

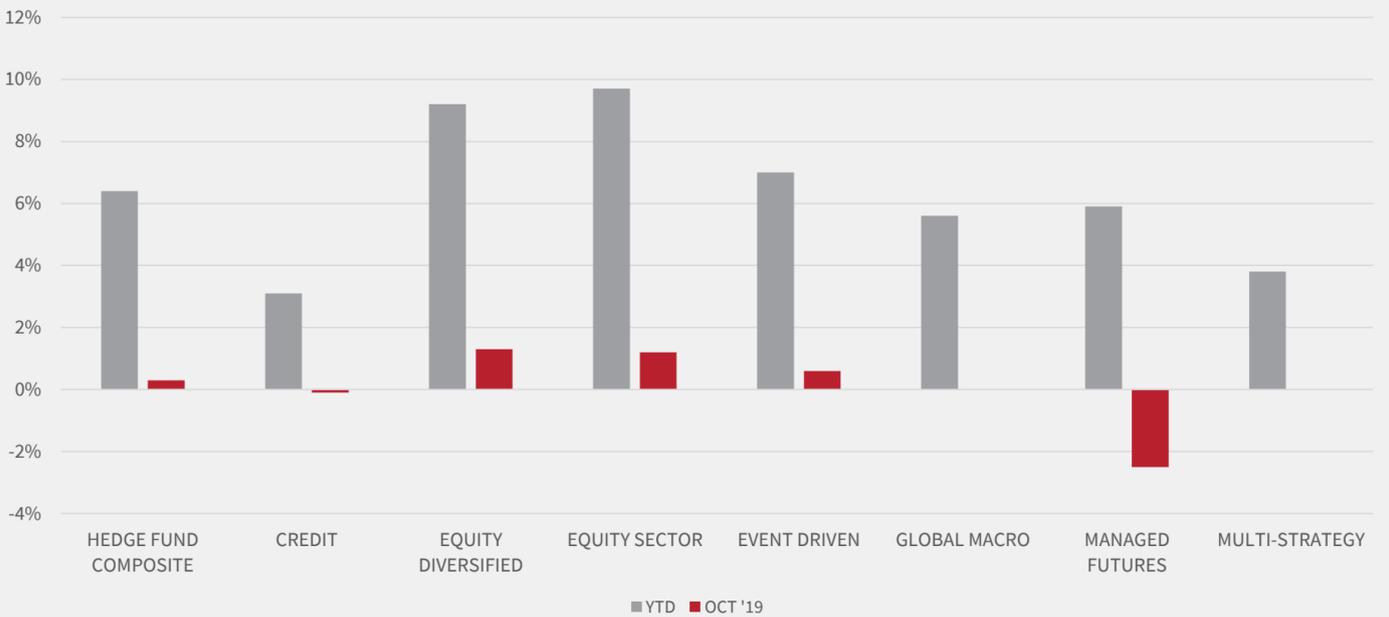
PIVOTAL INDICES

PivotalPath, on behalf of \$75B in client hedge fund capital, tracks over 180,000 data points across more than 1,800 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 the average monthly performance of funds within separate AUM bands.

Key Takeaway: Within our core strategies, Asia Long/Short, Healthcare and Activist managers topped the rankings in October, while Managed Futures, Risk Premia and Distressed trailed the pack.

Strategy Highlights: Despite intra-month volatility, most core strategies were flat to modestly positive in October - with the exception of Managed Futures, which returned -2.5%.

