



# ELEVENFUND

Spartan Fund Management

August 2019

## Spartan Overview

Spartan, established in 2006, is a Toronto-based investment management company that specializes in niche investment strategies managed by experienced investment managers with proven track records. Spartan's infrastructure adheres to institutional standards with independent risk management and compliance, and well-known third party service providers. This allows our investment management teams to focus on investing and provides investors with the comfort that their money is being managed to the same standard as larger funds.

## Fund Overview, Objectives and Strategy

ElevenFund is a short term momentum fund focused on the Canadian equity market. ElevenFund targets superior risk-adjusted returns compared to the TSX, as measured by the Sharpe and MAR (gain-to-pain) ratios. We expect to outperform the TSX in neutral-to-down markets and to capture a significant portion of the gains in strong up markets, with lower volatility and with smaller drawdowns than the TSX. The Fund places significant emphasis on liquidity, capital preservation and on crystallizing open profit positions. The Fund uses no leverage and does not invest in private securities.

## Monthly Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	TSX
2019	+4.61%	-0.47%	+0.45%	+1.17%	-4.68%	+0.93%	-1.42%	-1.40% <sup>e</sup>					-1.05% <sup>e</sup>	+14.80%
2018	-1.08%	-2.95%	-0.16%	+2.12%	+2.07%	-0.11%	+0.23%	-1.15%	-0.78%	-4.89%	+0.90%	-4.81%	-10.38%	-11.64%
2017	+0.96%	-0.54%	+1.09%	+0.05%	-1.02%	-0.78%	-0.50%	-0.47%	+2.40%	-0.07%	+0.83%	+1.44%	+3.37%	+6.03%
2016	-1.96%	+2.45%	+3.04%	+3.50%	+2.02%	-0.01%	+3.21%	-1.74%	+0.30%	-1.68%	+1.40%	+1.38%	+12.33%	+17.51%
2015	+1.21%	+1.65%	-0.75%	+0.98%	-0.89%	-3.06%	-2.49%	-3.97%	-2.51%	+3.32%	-0.85%	-1.89%	-9.11%	-11.09%
2014	+0.80%	+1.97%	+1.47%	+0.18%	-0.40%	+1.86%	+1.35%	+3.89%	-2.14%	-2.92%	+0.85%	-0.50%	+6.40%	+7.42%
2013	+1.72%	+0.74%	-0.13%	-1.45%	+1.38%	-1.63%	+1.00%	+0.55%	+0.67%	+2.06%	+0.97%	+0.63%	+6.64%	+9.55%
2012	+2.81%	+2.95%	+0.02%	-0.73%	-3.45%	+0.80%	+0.02%	+1.44%	+2.85%	+0.83%	-0.66%	+0.82%	+7.76%	+4.00%
2011											+0.31%	+7.06%	+7.39%	-2.42%

<sup>e</sup> refers to estimated returns, as opposed to final returns. The estimated returns for the current month are included in the calculation of all other returns and statistics.

## Statistics

Cumulative Return (since inception)	22.89%	34.20%
Annualized Compound Return	2.67%	3.83%
Sharpe Ratio	0.38	0.44
Avg. Monthly Gain	1.59%	1.78%
Avg. Monthly Loss	-1.58%	-2.18%
Max. Drawdown	15.06%	17.94%
Annualized Std. Deviation	7.11%	8.67%
% of Winning Months	57.45%	63.83%
Correlation	0.77	

## ElevenFund

## TSX

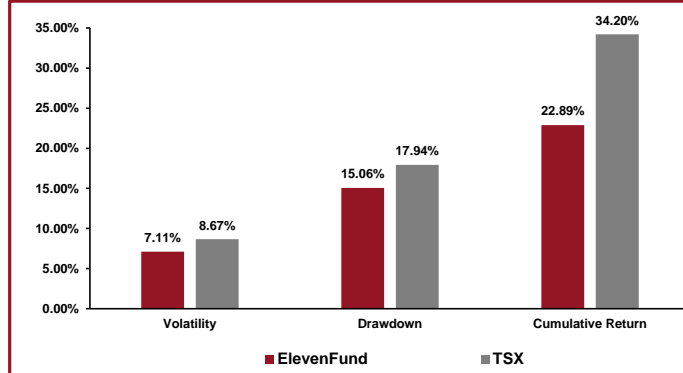
## Fund Information

RSP Eligible?	Yes
Min. Investment	C\$25,000
Invest/Redeem Frequency	Monthly
Lock-up Period	None
Early Redemption Fee	None
Redemption Notice	7 days
'A' Class Fees (SPA400)	2% + 20%
'F' Class Fees (SPA410)	1% + 20%
Highwater Mark	Yes, no resets

