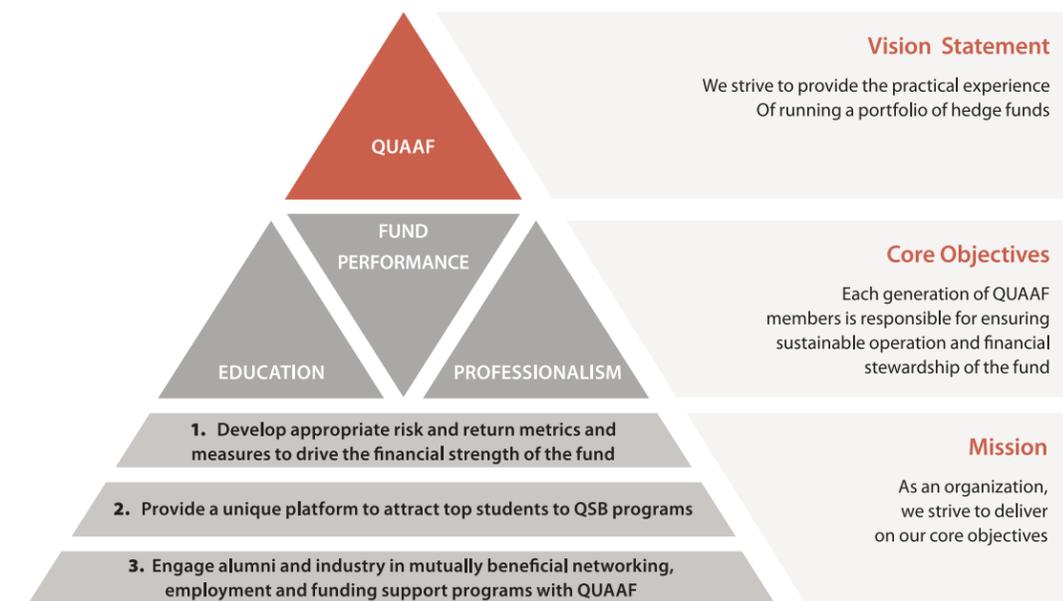
QUAAF HISTORY

QUAAF is Canada's first student directed portfolio of hedge funds managing \$470,000 in endowed funds. During the fall of 2011, eight full-time MBA students pooled their own capital in hopes of persuading the Queen's Smith School of Business ("QSSB") to create Canada's first student-run hedge fund. After the group of students demonstrated their financial acumen through solid returns on their investment, QSSB lent its support and QUAAF was created in January of 2012.

The group quickly recruited several other MBA students, built teams of research analysts, and formed partnerships with influential leaders in the financial industry. The team began an in-depth study of Canadian hedge funds and made its initial investments before handing the reigns over to the next year's class. In 2012, the MBA students were joined by members of the Queen's MFin program in Toronto. More recently, in 2016, QUAAF expanded its reach internationally and welcomed MFin students from the Queen's Beijing Campus. Over its tenure, QUAAF has made significant strides in developing the methodology by which it constructs its portfolio and provides superior risk-adjusted returns, which exhibit low correlation with the market indices. As the program continues to recruit talented Queen's students, who provide a breadth of international experiences, these methodologies and investment mandates will only continue to improve.

QUAAF remains the sole student-run portfolio of hedge funds in Canada and is proudly recognized as a joint educational initiative of the Queen's Smith School of Business. Each generation of QUAAF members is responsible for ensuring sustainable operations and financial stewardship of the fund. QUAAF remains true to its core values and objectives which include education, fund performance, professionalism, and integrity.

CORE OBJECTIVES



ABOUT US

GOVERNANCE

Foundational Documents

Once QSSB provided approval for the recognition of QUAAF as a formal educational initiative, a governance structure was formed to guarantee organizational continuity and success. The QUAAF Investment Policy Statement (“IPS”) acts as the Fund’s guidance document. The IPS provides the authority for managing the many aspects of the QUAAF organization:

- **Fund Governance:** This section provides authority to the Board of Directors and Executive team to make decisions and act on behalf of QUAAF. It also outlines the responsibilities for the Investment, Risk, and Business Development Teams.
- **Investment Overview:** This section outlines the Investment mandate for QUAAF. In particular, it summarizes the Fund’s investment beliefs, asset mix, benchmarks, and rate-of-return expectations.
- **Evaluation and Analysis:** This section outlines how QUAAF evaluates the performance and risk of its investments, as well as how these findings are presented to fund members on a monthly basis. It outlines the responsibilities of the macro-economic team on a monthly basis.
- **Operational and Administrative:** This section outlines administrative items including fund member responsibilities and expectations, conflicts of interest, and deliverables.

In total, these sections outline the Standard Operating Procedures (“SOP”) of the Fund. The SOP acts as a source of continuity and sustainability for the Fund, by defining the processes and procedures that must be followed. Any change or addition to the SOP must be approved by the Board of Directors.

In addition to the IPS, QUAAF members are also governed by their Service Level Agreement (“SLA”). At the commencement of each member’s term with QUAAF, the individual is responsible for signing an SLA that describes the approximate weekly time commitment of the position, the roles and responsibilities assigned to the position, and a conflict of interest disclosure document. The SLA and conflict of interest governance forms ensure goal alignment, transparency and full disclosure is achieved at the organizational level.