2019 YTD & October Performance



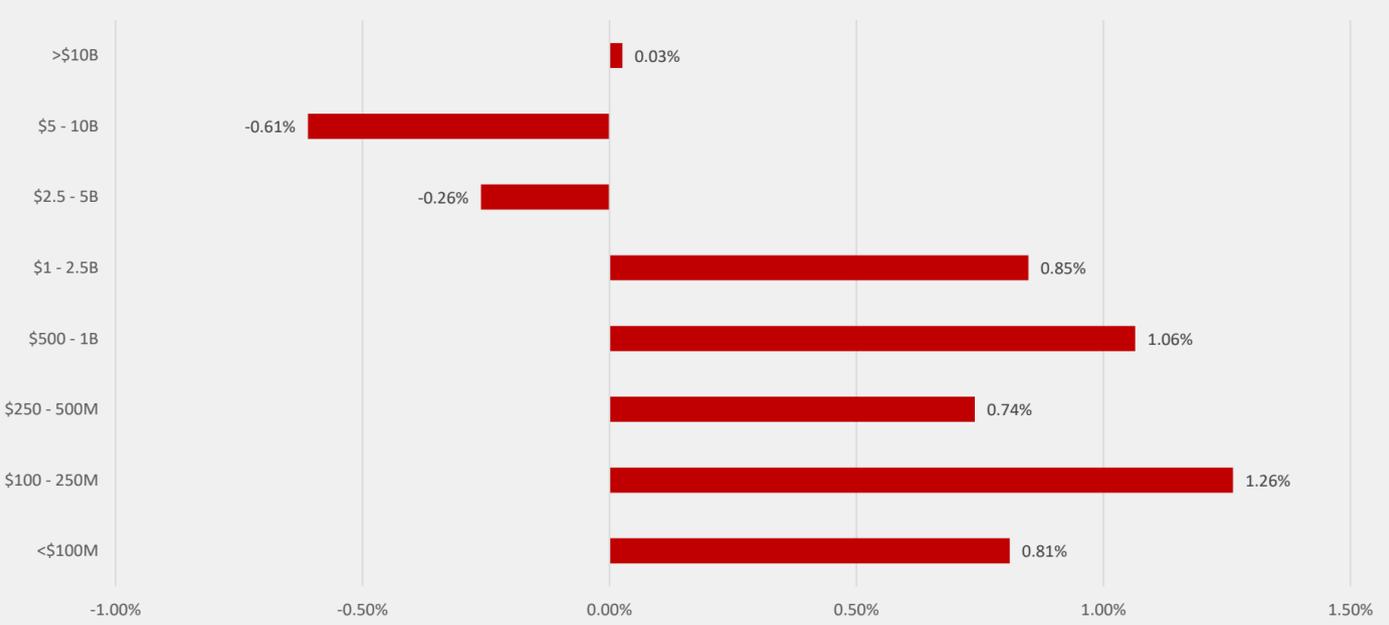
The chart below depicts alpha-generation for each PivotalPath Index, ranked from best to worst. Each strategy is color-coded for easy tracking. As of October, all strategies generated alpha.

Alpha Leaderboard Relative to S&P 500

Q1 '19	Q2 '19	Q3 '19	Oct '19	2016	2017	2018
3.0% Managed Futures	3.2% Managed Futures	5.5% Managed Futures	7.0% Managed Futures	7.1% Credit	11.9% Equity Sector	2.1% Credit
2.4% Event Driven	1.5% Global Macro	1.8% Global Macro	2.5% Event Driven	5.9% Global Macro	11.6% Equity Diversified	1.3% Equity Sector
1.1% Credit	1.1% Credit	1.3% Event Driven	2.1% Global Macro	5.4% Managed Futures	9.2% Event Driven	1.1% Multi-Strategy
0.9% Multi-Strategy	1.1% Multi-Strategy	1.2% Credit	1.9% Equity Diversified	2.9% Multi-Strategy	6.6% Multi-Strategy	-0.4% Event Driven
-0.2% Composite	0.4% Event Driven	0.8% Composite	1.9% Composite	2.9% Event Driven	5.9% Composite	-0.6% Composite
-0.6% Equity Sector	0.2% Composite	0.2% Multi-Strategy	1.6% Equity Sector	2.4% Composite	4.3% Credit	-1.6% Managed Futures
-1.0% Global Macro	-1.4% Equity Sector	-0.4% Equity Diversified	0.6% Credit	-1.8% Equity Sector	-0.7% Global Macro	-2.4% Equity Diversified
-2.4% Equity Diversified	-2.1% Equity Diversified	-2.9% Equity Sector	0.5% Multi-Strategy	-3.2% Equity Diversified	-7.2% Managed Futures	-2.6% Global Macro

During the month of October, performance was negative for larger funds with assets under management greater than \$2.5B. Specifically, funds in the \$5-10B category performed the worst.

Average October 2019 Performance By AUM



PIVOTAL POINT OF VIEW

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

- ✓ Many hedge funds had a challenging start to October, but by month end the majority recovered their losses and finished in flat to positive territory. For the second time this year, alpha across strategies averaged more than 2.0% (August being the first).
- ✓ Throughout the third quarter, we observed unusually high correlations when comparing hedge fund strategies to more than 200 global risk factors. This past month, those levels have started to come down. What could this mean for investors? As correlations decrease and dispersion increases, manager selection will matter more than ever. Find out more in our upcoming report!
- ✓ Also upcoming, we are excited to let you know that historical data for core PivotalIndices will be available on Bloomberg in the next few weeks. Please look out for the official notice, coming shortly. By leveraging our indices, which are far more representative of industry performance than existing standards, investors are able to derive their own insights, in addition to the ones seen here each month.

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

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