

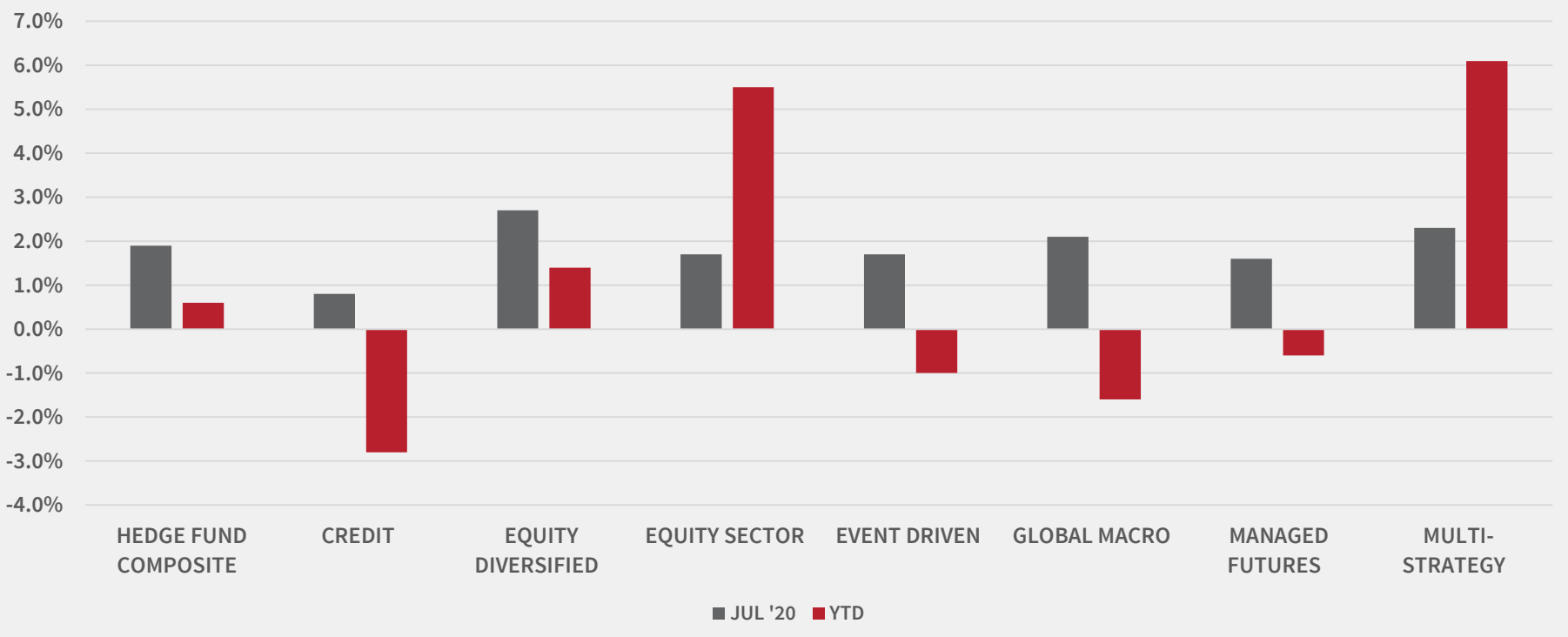
PIVOTAL INDICES

PivotalPath, on behalf of \$100B in client hedge fund capital, tracks over 200,000 data points across more than 2,000 hedge funds and 40+ different strategies. Our monthly report includes year-to-date hedge fund performance, as well as 12-month rolling alpha across eight core hedge fund strategies. We also provide average monthly performance of funds within separate AUM bands.

Key Takeaway: Hedge funds were up broadly in July, with the exception of Healthcare (down 1.3%). YTD, hedge fund performance has been slightly positive, with the PivotalPath Hedge Fund Composite returning 0.6% through month end.

Strategy Highlights: The high-level indices below comprise over 40 investment sub-strategies. On the sub-strategy level, Equity Sector houses both one of the year's biggest winners (TMT, up 16.3% YTD) and its biggest loser (Financials, down 14.2% YTD).