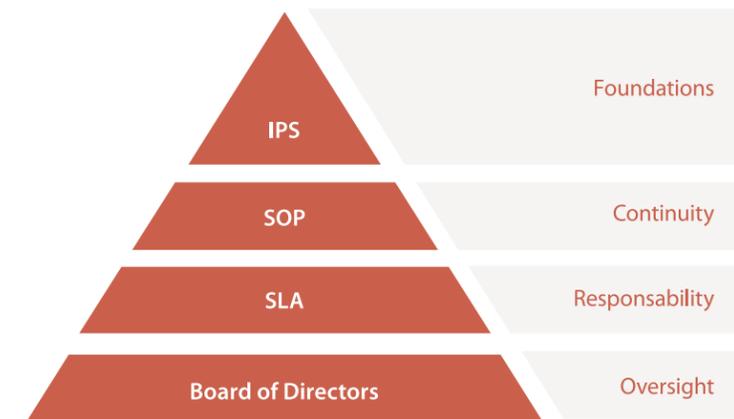
Governance Structure

The QUAAF Governance Structure spans four separate levels. These levels – Board of Directors, Executive, Management, and Analyst – serves as the foundation for effective fund management.

The governance structure starts with the Board of Directors, comprised of Queen’s Staff and Alumni. This group ensures organizational continuity and approves the hiring of the QUAAF Executive Team. They also acquire adequate resources for QUAAF’s operations and oversee the deposit and withdrawal of funds. Moreover, the Board of Directors approves all amendments, operating policies, and investment constraints and limits as well as delegates investment decision-making authority from Queen’s Smith School of Business to QUAAF members. This group is complemented by the Advisory Board, which is composed of prominent industry professionals and provides QUAAF with a deeper market perspective and a greater understanding of the Canadian Hedge Fund Industry.

The Executive Team is comprised of Queen’s MBA and MFin students. The Executive Team provides student leadership to Fund members and is responsible for implementing the strategic directives of the Board of Directors. More importantly, it is the Executive Team’s responsibility to oversee the day-to-day operations of QUAAF and ensure the viability of the organization.

The remaining two levels of the governance structure are the Management and Analyst levels. Members of the Management level are responsible for ensuring the successful implementation of the Fund’s directives, provided by the Executive Team, within their assigned team. In addition, they are also required to provide their team with direction and ensure the completion of tasks. Finally, Analysts are required to perform the operational tasks as requested by the Management and the Executive Team.



ABOUT US

ORGANIZATIONAL STRUCTURE

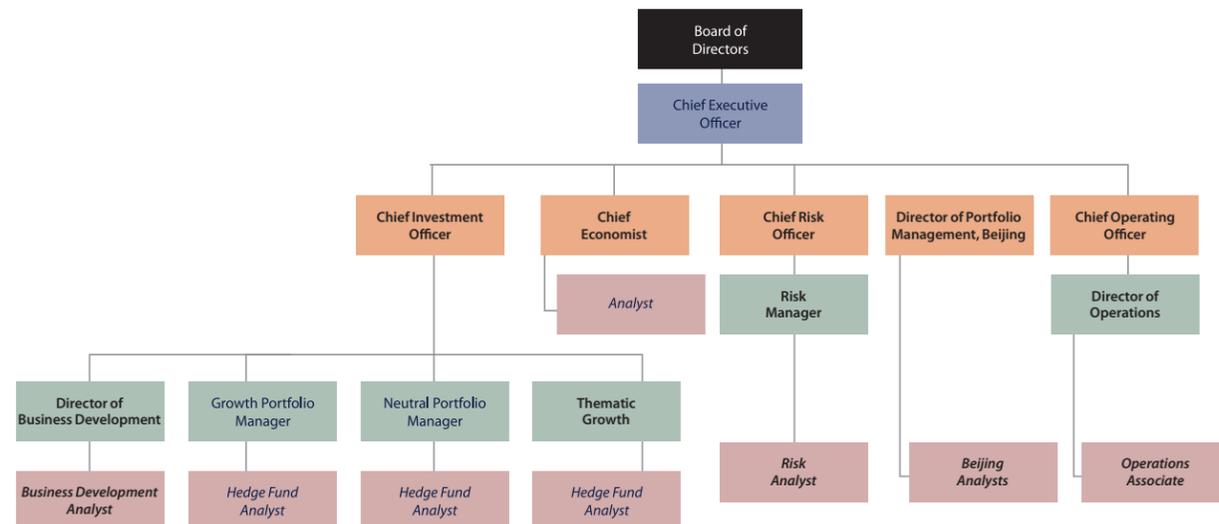
In order to effectively manage the many organizational responsibilities of QUAAF, members are divided among three separate divisions: Investment, Risk, Macroeconomics and Business Development. Each division is managed by a member of the Executive Team. The Chief Executive Officer (“CEO”) provides direction to the other three members of the Executive Team and reports directly to the Board of Directors.

The Chief Investment Officer (“CIO”) oversees the Investment functions of QUAAF and manages the Portfolio Management Teams. The Director of Portfolio Management, who reports directly to the CIO, is responsible for fund administration. Each Portfolio Manager (“PM”) is responsible for managing one of three separate portfolio strategies. These strategies are examined in greater detail in the ‘Fund Strategy’ section. Each PM is assigned a team of Portfolio Analysts. The number of analysts assigned is dependent on the capital assigned to that portfolio strategy. Portfolio Analysts are responsible for generating investment opinions on current and potential investments.

