

**Covenant Capital Mgmt Of Tennessee, LLC / Hedged Equity Program**  
Accepting New Investors: No

**Systematic / Equity / Volatility / S&P 500**

**Performance Since January 2020 - Performance is Based on Proprietary Trading**

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	-0.40%	-8.28%	62.06%	9.88%	2.25%	3.12%	4.20%	10.24%	-5.37%	-4.98%	17.64%	4.84%
2021	-1.27%	4.43%	3.58%	7.32%	1.78%	3.06%	3.72%	3.75%	-6.22%	7.97%	-0.13%	5.11%
2022	-11.59%	-5.92%	5.20%	-15.61%	-2.91%	-13.96%	16.25%	-8.16%	-16.06%	13.70%	7.20%	-9.95%
2023	10.59%	-4.88%	3.70%	2.09%	0.73%	10.04%	4.97%	-3.91%	-9.54%	-5.54%	7.37%	5.38%
2024	1.83%	8.26%	2.93%	-6.74%	3.63%	3.47%	3.83%	1.22%				

	2020	2021	2022	2023	2024 YTD
ROR	118.50%	37.52%	-39.32%	20.37%	19.25%
Max DD	-10.08%	-6.22%	-44.72%	-17.90%	-6.74%

**The Notes Below Are An Integral Part of this Report**

**Program Description:** The Hedged Equity Program (HEP) is designed to outperform the S&P 500 on a total and risk adjusted basis. Furthermore, the program minimizes capital requirements. HEP combines a 1.8x leveraged position in the S&P 500 with a 1.8x leveraged allocation to volatility trades expected to profit during times of equity stress.

**Investment Information**

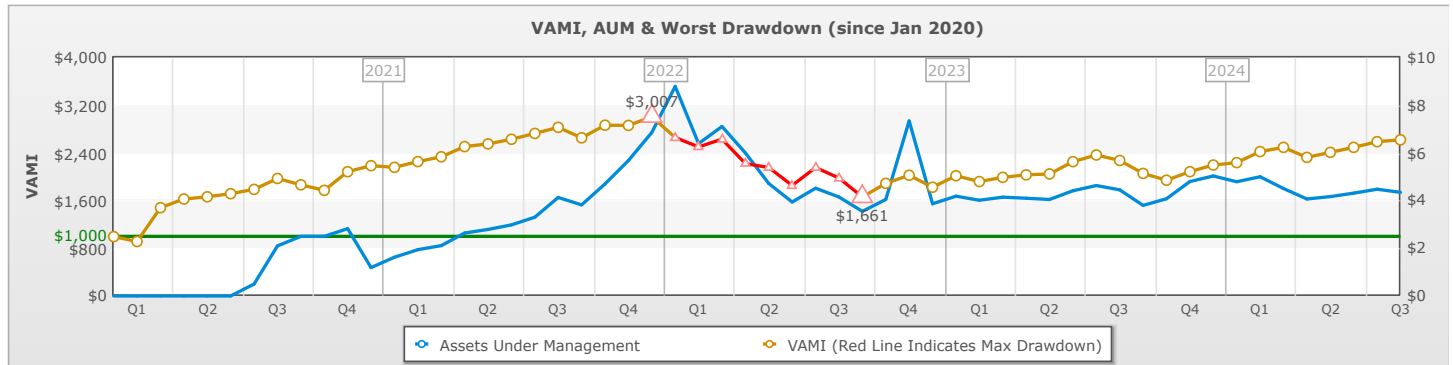
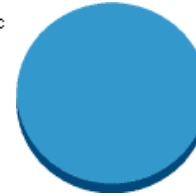
Program Start Date	Jan-2020
Minimum Investment	250,000
Management Fee	0.00%
Incentive Fee	25.00%
Margin	10-60%
Round Turns per Million	0
Currency	US Dollar
NFA No:	#295798

**Trading Strategy**

100% Systematic

**Market Segment**

100% Stock Indices



**Program Statistics**

Peak-to-Valley Drawdown (1) (Dec 2021 - Sep 2022)	-44.72%
Worst Monthly Return (Sep 2022)	-16.06%
Current Losing Streak	-12.90%
Average Monthly Return	2.25%

**Annualized Statistics**

Annualized Compounded ROR (2)	22.90%
Standard Deviation	38.39%
Sharpe Ratio (4)	0.68
36 Month Calmar Ratio (3)	-0.06

**PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. TRADING FUTURES AND OPTIONS INVOLVES SUBSTANTIAL RISK OF LOSS AND IS NOT SUITABLE FOR ALL INVESTORS. THERE ARE NO GUARANTEES OF PROFIT. PROSPECTIVE CLIENTS SHOULD NOT BASE THEIR DECISION TO INVEST SOLELY ON THE PAST PERFORMANCE PRESENTED HEREIN.**

