

Alpha Diversified Fund - Simulated



About Alpha Wealth Funds

Founded in 2010, our services include emerging hedge funds, separately managed accounts, financial planning, estate & trust services, private placements and in-house concierge services for high net worth individuals, families and businesses.

About the Portfolio Manager



Mark Kress, CFA | Portfolio Manager Mark brings decades of portfolio and risk management experience to manage asset allocation and hedge fund portfolios for family offices to maximize risk-adjusted returns.

Since 2013 Mark has consulted with both multi and single-family offices on sourcing alternative investments and portfolio management solutions. In 2018 Mark launched Arden Advisory who manages hedge fund allocations for Family Offices. From 2001-2011 Mark was a Portfolio and Risk Manager for the global team at Guggenheim Investments where he helped manage \$1bn in long/short, market neutral, and long-only equity strategies.

Mark holds a BS in Managerial Economics from the University of California at Davis, an MBA from the University of California at Berkeley Haas School of Business and is a Chartered Financial Analyst (CFA).

Fund Overview

The Alpha Diversified fund focuses on building and maintaining a low volatility, multi-manager hedge fund portfolio that seeks to have low correlation to the broader debt and equity indices. The fund’s investment objective is capital appreciation with limited variability of returns. The fund attempts to achieve this objective by allocating capital among several pooled entities, each managed by an independent investment adviser who invest in a variety of asset classes.

Manager due diligence covers alternative asset classes, sourced through our extensive network and reach within the investment community, as well as the broader investment bank capital introduction network. Many of the strategies employed by outperforming fund managers simply do not work at scale. If funds grow too large, they are forced to operate outside of their strategy in order to deploy capital. Therefore, we focus on sourcing Managers who are limiting their capital raising efforts to ensure effective execution of their underlying strategies. Our portfolio of funds is optimally diversified broadly among these boutique managers.

Performance Summary - Pro Forma

	Alpha Diversified Fund Net (1/10)	HFRX Global Hedge Fund Index	60% Stocks & 40% Bonds	Barclays US Aggregate	S&P 500
Year-to-Date (12/31/20-8/31/21)	15.1%	4.0%	12.1%	-0.9%	21.5%
Trailing 12 Month Return (8/31/20-8/31/21)	31.9%	10.8%	22.4%	-1.3%	40.5%
Trailing 24 Month Annualized (8/31/19-8/31/21)	28.0%	7.2%	16.9%	4.2%	25.4%
Since Inception Annualized (12/31/17-8/31/21)	29.4%	3.3%	12.3%	4.0%	17.5%

Trailing 3-Year Return Analysis (8/31/18 - 8/31/21)

Annualized Return	30.0%	4.4%	14.0%	5.5%	19.3%
Annualized Std Dev	6.6%	5.7%	11.0%	3.5%	18.2%
Sharpe Ratio	4.37	0.54	1.15	1.20	0.99
Beta to S&P 500	0.15	0.28	0.60	0.00	1.00

Annual Performance

2021 YTD	15.1%	4.0%	12.1%	-0.9%	21.5%
2020	31.8%	6.8%	14.6%	7.2%	18.4%
2019	34.9%	8.6%	22.1%	8.7%	31.3%
2018	25.6%	-6.7%	-2.3%	0.0%	-4.4%

Monthly Performance

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
2021	5.01	0.54	2.28	0.92	4.28	-0.08	1.46	-0.08					15.1%
2020	1.98	0.52	4.40	5.52	0.70	-1.40	2.64	2.63	3.18	1.26	5.21	1.54	31.8%
2019	5.65	3.68	2.32	3.54	0.14	5.53	1.78	-0.33	0.67	0.83	3.82	2.87	34.9%
2018	4.15	-0.83	1.16	3.20	4.02	0.53	3.76	3.33	1.19	-0.59	1.24	1.99	25.6%

Disclosures

Alpha Diversified Fund – Simulated performance of combination of 12 boutique hedge funds optimally combined to maximize return with a targeted 6.5% annual variability. Stock benchmark used in the analysis is the S&P 500 and the bond benchmark is Barclays US Aggregate. Past and proforma performance is not necessarily indicative of future performance. The performance data above in do not represent the performance of the Fund, but rather, represent the performance of a composite model portfolio of 12 boutique hedge funds selected using the allocator mechanism developed for the Fund.

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