The DBD is responsible providing direction to the Business Development analyst and managing external relations with industry professionals. The Operations Manager is responsible for overseeing operational tasks within QUAAF Toronto team. Business Development Analysts are responsible for completing operational tasks and generating internal QUAAF content, such as the Learning Initiative program and Research Papers.

The Chief Risk Officer (“CRO”) oversees the Performance and Risk Management functions of QUAAF. The CRO manages a team of Risk Analysts who are responsible for collecting performance and risk data, analyzing it, and providing the results to the Portfolio Management teams.

The Chief Operating Officer (“COO”) oversees the Business Development, Marketing, and Operations functions of QUAAF. Three separate managers’ report directly to the COO – the Director of Beijing Operations (“DBO”), the Director of Business Development (“DBD”), and the Operations Manager. The DBO is responsible for managing all operations in Beijing and providing direction to the Beijing Analysts.



TRANSFER OF LEADERSHIP

One of the unique aspects of QUAAF is the transfer of leadership among the MFin and MBA programs. Both programs operate on a six-month staggered schedule. In order to ensure leadership continuity and minimize any issues as a result of these separate schedules, QUAAF has been designed around a ‘two-term’ system. Under this system, each graduate program can have their students act in Executive and Managerial roles for a single term. The timeline for this system is as follows:

Term 1 – April 1st – October 31st:	Term 2 – November 1st to March 31st:
This term starts toward the beginning of QUAAF’s fiscal year. During this term, the MBA students, who joined QUAAF in January, will take over Executive and Managerial roles. This group will be mentored by the outgoing MFin class.	This term starts in the middle of QUAAF’s fiscal year and will continue until its end. During this term, MFin students, who joined QUAAF in June, will take over Executive and Managerial roles. This group will be mentored by the outgoing MBA class.

With this managerial schedule in place, QUAAF is able to ensure its incoming leadership teams have spent a term working as an analyst before taking on any leadership role. It also ensures that new QUAAF members will be mentored by experienced QUAAF team members.



MBA EXECUTIVE TEAM



Chunxiao Xu – Chief Executive Officer

Before enrolling in the Smith MBA, Chunxiao had over three years of experience in commercial real estate investment in New York, focusing on the U.S. East Coast market. She worked as a research and acquisitions analyst at Epic Commercial Realty and RAK Group, specializing in pre-investment analysis, due diligence, and valuation. She holds a Bachelor of Architecture degree from Tsinghua University, and a Master of Urban Planning from Columbia University in New York. Post-graduation, she is now in Beijing in the Investments team of the China Life Investment Holding Company.



Martine Empson – Chief Investment Officer

Martine’s investment interest and experience are focused on technology. Prior to joining Queen’s to pursue a full-time Smith MBA, she managed the budgeting and investment process for digital assets at a large firm in the energy industry. Martine lives in Calgary, Alberta, where she continues to advise firms on technology investments. As a co-founder of FamilyPathways.ca, she helps support families in need. She is active in the outdoor activity and hockey communities in Southern Alberta.



Rabia Randhawa – Chief Operating Officer

Rabia has a Bachelor of Architectural Science from Ryerson University and has recently completed her MBA at Smith School of Business. Prior to completing her MBA, she worked as a Project Manager for a design firm in Toronto, specializing in real estate and construction projects. In her role as the COO of QUAAF, she spearheaded the Operations division while overseeing Business Development, Marketing, Event Management and assisting with leadership transitions. QUAAF has been an excellent platform to learn from industry experts and to build a deeper understanding of the Finance industry. Following graduation, she has joined Scotiabank’s internal consulting team as a Strategy Manager.



Julie Ioffe – Chief Economist

Julie transitioned to the field of finance and macroeconomics after finishing a dual Bachelor’s degree in Neuroscience and Clinical Psychology. Since then, she worked in wealth management and investment strategy at several major banks, including TD and UBS. While at UBS, she had the opportunity to work with the Chief Investment Offices of Toronto, New York, and London, helping carry out macroeconomic research and contributing to publications related to the global economy and investment themes. Julie augmented the practical experience by obtaining the CFA Charter in 2017 and completing her MBA degree in 2020. Starting June 2020, Julie will be returning to TD Bank as an analyst within the Treasury branch.



Nevin Fleming – Chief Compliance & Risk Officer

Nevin’s academic background is deeply rooted in Queen’s University, completing an undergraduate degree in Mathematics and Engineering before moving on to a certificate in Innovation and Entrepreneurship. Prior to completing his MBA, he managed a diverse set of projects for Alberta Innovates - Energy and Environment Solutions in technology development across the energy sector. In QUAAF, Nevin helped expand the risk division and drive operational changes to grow the club and increase its analytical capabilities.



Anirudh (Rudy) Saksena – Director of Portfolio Management

Rudy has over 5 years of consulting experience working for Health Information Payers and Providers in the U.S. Healthcare system. His previous roles garnered hands-on experience in strategic planning, technology implementation and support, requirement gathering, process optimization as well as resource planning and utilization. His experience within the Queen’s University Alternative Assets Fund allowed him to broaden his skillset for utilization within diverse industries. Since completing his MBA from the Smith School of Business, Rudy has joined Deloitte Canada as a consultant within its Digital Care practice.