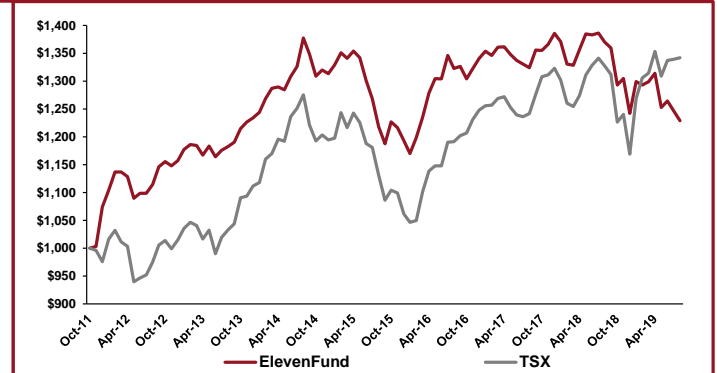
## Service Providers

Advisor	Spartan Fund Management Inc.
Prime Broker	CIBC
Auditor	Deloitte LLP
Administrator	SGGG Fund Services
Legal Counsel	McMillan LLP

## Risk-Return Comparison



## Growth of \$1,000



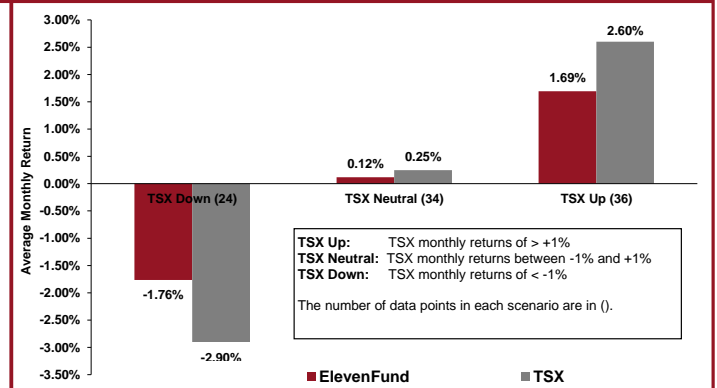
## Commentary

For the month of August ElevenFund was -1.40%e and is now +22.89%e since inception in November 2011.

Again, another volatile month in August and we are heading into a month that is historically the worst of the year for the market. Markets continue to remain focused on trade developments and the Fed's upcoming meeting. Bond investors are still nervous and have created a bubble in bond prices. It's all about safety and yield, and given the level of rates and the expected Federal Reserve cut in interest rates later this month it's hard to vacate stocks. The inverted yield curve in our opinion isn't a recession warning but investors demanding more yield for shorter term investments.

Primary trend indicators all remain positive. Four areas of the market that have hurt us are showing signs of turning around – cannabis, on Trumps remarks regarding adult-use policy and the legalization of medical cannabis; copper, which is oversold and we're starting to see some buying; lumber, which is tending higher; and energy, which is in a lengthy bottoming process and turning up.

## Up-Neutral-Down Chart



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The above returns are net of management and performance fees for the 'A' series of units, but do not take into account early redemption fees if investments are held less than 1 year. Please review the most recent offering memorandum for a detailed description of the Fund's strategy, objectives and risk factors. The above is provided for informational purposes only and is qualified in its entirety by way of the most recent offering memorandum, which is only available to qualified investors. Prospective investors should consult with a professional financial advisor before investing. Past performance cannot predict future results. Share value and yields will fluctuate. There can be no assurance that any of the Fund's objectives will be met. See Terms and Conditions of our website (www.spartanfunds.ca) for important information and qualifications regarding the use of benchmarking and indices. The index above was chosen as it is a widely used benchmark of the Canadian equity market. While the Fund uses this index for long-term performance comparisons, it is not managed relative to the composition of the index. There are differences which include security holdings, geographic and sector allocation which impact comparability. As a result, the Fund may experience periods when its performance differs materially from the index.