

# AlphaSimplex Global Alternatives Fund

Q2 • June 30, 2020

## Fund Highlights<sup>1</sup>

- A broadly diversified alternative investment fund that reflects the strategic and tactical asset allocation of the hedge fund industry through a mutual fund
- Uses exchange-traded futures and currency forward contracts to gain exposure to desired asset classes
- Designed to generate strong risk-adjusted returns through diversified exposures across multiple hedge fund styles and risk factors, and with adaptive volatility management
- May be suitable for investors seeking to access the diversification potential of hedge funds with liquidity, transparency and risk control
- Seeks to maintain volatility at or below a targeted level to limit the magnitude of potential loss

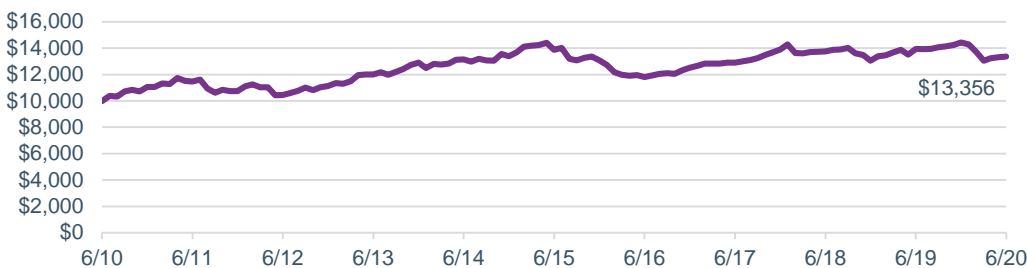
## Average annualized total returns<sup>†</sup> (%)

	3 months	YTD	1 year	3 years	5 years	10 years
Class Y	2.33	-7.39	-4.22	1.15	-0.76	2.94
Class A at NAV	2.27	-7.51	-4.47	0.90	-1.03	2.68
Class A with 5.75% maximum sales charge	-3.63	-12.82	-9.99	-1.08	-2.19	2.08
Barclay Fund of Funds Index <sup>4</sup>	6.95	-2.09	-0.46	1.00	0.47	2.08

## Calendar year returns (%)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Class Y	7.22	-3.00	3.68	16.05	3.77	-2.38	-4.23	10.93	-6.04	10.49
Barclay Fund of Funds Index <sup>4</sup>	4.89	-6.22	4.72	8.83	2.82	-0.09	-0.55	6.64	-4.56	5.86

## Investment return – Hypothetical growth of \$10,000 investment<sup>3</sup>



## Fund Facts

### Objective

Pursues an absolute return strategy that seeks to provide capital appreciation consistent with the risk-return characteristics of a diversified portfolio of hedge funds

Share Class	Ticker	Cusip
Class Y	GAFYX	63872T-88-5
Class A	GAFAX	63872T-70-3
Class C	G AFCX	63872T-80-2
Class N	GAFNX	63872T-44-8

Class A maximum sales charge of 5.75%  
Class C maximum CDSC of 1.00%

Total net assets	\$655.6 million
Inception date	9/30/2008
Number of equity holdings	257
Number of futures and forward contract types	79
Number of cash instruments	32
Number of ETFs	1
Distribution frequency	Annual
Gross Expense Ratios (Y/A) <sup>2</sup>	1.37%/1.62%
Net Expense Ratios (Y/A) <sup>2</sup>	1.34%/1.59%

Performance data shown represents past performance and is no guarantee of, and not necessarily indicative of, future results. Total return and value will vary, and you may have a gain or loss when shares are sold. Current performance may be lower or higher than quoted. For most recent month-end performance, visit [im.natixis.com](http://im.natixis.com).

Performance for other share classes will be greater or less than shown based on differences in fees and sales charges. You may not invest directly in an index.

<sup>†</sup>Performance for periods less than one year is cumulative, not annualized. Returns reflect changes in share price and reinvestment of dividends and capital gains, if any.

