MAY 2018

EHP Advantage Fund

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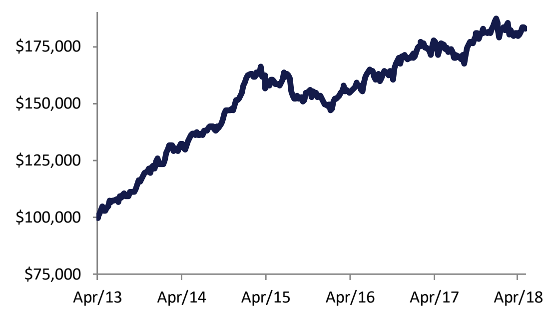
ehp | FUNDS

Returns (Class F units, net of all fees and expenses)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2018	2.3%	-1.0%	-0.5%	-1.4%	1.9%								1.2%
2017	0.1%	2.8%	-0.2%	1.8%	-1.9%	-1.0%	-1.6%	0.6%	2.6%	3.0%	1.1%	-0.9%	6.4%
2016	-2.0%	1.9%	3.3%	-1.4%	2.5%	0.1%	3.2%	-0.7%	0.5%	-0.1%	3.0%	1.0%	11.7%
2015	5.4%	2.5%	0.4%	-4.4%	2.3%	-1.6%	3.4%	-6.7%	0.6%	0.9%	-0.1%	-1.3%	0.7%
2014	0.6%	4.7%	0.5%	1.5%	1.3%	2.3%	-0.5%	2.7%	-0.9%	5.1%	1.1%	2.6%	23.1%
2013					3.2%	3.4%	1.5%	1.4%	1.2%	4.6%	3.7%	2.0%	22.9%

Growth of $100,000 (weekly)



Risk/Reward Analysis

	Fund	S&P TSX	S&P 500 (C$)
Annualized Return	12.6%	8.3%	19.0%
Annualized Std Deviation	7.7%	7.6%	10.0%
Winning Months	69%	67%	70%
Average Monthly Gain	2.2%	1.9%	2.9%
Average Monthly Loss	-1.5%	-1.8%	-1.9%
Largest Drawdown	-9.0%	-14.3%	-7.6%
Sharpe Ratio	1.6	1.1	1.9
Fund Correlation		37.9%	75.8%
Fund Beta		0.37	0.58
Net Exposure	103%		
Gross Exposure	192%		

Compound Returns (%)

	6 Mo	1 Yr	3 Yr	5 Yr	Incep.
Fund	0.2%	4.9%	4.5%	12.2%	12.6%

Source of Returns for Most Recent Month

Returns from Longs	3.3%
Returns from Shorts	-1.4%

Commentary

The EHP Advantage Fund Class "F" units increased 1.9% for the month of May versus a gain of 3.1% for the TSX Composite and 3.5% for the S&P 500 in CAD$. Gains came from the long side of the portfolio, with the greatest outperformance from Momentum strategies, as equity markets continued to recover from the winter correction. Shorts partially offset gains as expensive, more volatile stocks continued to press higher. Our Credit strategy had small gains as high yield bonds finished the month up marginally in absolute terms.

May was another volatile month from a macro perspective, with equities, interest rates, commodity prices (particularly crude) and currencies all experiencing large moves intra-month. Globally, market returns were mixed with North American indices posting strong returns, while most other markets, including Eurozone and EM ended down, as a combination of sluggish economic data, trade issues, strong USD, and political noise contributed to weaker markets. Growth and momentum stocks once again led returns around the globe, best evidenced by the tech-heavy NASDAQ up 5.5% for the month. While high-beta stocks continue to see a persistent bid, their low-beta brethren, dominated by high yielding/dividend names, continue to come under pressure. In an encouraging signal for markets, breadth widened out beyond FAANG-like stocks as small caps hit new highs during May.