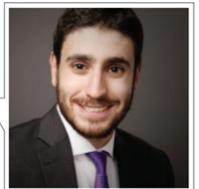
Samdrisht (Sam) Singh Bedi – Portfolio Manager, Market Neutral

Prior to joining the MBA program at Smith School of Business at Queen’s University in 2019, Samdrisht Singh Bedi worked as an equity research analyst for Boston-based fintech startup Trefis for 5 years. He worked across various industries and sectors including technology, software, internet and financial services. His portfolio of coverage included some of the most high-profile US and Chinese stocks in the TMT sector. Prior to Trefis, he also has consulting experience with supply chain management firm JDA Software and has an engineering undergraduate degree from the Delhi College of Engineering, University of Delhi. After graduating from the Smith MBA Program, Samdrisht will work at TD Bank as a Treasury Associate.



Mariam Elkasir – Portfolio Manager, Growth

Mariam began her career as a certified Kinesiologist and provided rehabilitation therapy to patients in need. She transitioned away from healthcare and into telecommunications where she worked alongside organizations to strategically adopt and implement leading industry technologies. From there, Mariam decided to complete her MBA at the Smith School of Business then subsequently joined the Queen’s University Alternative Assets Fund. Being a part of Canada’s first student-led hedge fund posed as a unique opportunity to not only leverage industry experience but also apply academic learnings. Her longstanding passion for working alongside clients, advising organizations and developing people led her to her current role as Senior Consultant in the EY Advisory practice.



Reid Berman – Portfolio Manager, Special Situations

Reid began his academic career at the University of Guelph, completing a Bachelor of Commerce degree with a major in Marketing Management. He is now in the final year of the JD / MBA program at Queen’s University and will complete the program on exchange at Seoul National University in the fall. Reid worked with Queen’s Legal Aid during his first year of law school, assisting underprivileged members of the community with legal matters. He also summered at a boutique law firm, specializing in landlord and tenant litigation, during his first summer after beginning law school. This summer, Reid will be working as a student at a full-service law firm in Toronto, where he hopes to gain experience in insolvency, shareholder activism and mergers and acquisitions.



Trevor Cummings – Director, Business Development

Prior to enrolling in the Smith School of Business MBA program Trevor was a consultant conducting statistical and economic research in the power & utilities space. As Director of Business Development Trevor secured guest speakers as well as sponsorship for the Fund as well as developed the Alumni Spotlight & Engagement initiative. Trevor has an BA in Economics and Finance from the Lazaridis School of Business and Economics, as well as a Master of Economics from Carleton University. Upon graduation, Trevor will be joining OMERS Capital Markets as an Economic Analyst.



Andrea Garcia – Director, Marketing

Andrea is a Smith MBA 2020 and she also holds a Bachelor of Business Administration. She is a creative, insight seeking and enthusiastic marketer with more than 7 years of experience in shopper marketing, planning and forecasting, market research, and project management. Holding various roles she joined Fortune 500 companies in the pharmaceutical industry such as GSK, Novartis and Merck. In her role with QUAAF, she was responsible to support the Operations and Business Development teams. QUAAF helped her to expand her knowledge in the financial industry from a marketing perspective.



Sean Bouwers – Director, Beijing Operations

Sean is a Master of Finance 2019 graduate at the Smith School of Business. Prior to completing his studies through the Queen’s – Renmin partnership in Beijing, Sean was an analyst at Epic Capital, a long-standing boutique hedge fund based in Toronto focused on small to mid-cap North American opportunities. Sean joined the QUAAF Beijing team to lay the foundation for a global macro portfolio allocation while learning more about capital markets in China. Post-graduation, Sean has returned to Epic Capital as an Associate Portfolio Manager.

MFIN EXECUTIVE TEAM



Sean D'Souza – Chief Executive Officer

Sean is a Master of Finance Candidate at the Smith School of Business. Sean is currently an Equity and Fixed Income Trader at BBS Securities where he works for a variety of high net-worth and institutional investors. Sean has previously worked in a wide variety of financial roles including CI Private Client and BMO InvestorLine. He has passed all levels of the CFA and FRM and has an undergraduate degree in Physics and Applied Math.



Ziqian (Stefanie) Wu – Chief Investment Officer

Stefanie is the Chief Investment Officer at Queen's Alternative Asset Fund and is currently pursuing her Master of Finance degree at the Smith School of Business. She is also the VP of Business Development for Smith Women in Finance. Stefanie holds a bachelor's degree from Marquette University in the United States. Before moving to Toronto, she began her finance career in 2015 and worked as the Research Associate for Aligned Investors, an asset management boutique within Principal Financial Group. At Aligned Investors, she worked directly with two Portfolio Managers in an eleven-person team and conducted primary and fundamental research for both U.S. Mid-Cap and U.S. Large-Cap strategies. Stefanie is passionate about investing and supporting others to advance their careers in the financial industry.