<sup>1</sup> The fund seeks to target a relatively stable level of annualized volatility (as measured by standard deviation), but the targeted volatility is subject to change. There is no guarantee that the target will be achieved and the realized volatility level of the fund can be higher or lower than its target volatility at any given point in time. Volatility is not an indicator of expected return or a measure of protection against loss. <sup>2</sup> As of the most recent prospectus, the investment advisor has contractually agreed to waive fees and/or reimburse expenses (with certain exceptions) once the expense limitation of the fund has been exceeded. This arrangement is set to expire on 04/30/2022. When an expense limitation has not been exceeded, the gross and net expense ratios and/or yields may be the same. <sup>3</sup> This chart tracks the hypothetical growth of a \$10,000 investment in Class Y shares. Investment returns would be lower for Class A share investments, which are subject to higher fees and may also include sales charges.

Not all share classes are available for purchase by all investors. Class Y shares are available to institutional investors with a minimum initial investment of \$100,000 and through certain wrap-fee programs, retirement plans and investment advisory accounts with no minimum. See the prospectus for more details.

## Portfolio Exposures\*

## Top ten long positions

Exposure	% Contribution to Volatility	% of Net Assets
Long Equities	35.62	18.35
Euro-BTP	3.24	7.31
DAX	3.16	2.11
Gold	2.03	2.45
Brent Crude Oil	1.93	0.70
10-Year U.S. Treasury	1.90	11.20
FTSE 100	1.73	1.37
U.K. Long Gilt	1.45	7.89
Wheat	1.31	1.58
2-Year U.S. Treasury	1.27	53.68

## Top ten short positions

Exposure	% Contribution to Volatility	% of Net Assets
Short Equities	9.99	-3.69
S&P 500	9.77	-7.27
10-Year Canadian Gov't	3.70	-13.94
Euro	2.30	-6.96
30-Year U.S. Treasury	1.41	-3.08
Corn	1.38	-1.78
High Grade Copper	1.10	-1.26
Gas Oil	0.88	-0.33
Mexican Peso	0.88	-0.90
Cocoa	0.72	-0.58

## Summary

Exposure	% Contribution to Volatility	% of Net Assets
<b>Total Equity</b>	<b>63.36</b>	<b>13.68</b>
Long Equities	35.62	18.35
Short Equities	9.99	-3.69
Non-U.S. Developed	6.72	5.01
U.S.	10.15	-7.00
Emerging Markets	0.88	1.01
<b>Total Commodity</b>	<b>13.74</b>	<b>1.14</b>
Energy	3.78	0.10
Agricultural & Livestock	5.72	0.12
Metal	4.24	0.92
<b>Total Sovereign Debt</b>	<b>16.30</b>	<b>82.70</b>
U.S. Bonds	6.41	71.53
Non-U.S. Developed	9.89	11.17
<b>Total Currency</b>	<b>6.43</b>	<b>-6.70</b>
Non-USD Reserve	2.63	-6.50
Non-Reserved Developed	3.80	-0.20
<b>Total Interest Rate</b>	<b>0.14</b>	<b>8.37</b>
3 Month Euro Euribor	0.03	-2.46
3 Month Eurodollars	0.02	1.52
3 month Sterling	0.09	9.31



## Manager Overview

**Investment Manager**  
AlphaSimplex Group, LLC offers alternative investment solutions designed to adapt to changing market dynamics. The products use AdaptiveVolatility Management™ to help offset the impact of short-term fluctuations in market risk. The products are liquid, actively managed, and adaptive to current market conditions.