With sentiment surrounding the energy sector improving, we have been fielding a lot of questions of how our funds are positioned for further sector strength. For the better part of the last two years, we have benefited from having been generally net short energy stocks, given they were both expensive and declining. As of late however, energy stocks are increasingly exhibiting attributes that we look for, namely; attractive valuations and positive price momentum. As a result, we have seen short covering while incrementally adding names to the long side of our portfolio, leaving our funds, on average, net long for the first time in a while. We are of the view that should crude prices hold or move higher, the sector is in the early stages of a considerable move higher and that our positioning will adapt to participate as our process identifies more names to own. If earnings revisions are any indication of potential, it is worth noting that energy stocks are the strongest of all sectors on that measure.

We entered May recognizing that there were some "green shoots" in terms of sentiment and trend improvement following the February correction. With markets continuing recent strength, our tactical indicators had us shifting our exposures higher, leaving us "risk on" across all markets and strategies as we enter June. We recognize that investors are struggling with where we are in this unconventional cycle, reconciling near term data that suggests no fear of an imminent recession, while recognizing that we are long in the tooth for this bull run. While we have held the view for some time that markets were late-cycle, expensive and overbought, the combination of the market pullback and strong recent earnings has left valuations considerably more reasonable. While we still believe we are late cycle, we are probably not "end of cycle", and this market may yet have another leg higher over the balance of the year. Regardless of whether this move higher turns out to be short lived or has a lot further to go, we stick to our rules based process, which for the time being has our funds with overall exposures and risk levels at the higher end of their targeted ranges.

EdgeHill Partners
45 Hazelton Ave
Suite B
Toronto, Ontario
M5R 2E3

(416) 360-0310
info@ehpfunds.com
www.ehpfunds.com

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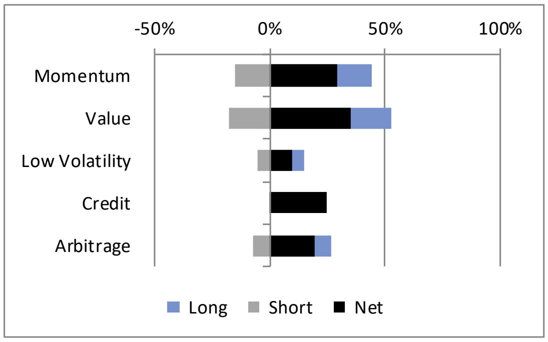
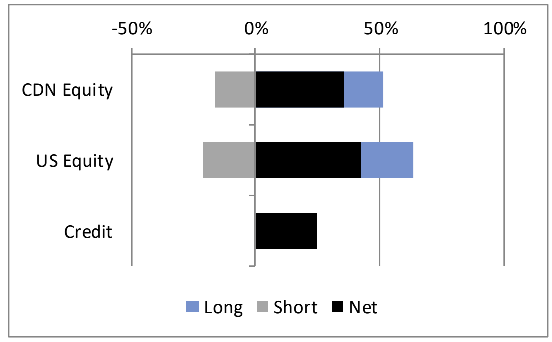
Fund Structure