**Time Window Analysis**

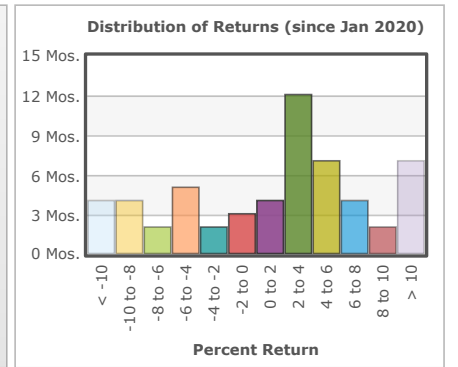
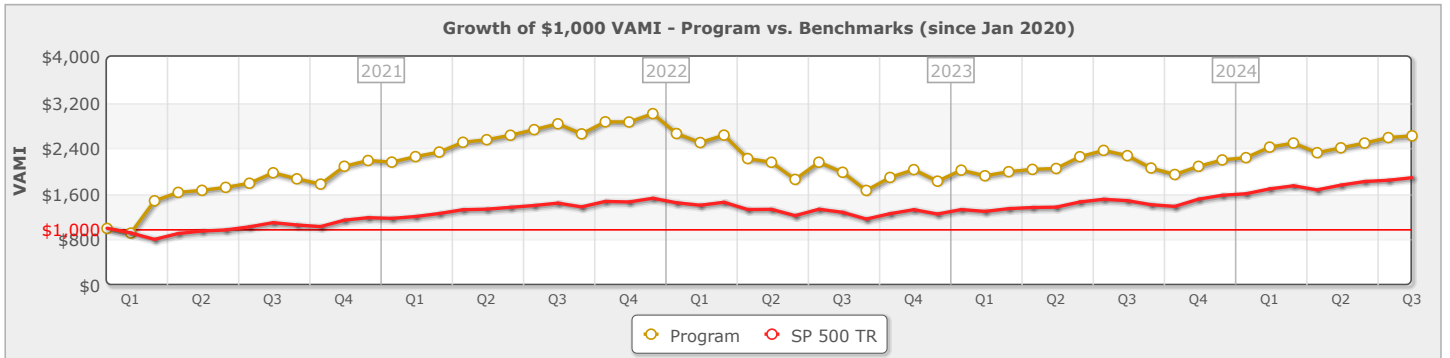
Length	Best	Average	Worst
1 mo	62.1%	2.2%	-16.1%
3 mo	82.1%	6.9%	-29.5%
6 mo	115.7%	11.3%	-38.3%
12 mo	146.6%	18.1%	-39.3%
18 mo	209.4%	22.4%	-32.2%
24 mo	200.5%	16.3%	-32.2%
36 mo	109.9%	22%	-7.4%

**Historical Drawdown and Recoveries\*\*\***

Start	Depth	Length	Recovery	End
Jan-22	-44.72%	9 mo	23 mo	n/a
Sep-20	-10.08%	2 mo	1 mo	Nov-20
Jan-20	-8.65%	2 mo	1 mo	Mar-20
Sep-21	-6.22%	1 mo	1 mo	Oct-21
Jan-21	-1.27%	1 mo	1 mo	Feb-21
Nov-21	-0.13%	1 mo	1 mo	Dec-21

**Comparisons**

	Program	SP 500 TR
Annualized Compound ROR	22.90%	14.53%
Cumulative Return	161.72%	88.37%
Cumulative VAMI (5)	2617	1884
Largest Monthly Gain	62.06%	12.82%
Largest Monthly Loss	-16.06%	-12.35%
Correlation	-	0.358
Last 12 Months	15.29%	27.13%
Last 36 Months	-7.42%	30.87%



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**+ NOTES: January through July performance is proprietary**

\*\* The drawdown begins in the month listed as start. The length in months of the drawdown is listed under length. The recovery begins in the following month, and the length of the recovery period is listed under recovery. The date listed as end is the month that the program recovered from the drawdown.

Please note that the monthly performance numbers, ROR and Drawdowns are based on end of month values and are not reflective of intramonth volatility.

**Statistical Notes**

1. Peak to Valley Drawdown ("Maximum Drawdown") is the worst drawdown % loss over the period of 2020-01-31 to 2024-08-31
2. The Annualized Compounded ROR is the average return of an investment over a number of years. It smoothes out returns by assuming constant growth.
3. Calmar Ratio Uses last 36 months of Data

**ROR = Rate of Return**

**SP 500 TR:** The S&P 500 indices are designed to reflect all sectors of the U.S. equity markets. The S&P 500 includes 500 blue chip, large cap stocks, which together represent about 75% of the total U.S. equities market. Companies eligible for addition to the S&P 500 have market capitalization of at least US\$3.5 billion. The TR Index accounts for the reinvestment of dividends.

This report has been prepared from information provided by the Trader and is believed to be reliable. This report should be read in conjunction with the Trader's Disclosure Document.

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