About Evovest

Evovest automates investment decisions with a scientific approach. Machine learning allows us to identify the best potential investments by analyzing financial and macroeconomic information. Our approach stands out by integrating the best practices in portfolio management and artificial intelligence. Our commitment is to generate superior returns through an innovative approach at a competitive cost.

Q2 2021 Quarterly Review

Automation and process improvement

Following the start of an institutional mandate during the last quarter, much of our efforts were focused on improving and establishing new automated processes linked to the various elements of the trade cycle. This work allows us to have a solid base for our future growth. At the same time, it puts in place an infrastructure that allows us to have daily transparent reporting with our customers.

With those efforts, we also aim to improve our organizational efficiency. This will allow us to accomplish more with fewer human resources than our competitors. It is from this perspective that we believe we can develop Evovest and offer a competitive service offering.

Scientific Advancement

We would also like to highlight the development and integration into our production models of a new method of machine learning: neural decision trees, inspired by recent research at Yandex. A spirit of continuous development is at the heart of our ever-evolving process.

We have also improved our risk controls by incorporating a correlation measure. This is the first explicit consideration of the dependencies between the constituents of the portfolio. The approach is based on a distance-based measure of our risk factors and has appeared competitive compared to a sophisticated matrix factorization approach. We discuss it in a LinkedIn post (link).

Event Presence

Also highlighting the participation of Jérémie on the fintech panel organized by Finance Montreal asking the question: Can Montreal become a center of excellence in AI in finance and asset management? He elaborated on the realities of Evovest in relation to the challenges encountered and the solutions applied.

For more information, do not hesitate to contact us at info@evovest.com

Returns - Global Equity

The second quarter of 2021 was beneath our expectations with returns below our benchmark by about 0.5%. After a rebound in our value added in April, the latter deteriorated slightly during the months of May and June. One of the main causes of this underperformance is the exposure to a few technology stocks in the US and consumer in Japan that have underperformed their peers. In contrast, the selection of industrial stocks was beneficial for the strategy. Despite everything, the strategy's return before fees has compared favorably since the start of the year with 9.5% versus 8.9% for the benchmark.

Jan. 31st 2019 - Jun. 30th 2021	Evovest	MSCI World EW Net
Annualized Returns	15.8%	12.0%
Annualized Volatility	14.6%	16.2%
Beta	0.81	N/A
Q2 2021 returns	3.7%	4.2%
Year-to-date returns	9.5%	8.9%

Warning: The returns presented in CAD include transaction costs but exclude management and operating fees. Past performance is not indicative of future results.