



Fall 2025

Info SIGMA

Now you see me, now you don't.

In a popular movie franchise, Woody Harrelson and Jessy Eisenberg lead a group of talented illusionists that amaze audiences and foil authorities with their uncanny slight of hand magic.

There is another group of talented illusionists that are just as proficient in hand magic: the mutual fund industry. Referring to the table below, which compares the performance of our Balanced Sigma and Sigma Asset Class Rotation baskets to the Canadian investment fund universe in the Morningstar database (2025), we can see a fairly pronounced trend. Over ten years, for example, Sigma Balanced has an average annual return of 7.76%¹ compared to 6.03% for the average investment fund in its category.

Over the 1-year period, there are 1366 global neutral balanced funds to which we can compare our performance. Over two years, this figure decreases to 1271, over five years to 1042, over 10 years to 631. Over fifteen years, there are only 263 left to which we can compare our performance. Were there only 263 neutral global balanced mutual funds fifteen years ago? Not at all, there are as many as in 2025. Five years ago, in 2020, there were 1584 global neutral balanced funds to choose from, and 1105 in ten years ago 2015. However, there are only 1042 funds out of the 1584 available in 2020 that still exist today, and 631 funds out of 1105 funds available 10 years ago.

Successful funds endure, while underperforming funds are either closed or merged with other funds from the same company that are doing better. History is rewritten, the appearance of performance exaggerated by a process of eliminating the performance of underperforming funds. The mutual funds, as it were, hide themselves to die. Now you see them, now you don't.

Comparing our returns to the 631 global neutral balanced funds over a 10-year period, we compare ourselves to the 631 funds out of the 1105 funds available in 2010 that still exist as of September 30, 2025. In essence, we are 50th out of the 1105 funds that were available at the time of the decision on which fund to invest our capital in. The question is, when looking

¹ Croesus FBN 2025

for active mutual funds and active ETFs today, how many of them will still be around 10-15 years from now?

TABLE

As of September 2025

		Index*	Funds**	In row on		Index*	Funds**	In row on	
	Sigma Balanced	Balanced neutral	#Funds		Sigma ACR***	Balanced Growth	#Funds		75/25
1YR	14,34%	10,97%	11,80%	92/1366	22,25%	15,33%	14,73%	5/1072	16,32%
3 YRS	14,41%	11,08%	12,23%	112/1271	16,20%	15,06%	14,66%	170/1000	14,86%
5 YRS	9,31%	6,68%	6,97%	61/1042	11,95%	10,16%	8,88%	41/854	9,97%
10 YRS	7,76%	6,60%	6,03%	50/631	NA	8,88%	7,19%	533	NA
15 YRS	7,53%	7,14%	6,02%	28/263	NA	9,34%	7,27%	278	NA

*Morningstar Database, **Global Neutral Balanced Funds Series F, CAD and **Growth Balanced Fund Series F CAD, *** Sigma ACR started in April 2016



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I have written this report to the best of my judgement and professional experience to provide you with my views on various investment solutions and considerations. The views expressed herein, which represent my informed opinion and not a research analysis, do not necessarily reflect those of NBF.