Edem Harrison – Chief Operating Officer

Prior to joining the Queen's MFin Program, Edem served as a Senior Investment Analyst at Frontline Capital Advisors in Ghana focused on selecting credit investment opportunities, and as an Audit and Assurance Officer at the University of Ghana, where he also completed his undergraduate degree in Economics. He manages a team of analysts in the operations division of QUAAF. In his spare time, He enjoys reading, sight-seeing and visiting deprived communities to care and support them. Edem is passionate and wants to make a difference through impact investing to empower society's underprivileged through social and responsible lending programs. Edem is also a CFA Charterholder.



Thomas Wilson – Chief Economist

Tom has over 7 years of experience working at one of Canada's largest independent mutual fund companies, CI Investments, in a variety of roles, including Sales and Portfolio Management. He currently works in Fixed Income and Foreign Exchange Research and Strategy. Tom began his academic career at Dalhousie University, and has completed the CFA designation.



Hasibur Rahman – Chief Compliance & Risk Officer

Hasib is a Master of Finance 2020 candidate at Smith School of Business. He has over 3 years of experience in investment banking specializing in IPO due diligence, financial restructuring, enterprise valuation and project management. He joined QUAAF as a Risk Analyst to strengthen his insights on investment due diligence and risk analytics of hedge funds. Being a lifelong learner, Hasib aims to continue to thrive in his learning endeavours and make impactful contributions towards diverse industries and society.



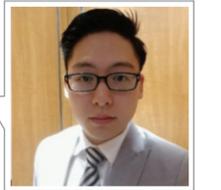
Xinran Cai – Portfolio Manager, Market Neutral

Xinran is a Master of Finance 2020 candidate at Smith School of Business. Prior to joining QUAAF, she worked as a consultant for Ernst & Young Advisory in the Financial Services Risk Management Department in Beijing. She has a bachelor's degree in Finance and has more than two years of experience in financial risk management.



Jiaqi (Ryan) Yin – Portfolio Manager, Market Neutral

Ryan is a Master of Finance 2020 candidate with over three years of experience in banking. Prior to his election as Market Neutral Portfolio Manager, he served as a Market Neutral Portfolio Analyst. In his spare time, he enjoys reading, model building, and traveling to different countries.



Jaeoh Suh – Portfolio Manager, Growth

Jaeoh is currently a Master of Finance 2020 candidate. Despite having a background in life sciences from the University of Toronto, Jaeoh's passion for finance has led him to a career in the financial services industry for over 5 years. Throughout his career, he has had the pleasure of taking part in RBC Personal & Commercial Banking, RBC Wealth Management as well as TD Personal & Commercial Banking. In his spare time, he enjoys rock climbing and competitive sports such as baseball, soccer, basketball and badminton.



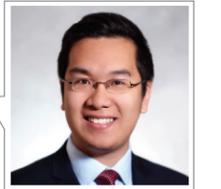
Zubair Kaiser – Portfolio Manager, Thematic Growth

Zubair is a 2020 Master of Finance Candidate at Queen's University. He currently works as a Product Control Manager at RBC Capital Markets covering the U.S. Rates and Credit trading desks. In his spare time he loves sports and uses his knowledge of sports to participate in fantasy sports leagues in football, basketball, and baseball. He's also deeply passionate about the financial markets and stock picking and is a CFA Level III Candidate for June 2020.



Seongyell (Samuel) Lee – Director, Advanced Analytics

Samuel is a Master of Finance 2020 candidate with over three years of experience in capital markets in IT automation, regulatory reporting and data analytics. Prior to his appointment as Director of Advanced Analytics, he served as a growth portfolio analyst. In his spare time, he enjoys playing basketball and detailing and tuning cars.



Alexander Banh – Director, Business Development

Since finishing his two undergraduate degrees from Queen's University in 2015, Alex has worked in M&A at BMO, helped Amazon-backed ecobee raise their \$100+ million Series C, completed a Fellowship at the MaRS Discovery District, and is currently a Principal and Chief of Staff at Fulcrum Technology Holdings, a global merchant bank focused on emerging technologies. He is now back at Smith pursuing a Master of Management in Artificial Intelligence sponsored by the Vector Institute and has spent the past year diving deep in an exploration of the world of alternative investments, especially its intersection with technology. He is also involved in Front Row Ventures, a venture capital fund investing exclusively in student-run startups. Alex has a broad mandate within QUAAF leading alumni engagement, learning & development, recruiting & onboarding, event planning, and outreach.



Shah Azlan – Director, Operations

Azlan is a Master of Finance 2020 candidate. He has over ten years of experience in the financial services industry as an account manager (commercial & business banking). Prior to his appointment as Director of Operations, Azlan served as an Analyst in the Special Situations team under QUAAF's Investment division. He also has international work experience from Hong Kong, Singapore, and the Philippines. In his spare time, he enjoys listening to podcasts, traveling and photography.



Sungho (Sean) Choi – Director of Portfolio Management – Beijing

Sean is a graduate of Rotman Commerce at the University of Toronto's St. George Campus and earned his MBA from SKK GSB sponsored by Samsung Group with an exchange program to Columbia Business School. He is an MFin candidate at the Smith School of Business at Queen's University and spearheading QUAAF's Beijing team as the Director of Portfolio Management. He is currently a VP at Samsung Securities and he was most recently with Invest in Denmark under the Ministry of Foreign Affairs of Denmark as the Investment Manager based in Seoul, where he was responsible for identifying and assisting Korean companies with potential interests in Denmark. Prior to joining Invest in Denmark, he worked in the M&A Team reporting to the CFO at Fortune Global 200 2015 firm LG Electronics, gaining experiences in areas such as cross-border and domestic M&A transactions.



