

# SMALL & MID CAP GROWTH

Managed Accounts

Fourth Qtr 2018 - As of Dec 31, 2018



## FIRM FACTS

QTR Capital Management is an alternative investment management firm that actively manages four long/short strategies, and a fixed-income alternative fund.

## STRATEGY OVERVIEW

The Small & Mid Cap Growth strategy focuses on stocks with a market cap of \$250m to \$7 billion that are in strong industry sectors and exhibit strong earnings growth and price momentum. This system also allocates a portion of the portfolio to short hedge trades.

## INVESTMENT APPROACH

A high active share investment approach that identifies stocks via a proprietary 4-level scanner comprising technical, fundamental and factor-based quantitative analysis. For the bullish trades we buy the underlying stock of fundamentally strong companies that have moved into high probability bullish technical & statistical setups. For the bearish trades we either short the stock or buy put options on fundamentally weak companies that have moved into high probability bearish technical & statistical setups.

## KEY DIFFERENTIATORS

- Adhere to strict exit rules that allow the winners to run, but able to lock in gains when exit signals trigger, which is key to capital preservation.
- Open long & short trades to improve risk-adjusted returns and ability to generate positive returns in UP and DOWN markets.
- Strong portfolio statistics vs. benchmark such as a low Beta, high Active Share, low volatility, and strong Up & Down Market Capture.

## PORTFOLIO MANAGERS

### Brad Reinard

CIO & Senior Portfolio Manager  
B.S. Columbia University  
MBA - Univ. of Chicago Booth School of Business  
18 years industry experience

### Pranav Singh

Portfolio Manager  
7 years industry experience

This information is for illustrative purposes only, is subject to change at any time and should not be considered investment advice or a recommendation to buy or sell any particular security. Please refer to page two of two for additional important information.

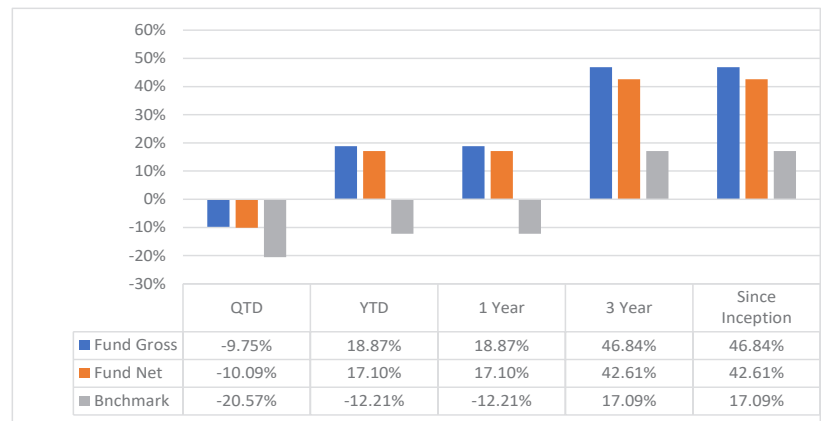
## CALENDAR YEAR PERFORMANCE

	Fund (gross)	Fund (net)	Russell 2000 <sup>1</sup>
2018	18.87%	17.10%	-12.21%
2017	17.40%	15.72%	13.12%
2016	16.67%	15.05%	15.18%

## PORTFOLIO CHARACTERISTICS

	Fund	Russell 2000
Number of Positions	22	
Average Allocation Per Position	4.8%	
Median Market Cap	\$2.7B	\$2.2B
EPS Growth (trailing 2 yr)	22.5%	8.23%
Return on Equity	20.3%	5.7%
Price/Earnings	24.5x	16.3x

## ANNUALIZED PERFORMANCE



## PORTFOLIO STATISTICS

Inception to Dec 31, 2018

	Fund	Russell 2000
Return	46.84%	17.09%
Standard Deviation (annualized)	11.25%	15.48%
Alpha (CAPM)	0.4	
Beta	0.33	1.00
R-Squared	0.20	
Tracking Error	4.18%	
Information Ratio	4.23	
Sharpe Ratio	1.7	0.9
Active Share	95.2	
Up Market Capture	161	
Down Market Capture	12	
Max Drawdown	-13.63%	-22.53%

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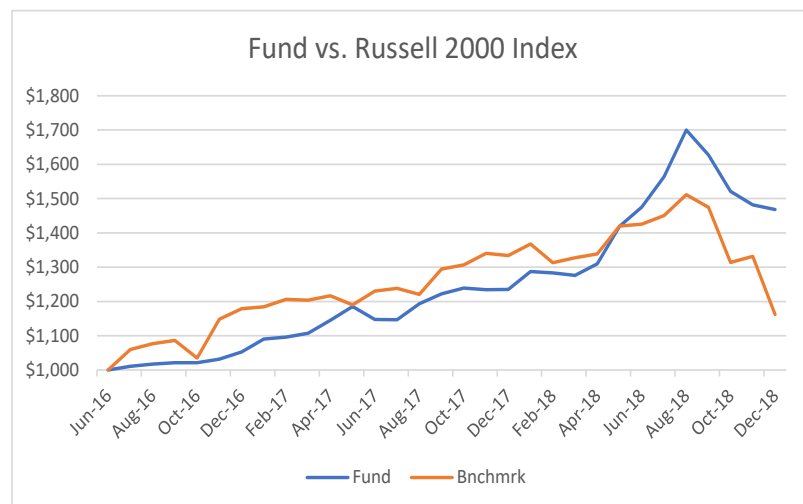
1 2016 benchmark and Fund returns are calculated from Fund inception date of July 1, 2016. Benchmark returns represent price returns.