July & YTD 2020 Hedge Fund Performance



Available on the
Bloomberg Terminal

P2HFCI
P2CRDI

P2EQDI
P2EQSI

P2EVDI
P2GBMI

P2MFTI
P2MSTI

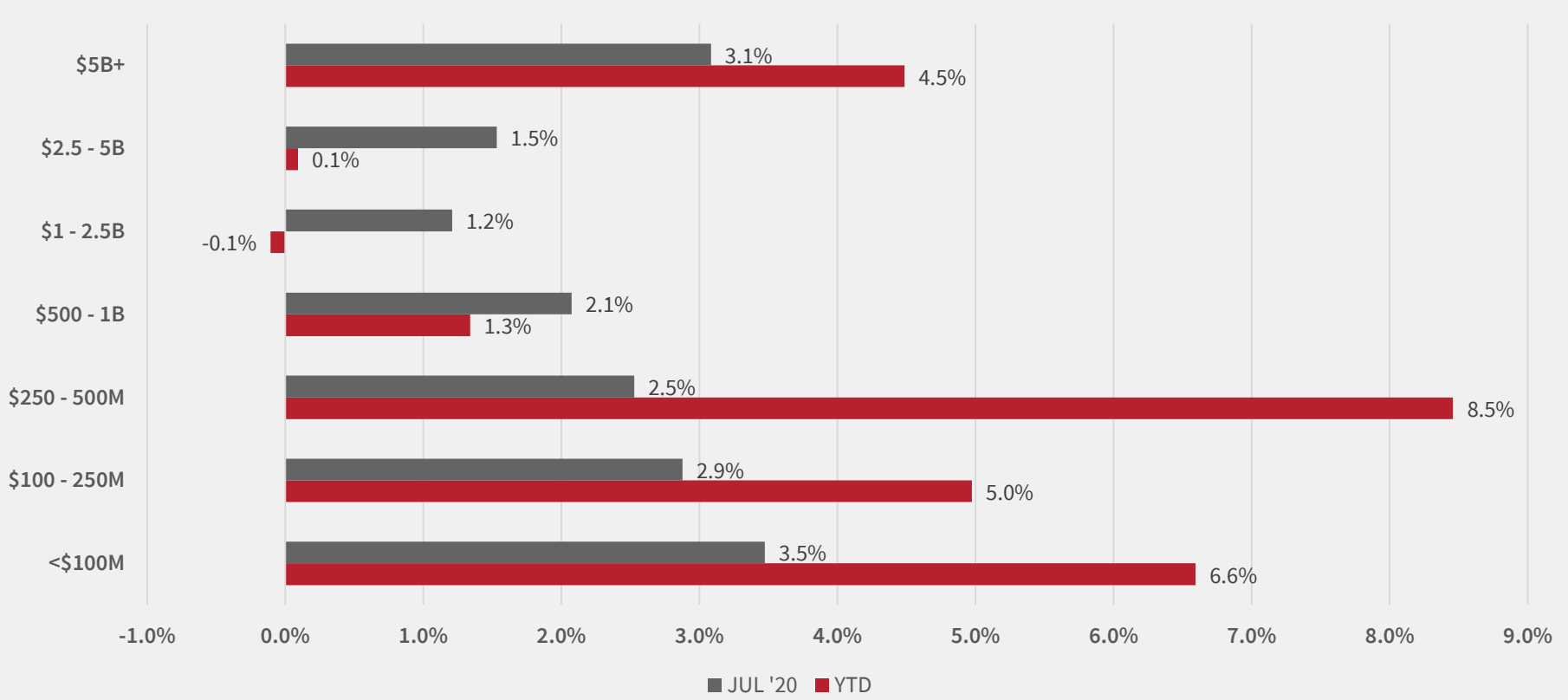
The chart below depicts alpha-generation for each PivotalIndex, ranked from best to worst. Each strategy is color-coded for easy tracking. For the last 12 months, more than 10% separated the top alpha-generating strategy (Multi-Strategy) from the bottom (Credit).

Alpha Leaderboard Relative to S&P 500

Q1 '20	Q2 '20	JUL '20	2017	2018	2019
5.6% Managed Futures	6.0% Equity Sector	3.9% Multi-Strategy	11.9% Equity Sector	2.1% Credit	7.8% Managed Futures
0.9% Global Macro	3.9% Multi-Strategy	2.5% Equity Sector	11.6% Equity Diversified	1.3% Equity Sector	5.0% Equity Sector
0.5% Equity Sector	2.0% Equity Diversified	1.3% Equity Diversified	9.2% Event Driven	1.1% Multi-Strategy	4.6% Multi-Strategy
0.0% Composite	0.3% Composite	-0.5% Global Macro	6.6% Multi-Strategy	-0.4% Event Driven	3.2% Composite
-0.3% Multi-Strategy	-0.2% Managed Futures	-1.0% Composite	5.9% Composite	-0.6% Composite	2.7% Equity Diversified
-0.4% Equity Diversified	-1.0% Event Driven	-3.6% Event Driven	4.3% Credit	-1.6% Managed Futures	2.5% Global Macro
-1.2% Credit	-2.5% Global Macro	-3.9% Managed Futures	-0.7% Global Macro	-2.4% Equity Diversified	2.3% Event Driven
-2.6% Event Driven	-5.7% Credit	-7.5% Credit	-7.2% Managed Futures	-2.6% Global Macro	2.0% Credit

Categorized by AUM, performance was up across managers of all sizes in July.

Average Hedge Fund Performance by AUM



Pivotal Point of View

Here is what this data means for hedge funds, institutional investors and markets overall:

- ✓ Across PivotalPath's hedge fund universe, 82% reported positive performance in July, with 61% reporting positive performance YTD.
- ✓ After hitting an all-time high in March of this year, our proprietary Dispersion Indicator has been falling across hedge fund strategies. However, dispersion among both Managed Futures and Equity Diversified managers is ticking up in Q3. When clients ask us where to allocate manager research time, which is often constrained, we refer to this indicator as a consideration in our advice.
- ✓ While Healthcare was the exception to broad-based positive performance this month, notably the strategy continued to generate positive alpha, 6.8% over the last 12 months and 5.8% over the last 24. Last summer, we noted Healthcare managers' ability to generate consistent alpha, placing them among the top of all strategies measured over various time periods.
- ✓ Many allocators refer to the MSCI Asia Pacific Index as a benchmark for their Asia Long/Short managers. While the equity index is down 2.2% YTD, hedge fund managers have done well across the region. PivotalPath's Equity Diversified: Asia Long/Short Index is up for the 4th consecutive month, returning 11.3% YTD. Additionally, these managers have consistently generated alpha, averaging 2.3% over the previous 12 months.

For access to underlying data and additional research, visit www.pivotalpath.com

Source: PivotalPath data through 08/10/2020. Historic performance available on Bloomberg. Tickers: P2HFCI, P2CRDI, P2EQDI, P2EQSI, P2EVDI, P2GBMI, P2MFTI & P2MSTI.

PIVOTAL PATH