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QUAAF STRATEGY

ORGANIZATIONAL STRATEGY

QUAAF's primary objective is the professional development of all our participants. Our organization feels that this can be best accomplished through a two-part strategy:

CONTINUOUS LEARNING	PRACTICAL EXPERIENCE
<i>Create a Professional Environment of Continuous Learning for our Members</i>	<i>Provide the Practical Experience of running a Funded Portfolio</i>
Learning Initiative: QUAAF has designed an internal teaching program for its members. The Learning Initiative Program provides new members with a detailed introduction into alternative assets.	Analyst Pitches: All QUAAF analysts are given the opportunity to pitch an investment to the Investment Team. This gives analyst the practical experience of providing and pitching a reasoned investment decision.
Industry Professionals: QUAAF brings in industry professionals, as guest speakers, on a monthly basis. These professionals provide significant insight into economic trends, investment strategies, and the alternative asset industry.	Leadership Opportunities: Every term, Executive and Managerial positions become open for application by existing QUAAF members. This provides significant opportunity for members to experience leadership and take on greater responsibility in the fund.
Weekly Meetings: QUAAF members meet on a weekly basis. These meetings give participants an opportunity to discuss portfolio performance and risk, economic conditions, and investment recommendations.	Corporate Structure: QUAAF is designed as a corporation, in order to provide its members with the practical experience of working at an investment fund.

It is our belief that by designing an organization around this approach, we can provide our members with the best opportunity to learn and grow as professionals in the finance and alternative asset industry.

INVESTMENT STRATEGY

QUAAF is a unique fund offering designed to provide capital appreciation through investment in alternative strategies. The portfolio is composed of both internal and external investment platforms which, when combined, represent the total fund. Each area of investment is designed to work holistically with the other platforms to create an investment process that provides superior risk adjusted returns, with little correlation to the general equity market.

Investment Process

QUAAF utilizes a four-step, top-down analysis when approaching investment decisions. This approach ensures that all investment decisions are made on an informed basis, with input from all members of the Investment Team which includes contributions from the entire Investment Team.

Step	Name	Involved Parties	Detail
1	<i>Macro-Economic Projection</i>	Chief Investment Officer ("CIO"), Director of Portfolio Management ("DoPM")	In this step, the Chief Investment Officer and Director of Portfolio Management develop a macro-economic projection. This projection will summarize key domestic and foreign economic drivers that may impact the funds QUAAF chooses to invest in.
2	<i>Optimal Portfolio Allocation</i>	CIO, DoPM, Portfolio Managers ("PM")	In this step, the CIO, DoPM, and PMs determine the optimal allocation of capital among the four QUAAF portfolios. Depending on this projection, portfolio allocations may take a more aggressive or defensive investment position. Projections are made to provide the optimal risk-adjusted return based on projected market conditions.
3	<i>Select Appropriate Investments</i>	PM, Analyst	In this step, the Portfolio Manager recommends investment decisions. These recommendations are based on two factors: <ul style="list-style-type: none"> The allocated portfolio capital that is determined by the Executive team; The projected economic conditions. Analysts provide research on assigned funds in order to allow the PM to make an informed investment decision for the portfolio.
4	<i>Continuous Evaluation</i>	CIO, DoPM, PM, Analyst	In this step, the CIO, DoPM, and PM provide a continuous evaluation of the economic projection and investments that have been made. This continuous evaluation ensures that investment decisions reflect up-to-date economic conditions, particularly if an investment falls into violation of its performance or strategic targets.

QUAAF STRATEGY

EXTERNAL PLATFORM

The external platform is QUAAF's primary investment platform and represents two unique portfolios that invest in externally managed alternative strategies. These strategies utilize the expertise of third-party managers to provide returns at low volatility. By utilizing managers who specialize in multiple styles of alternative strategies, QUAAF can create a platform that provides diversification and the ability to generate returns in multiple market environments. QUAAF also recognizes the importance of capturing portions of market movements where possible and incorporates an economic research team to provide portfolio managers with relevant economic data to manage their positions. The external platform consists of a Neutral and Growth Portfolio, which are allocated funds based on economic conditions to generate the maximum possible risk adjusted return.

Portfolio Type	Information
Neutral	Seeks consistent returns by investing in more conservative strategies. This portfolio exhibits consistent returns regardless of market conditions and has a lower standard deviation than most portfolios. This portfolio generally invests in Equity Market Neutral, Fixed Income Arbitrage and Convertible Arbitrage strategies.
Growth	This portfolio generally invests in opportunistic strategies which exhibit more volatility than other strategies. This category generally outperforms in upward markets and under performs in downward markets. Typical investment strategies include Emerging Markets, Sector Specific, and Equity Hedge.

Allocation limits are placed on each of the investment portfolios in the external platform. Most of the allocation is always kept in the Neutral Portfolio. This portfolio holds between 60-90% of total fund assets. The Growth Portfolio holds approximately 0-30% of total fund assets at any time.