2 Active share calculated as 100% less percent of overlap between fund holdings and Russell 2000 benchmark components.

Data as of December 31, 2018 unless otherwise indicated. The benchmark is the Russell 2000 small cap index, unless otherwise indicated. This information is for illustrative purposes only, is subject to change at any time and should not be considered investment advice or a recommendation to buy or sell any particular security. The information is based upon the total assets of all discretionary accounts comprising the QTR Capital Management Small & Mid Cap Momentum Fund for the periods shown. Please refer to the last page for additional important information. Past Performance does not predict or guarantee future results. Performance is preliminary and is annualized for periods longer than one year. Performance inception date is July 1, 2016. Gross of fees performance returns are presented before investment managements fees and custodial fees, but after all trading expenses. Net of fees performance returns are presented net of the investment management fees and trading expenses. The performance presented represents past performance and is no guarantee of futures results. Performance is compared to an index. The volatility of an index varies greatly, and investments cannot be made directly in an index. Market conditions vary from year to year and can result in a decline in market value due to material market of economic conditions. Sources: Russell Investments, FactSet, Standard & Poor's Financial Services. Consider the investment objectives, risks, and charges and expenses of the QTR Capital portfolios carefully before investing. Individual accounts may vary due to restrictions, substitutions and other factors. Portfolio holdings may change at any time without notice. The specific securities do not represent all the securities that QTR Capital Management has purchased, sold or recommended for clients over the past year. The reader should not assume that the investments in the securities listed above were or will be profitable. This report contains no recommendation to buy or sell any specific securities and should not be considered investment advice of any kind. This information is not provided in a fiduciary capacity. The information provided does not consider the specific objectives or circumstances of any particular investor or suggest any specific course of action. Investment decisions should be made based on an investor's objectives and circumstances and in consultation with his or her advisor. CFA and Chartered Financial Analyst are registered trademarks owned by CFA Institute. Past performance is not indicative of futures results. Actual results may differ from listed results depending upon the size of the account, investment objectives and restrictions, the amount of transaction and related costs, the inception date of the account and other factors. All investments carry a certain degree of risk and it is important to review investment objectives, risk tolerance, tax liability and liquidity needs before choosing an investment style of manager. There are specific risks associated with small company investments including higher volatility, than large cap companies. ADRs do not eliminate currency and economic risks for the underlying shares in another country. Small or mid-cap style investing may fall out of favor and underperform growth or other style investing during given periods of time. Certain information was obtained from third party sources, which we believe to be reliable but not guaranteed for accuracy or completeness. These investment products are not FDIC insured, may lose value and are not bank guaranteed. Clients should consult their financial advisors regarding any unknown terms or concepts. Please refer to page one of two for more important information.

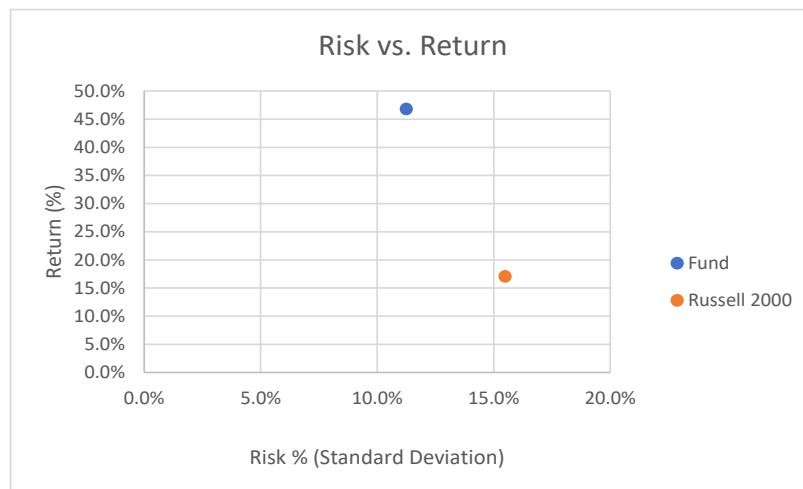
## VALUE OF \$1000

Inception to Dec 31, 2018



## RISK VS. RETURN

Inception to Dec 31 2018



## TOP 10 HOLDINGS

As of October 1, 2018

	Symbol	Allocation
Worldpay	WP	5.5%
Paycom Software	PAYC	5.3%
Alarm.com	ALRM	5.0%
Fortinet	FTNT	4.9%
Exponent	EXPO	4.8%
Steris	STE	4.7%
Helen of Troy	HELE	4.7%
Surmodics	SRDX	4.7%
Interger Holdings	ITGR	4.7%
BioTelemetry	BEAT	4.6%