



Evolve Global Healthcare Enhanced Yield Fund

LIFE invests in top global healthcare companies, with the added value of a covered call strategy applied on up to 33% of the portfolio. Covered call options have the potential to provide extra income and help hedge long stock positions.

MUTUAL FUND FUNDSERV CODE: EVF170 (Class F); EVF171 (Class A)

General Industry Update

% of U.S. consumers using virtual visits

Technological innovation has transformed the healthcare industry. The pandemic has rapidly accelerated the pace of this change. The percentage of consumers comfortable with virtual appointments has almost doubled since 2019.



Source: Deloitte

Artificial intelligence has the potential to impact everything from prevention to diagnosis and treatment. Wearables and apps can be used to monitor patients which could improve both prevention and early detection. Virtual assistants can help by automating patient data. By 2027, the **global healthcare virtual assistant market is projected to reach USD \$2.8 billion**, a CAGR of 27.2%.

AI will also allow for faster testing and recognizing patterns to increase result accuracy. **Surgical robots are allowing doctors to perform complex procedures** with more precision. One study found that surgical robots increased success rates by 52%. These exciting trends will continue to fuel the growth of the healthcare industry.



One study found that robot assisted surgery experienced a 52% jump in success rate.

Source: Annals of Laparoscopic and Endoscopic Surgery



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Source: Reports and Data

August News Update

The pandemic shows no signs of slowing down as many countries reinstate various lockdown procedures to protect against the spread of the Delta variant. On August 30th, the EU voted to restrict the US for non-essential travel. **The Biden administration** is requesting a Sept 20th start to the nationwide booster plan. The rapid spread of Delta has increased the concern that more dangerous variants will continue

to surface. This is revealing the need for more global investment in genomics. These variants occur through the mutations of genome when the virus replicated it. Currently, the two widely available COVID tests are not designed to detect mutations. Instead, we need genome sequencing performed by machines that can quickly read chemical elements in viral genomes.

In August, **Pfizer** was granted full approval from the FDA for their COVID-19 vaccine for ages 16 and up. The vaccine for kids 12-15 is still only approved for emergency use. The company expects their Covid vaccine for kids 5 to 11 to be approved for emergency use in late fall or early winter. **Moderna** and Johnson & Johnson have both applied for full FDA approval for ages 18 and up. **Pfizer, BioNTech and Moderna** are also all currently seeking approval for a third booster shot.

At the end of July, **Moderna** was added to the S&P 500 as the index's best performing stock this year.

It is up over 280% YTD. Moderna has transformed from a biotech company to a vaccine supplier. The company has been successful by developing messenger RNA vaccines, which use the body's cells as mini vaccine factories. A study was released late this month that the Moderna vaccine generated more than double the antibodies of the Pfizer shot. The study involved approximately 2,500 Belgian healthcare workers.

The shotmakers **hit records in August** but have since cooled down from their highs.



PERFORMANCE ATTRIBUTION:

For the month, Danaher Corp. made the biggest contribution to the Fund, followed by Novo Nordisk and Pfizer Inc.

PERFORMANCE (%)

TOTAL RETURNS*	1 MTH	YTD	1 YR	2 YR	3 YR	SI**
LIFE (HEDGED)	3.29	18.31	20.60%	18.28	14.20	11.83
LIFE.B (UNHEDGED)	4.08	16.23	16.78%	17.36	13.65	13.42
LIFE.U (USD)	2.92	17.26	20.73%	-	-	18.40

Source: Bloomberg, as at August 31, 2021. ** Performance since inception of LIFE and LIFE.B on October 24, 2017 and LIFE.U on November 27, 2019.

SOURCES:

<https://www.bloomberg.com/news/articles/2021-08-23/pfizer-biontech-vaccine-gets-full-approval-from-u-s-regulators>

<https://www.bloomberg.com/news/articles/2021-07-21/moderna-joins-top-firms-in-s-p-500-after-value-nearly-triples>

<https://www.marketwatch.com/story/modernas-covid-19-vaccine-created-more-antibodies-than-pfizer-biontechs-in-study-of-vaccinated-belgian-health-care-workers-11630391669>

<https://www.visualcapitalist.com/7-ways-artificial-intelligence-is-improving-healthcare/>

<https://www.cnbc.com/2021/08/30/pfizer-director-dr-scott-gottlieb-on-covid-vaccine-for-kids-5-to-11.html>

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