INTERNAL PLATFORM

The internal platform is run directly by QUAAF's Investment Team and does not utilize external managers. There are two internally run investment mandates and each is designed with unique functions to complement and complete the QUAAF investment program.

Portfolio Type	Information
Thematic Growth	This portfolio seeks to invest in traditional or alternative assets that the Portfolio Management team believes will generate alpha. The portfolio may hold common shares, preferred shares, fixed income, externally managed derivatives, and ETFs. This portfolio invests in unique investment opportunities derived by the Portfolio Management Team on forward looking basis to maximize alpha. Risk is managed through position size limits, stop losses, and correlation analysis.

This portfolio represents a much smaller portion of AUM with approximately 0-10% of total assets.

BENCHMARKS

The QUAAF program is managed to provide superior risk adjusted returns in any market condition and does not prioritize relative comparisons to most constituent-based benchmarks. Although it is not a primary function, QUAAF does use proxies to measure the effectiveness of the platforms. With absolute return being a primary function of investment, QUAAF does set its primary benchmark as an absolute return benchmark. This benchmark is the perceived risk-free rate plus a premium to represent inflation. In addition, two other benchmarks are monitored representing the alternative strategy space and the current domestic market.

Benchmark Type	Index Used
Absolute Return Benchmark	91 Day T-Bill + 3%
Alternative Strategies Benchmark	HFRI FoF Composite Index
General Market Index	S&P/TSX Composite Index



Portfolio Summary

Portfolio Summary	24
Total Portfolio Holdings	25

PORTFOLIO SUMMARY

AS OF MARCH 31ST, 2020



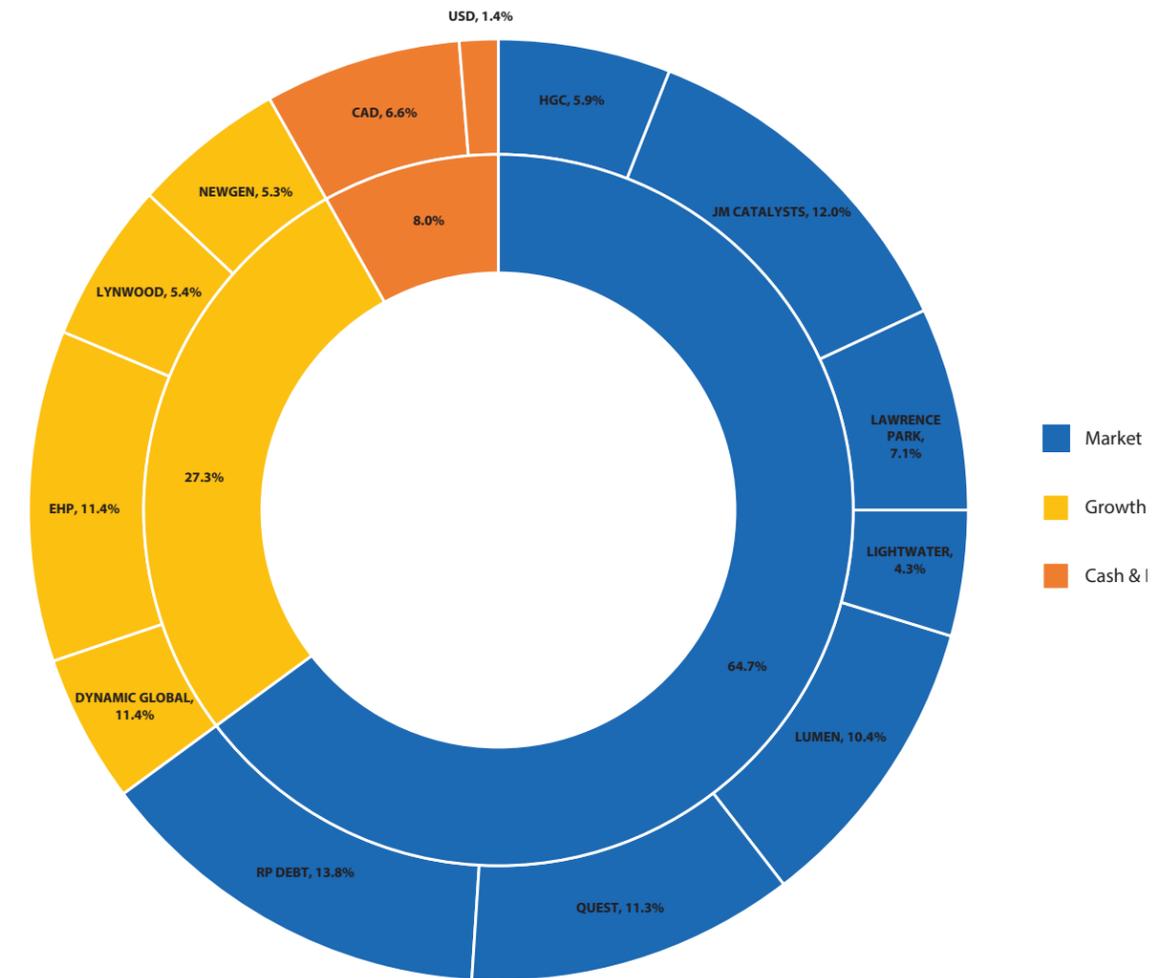
On the investment end, 2019 has been an eventful year for QUAAF. The previous MBA portfolio team lead by Martine made several overhauls to the growth portfolio by exiting the Vantage Protected Performance Fund and added Dynamic Global Growth Opportunity Fund. In the latter half of 2019, we took the view that there are increasing risks as the disconnection between the fundamental reality of the undying economy and the valuation of financial assets. As a result, we made the tactical decision to overweight long-short strategies that had great track records during stressful times. In October, we added NewGen long-short fund and Lynwood Opportunities Fund. This decision ended up benefiting the portfolio amidst a swirl of disconcerting events that happened at the end of the fiscal year 2019.