**Headquarters:** Cambridge, MA

**Founded:** 1999  
**Assets under management:** \$5.7 billion (as of 03/31/2020)<sup>5</sup>

**Portfolio Managers<sup>6</sup>**  
**Alexander D. Healy, PhD**  
**David E. Kuenzi, CFA<sup>®</sup>**  
**Robert S. Rickard**  
**Philippe P. Ludi, PhD, CFA<sup>®</sup>**  
**Peter A. Lee**

\* The portfolio exposures presented above are intended to illustrate the asset class exposure present in the fund. The portfolio exposure percentage represents the notional contract value in U.S. dollars of the Fund's futures and/or forward positions divided by the Fund's total net assets. Notional contract values represent the aggregate exposure that a futures or currency forward contract provides to the underlying reference asset or currency, respectively. If applicable, any exposure to an ETF or equity security is represented by the percentage in U.S. dollars divided by the Fund's total net assets. Given the nature of the Fund's investments, the sum of the percentages above may not equal 100% and the notional contract values may not equal the net assets of the Fund.

On a daily basis the Fund reflects the changes in the unrealized gains and losses from these futures and/or forward currency contracts in the computation of its net asset value. At June 30, 2020, 77.97% of the Fund's net assets represented investments in money market securities, 0.73% in ETFs, 18.35% in equity securities and 2.95% of the Fund's net assets represented other assets less liabilities. The other assets primarily consist of margin and unrealized gains and losses on futures and forward contracts.

% Contribution to Volatility is calculated for each instrument based on the Fund's exposure to the instrument at the most-recent quarter-end and the instrument's annualized volatility based on daily price changes in generic contract, ETF, or equity security levels during the most-recent quarter. Directional exposure and correlations across the instruments are ignored for purposes of the calculation. Money market securities are not included in this calculation.

## Risks

**Leverage** can increase market exposure and magnify investment risk. **Futures and forward contracts**, like other derivatives, can involve a high degree of risk and may result in unlimited losses. Because they depend on the performance of an underlying asset, they can be highly volatile and are subject to market, credit, and counterparty risks. **Short exposures** using derivatives may present various risks. If the value of the asset, asset class or index on which the Fund holds short investment exposure increases, the Fund will incur a loss. The potential risk of loss from a short exposure is theoretically unlimited, and there can be no assurance that securities necessary to cover a short position will be available for purchase. **Equity securities** are volatile and can decline significantly in response to broad market and economic conditions. **Foreign and emerging market securities** may be subject to greater political, economic, environmental, credit, currency and information risks. Foreign securities may be subject to higher volatility than US securities, due to varying degrees of regulation and limited liquidity. These risks are magnified in emerging markets. **Commodity-related investments**, including derivatives, may be affected by a number of factors including commodity prices, world events, import controls, and economic conditions and therefore may involve substantial risk of loss. **Currency exchange rates** between the US dollar and foreign currencies may cause the value of the Fund's investments to decline. **Interest rate risk** is a major risk to all bondholders. As rates rise, existing bonds that offer a lower rate of return decline in value because newly issued bonds that pay higher rates are more attractive to investors. **Concentrated investments** in a particular region, sector, or industry may be more vulnerable to adverse changes in that industry or the market as a whole.

4 The Barclay Fund of Funds Index is a measure of the average return of all Fund of Funds ("FoFs") in the Barclay database. The index is simply the arithmetic average of the net returns of all the FoFs that have reported that month. Index returns are recalculated by Barclay Hedge, Ltd. throughout each month. 5 Assets under management ("AUM"), as reported, may include notional assets, assets serviced, gross assets and other types of non-regulatory AUM. 6 CFA<sup>®</sup> and Chartered Financial Analyst<sup>®</sup> are registered trademarks owned by the CFA Institute.

Before investing, consider the fund's investment objectives, risks, charges, and expenses. Visit [im.natixis.com](http://im.natixis.com) or call 800-225-5478 for a prospectus or a summary prospectus containing this and other information. Read it carefully.

Natixis Distribution, L.P. is a limited purpose broker-dealer and the distributor of various registered investment companies for which advisory services are provided by affiliates of Natixis Investment Managers. • Natixis Distribution, L.P. is located at 888 Boylston Street, Suite 800, Boston, MA 02199-8197 • 800-225-5478 • [im.natixis.com](http://im.natixis.com) • Member FINRA | SIPC