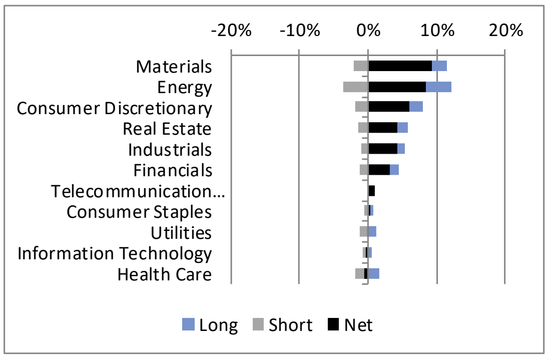
Strategy Allocations % of NAV



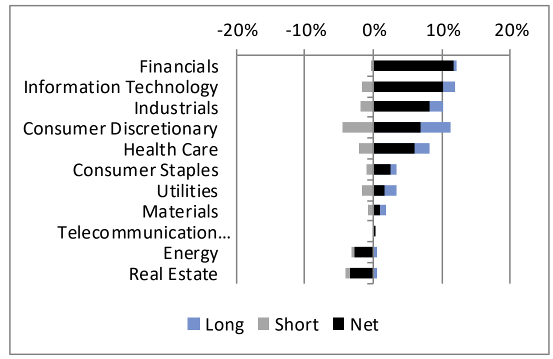
Capital Allocations % of NAV



Sector Allocations % of NAV - Canadian Equity



Sector Allocations % of NAV - U.S. Equity



Canadian Equity - Top 10 Longs

Canada Goose Holdings Inc	2.1%
Colliers International Group I	2.0%
Methanex Corp	1.8%
Norbord Inc	1.8%
Tourmaline Oil Corp	1.7%
Parex Resources Inc	1.7%
Canfor Corp	1.6%
Interfor Corp	1.4%
Martinrea International Inc	1.3%
BRP Inc/CA	1.2%

U.S. Equity - Top 10 Longs

Boeing Co/The	0.9%
Synchrony Financial	0.8%
American Express Co	0.8%
Mastercard Inc	0.8%
Caterpillar Inc	0.8%
Progressive Corp/The	0.8%
Intel Corp	0.7%
Lockheed Martin Corp	0.7%
Aflac Inc	0.7%
Seagate Technology PLC	0.7%

Fund Information

The Fund constructs a long/short portfolio of North American equities and credit by buying undervalued, rising, stable stocks and shorting overvalued, declining, volatile stocks. The Fund actively gears down risk in declining markets and tilts toward more defensive stocks and strategies to preserve capital. The Fund emphasizes a disciplined process of stock selection, risk control and liquidity. The Fund targets annual returns of 10-12% net of all fees.

Portfolio Managers:	Jason Mann, Ian Fairbrother	Fund Risk Rating:	Low to Medium
Fund Structure:	Mutual Fund Trust	Reporting Frequency:	Weekly
RSP Eligible:	Yes	Fund Codes:	$CAD: EHP100A / EHP100F
Fee Structure:	A, UA: 2% Mgmt Fee, 20% Perf Fee		$USD: EHP100UA / EHP100UF
	F, UF: 1% Mgmt Fee, 20% Perf Fee	High Water Mark:	Yes, Perpetual
Subscription Amounts:	$25,000 Minimum	Fund Administrator:	SS&C CommonWealth
Subscriptions:	Weekly, Friday 4pm deadline	Prime Brokers:	Bank of Nova Scotia, BMO
Redemptions:	Weekly, 1 day notice A/F, 2 day UA/UF	Legal / Auditors:	McMillan LLP / KPMG LLP

EdgeHill Partners
45 Hazelton Ave
Suite B
Toronto, Ontario
M5R 2E3

(416) 360-0310
info@ehpfunds.com
www.ehpfunds.com

DISCLAIMER: Performance returns refer to initial series of Class "F" Units, and are net of all fees and certain operating expenses. Partial year returns are unaudited. Returns are annualized and since inception unless otherwise noted. Statistics are calculated using monthly returns unless otherwise noted. Allocations are represented as percentages of net assets. Index statistics use total return indices. The composition of the Funds' portfolio could differ significantly from the index due to the investment strategy employed, and includes differences such as use of credit strategies, use of equal weight positions, use of short positions, varying fund net exposure, varying currency exposure, and investing in small capitalization stocks. Please see "Investment Strategies" in the Confidential Offering Memorandum for more details. Fund Risk Rating is defined in the "Risk Factors section of the Offering Memorandum. This presentation is not an offer to sell nor a solicitation of an offer to purchase interests of the Funds. The Manager reserves the right to change any terms of the offering at any time. Offers and sales of interests in the Funds will be made only pursuant to an offering memorandum, complete documentation of the relevant Fund and in accordance with the applicable securities laws, and this presentation is qualified in its entirety by reference to such documentation, including the Risk Factors and Potential Conflicts of Interest disclosure set forth therein.