There are not adjectives that properly convey the scale, scope, speed, and severity of the coronavirus pandemic that had gripped the world over the past several weeks. After conducting extensive due diligence on QUAAF existing holdings and making sure that things are on the right track, the investment team, especially the Thematic Growth Team have added many opportunities to the investment pipeline. Excited and energized by the richest opportunity set we have seen in a decade; the investment team has explored many new ideas. As we debate these shifts, we will be mindful to balance our opportunism with humility. It will be several months before anyone will be able to fully comprehend the impact of this pandemic. In such an environment, it is more important than ever to focus on our long-term goal of capital preservation.

While we have no more insight than anyone else as to how events will unfold over the coming months, our goal is to look for diligent managers with strategies that can both survive and thrive in any scenario we can imagine. At present, we believe that all of our holdings meet this standard. Adhere to our discipline and long-term goal, for the fiscal year 2019, QUAAF generated 1.47% annual return, outperformed both S&P/TSX composite return of -16.91% and HFRI FoF return of -3.94%.

I would like to thank the portfolio managers and analysts for their hard work and the operations team for running things smoothly and without interruption throughout the year.

Sincerely,
Ziqian (Stefanie) Wu
 Chief Investment Officer



Total Portfolio Holdings
As of March 31, 2020

Description	Adj. Book Value (CAD)	Market Value (CAD)	Unrealized Gain/Loss	Composition within the Portfolio	Composition within QAAAF
Market Neutral Portfolio					
HGC Arbitrage	\$25,000	\$28,474	13.9%	9.1%	5.9%
JM Catalysts	\$49,999	\$57,816	15.6%	18.5%	12.0%
Lawrence Park Credit Strategies	\$33,926	\$34,267	1.0%	11.0%	7.1%
Lightwater Long/Short fund	\$25,616	\$20,618	-19.5%	6.6%	4.3%
Lumen Long Short Equity Fund	\$50,000	\$50,154	0.3%	16.1%	10.4%
Quest Productivity Media Income Trust	\$52,410	\$54,336	3.7%	17.4%	11.3%
RP Debt Opportunities Fund	\$54,433	\$66,568	22.3%	21.3%	13.8%
Market Neutral Total	\$291,384	\$312,233	7.2%	100.0%	64.7%
Growth Portfolio					
Dynamic Global Growth Opportunity Fund	\$25,000	\$24,915	-0.3%	18.9%	5.2%
EHP Advantage Fund	\$50,000	\$54,898	9.8%	41.7%	11.4%
Lynwood Opportunites Fund	\$25,158	\$26,099	3.7%	19.8%	5.4%
Newgen Equity Long Short Fund	\$25,000	\$25,614	2.5%	19.5%	5.3%
Growth Total	\$125,158	\$131,526	5.1%	100.0%	27.3%
Special Situations Portfolio					
KINAXIS INC COM	\$8,250	\$12,821	55.4%	100.0%	2.7%
Portfolio Total	\$8,250	\$12,821	55.4%	100.0%	2.7%
Cash Equivalent					
BNS Corporate Tiered Investment Savings Account	\$31,922	\$31,922		82.4%	6.6%
U.S. dollar (USD)	\$4,829	\$4,829		17.6%	1.4%
Cash Equivalent Total	\$38,738	\$38,738		100%	8.0%
Total QAAAF	\$455,280	\$482,497	6.0%		100.0%

Monthly returns for last 5 years are as follows:

QAAAF (Dollar Weighted Net of Fees Return)													
	J	F	M	A	M	J	J	A	S	O	N	D	YTD
2020	0.64%	0.80%	-2.21%										-0.80%
2019	-1.09%	1.34%	2.27%	0.48%	-0.55%	0.17%	0.21%	0.33%	-0.40%	-0.01%	1.17%	0.87%	4.85%
2018	0.79%	0.36%	-0.55%	-0.13%	0.03%	0.10%	-0.31%	0.13%	0.55%	-0.50%	-1.20%	-1.03%	-0.77%
2017	-0.03%	-0.39%	0.17%	-0.34%	-0.56%	-0.02%	-0.26%	-0.82%	0.77%	-0.35%	1.33%	-0.07%	-0.59%
2016	-1.34%	0.37%	0.57%	0.38%	0.45%	-0.44%	1.19%	0.33%	0.64%	-0.12%	1.38%	0.88%	4.36%
2015	-0.34%	-0.08%	1.07%	-0.22%	0.10%	0.55%	-1.42%	-0.83%	-0.46%	-0.67%	0.31%	0.22%	-1.78%

■ Positive Return
 ■ Negative Return
 ■ No Change





2019-2020 Annual Report

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