

# PURPOSE SHORT DURATION TACTICAL BOND FUND



## THE IDEA

Maximize the yield and limit duration risk in my investment-grade-bond portfolio.

## DISTRIBUTION YIELD

3.94%

ETF CLASS **SBND**  
MGMT FEE 0.25%

CLASS F **PFC2601**  
MGMT FEE 0.25%

CLASS A **PFC2600**  
MGMT FEE 0.75%

## MY PURPOSE

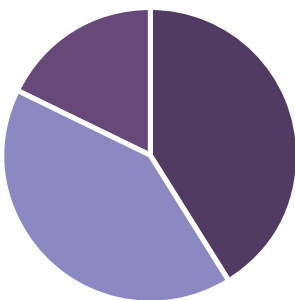
1. Complement my fixed-income portfolio with a basket of investment-grade bonds
2. Generate stable income and limit duration risk

## KEY HIGHLIGHTS

- Enhanced yield from an investment-grade bond portfolio
- Maintain short duration (less than 2.5 years) using an interest rate hedging strategy

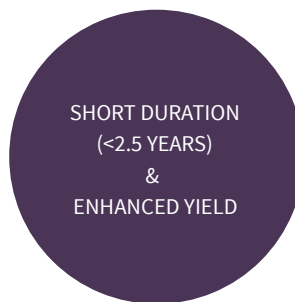
## PORTFOLIO SELECTION PROCESS

### 1. PORTFOLIO



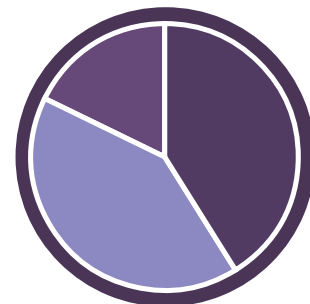
- Canadian corporate bonds
- U.S. corporate bonds
- High yield bonds (15% cap)

### 2. DURATION MANAGEMENT



- i) Interest rate hedging
- ii) Call option overlay
- iii) Dynamic FX hedging

### PURPOSE SHORT DURATION TACTICAL BOND FUND



- Enhanced yield with short duration (<2.5 years)
- ~40% weight to Canadian corporates
- ~40% weight to U.S. corporates
- ~15% weight to high yield bonds

## PORTFOLIO STATISTICS

AS OF NOV 30, 2018

|                       |       |
|-----------------------|-------|
| Yield to Maturity (%) | 4.00% |
| Coupon Rate (%)       | 3.78% |
| Duration (yrs)        | 2.62  |
| Cash Yield (%)        | 3.78% |
| Term (yrs)            | 4.57  |

## RATING PROFILE

AS OF NOV 30, 2018

|                         |        |
|-------------------------|--------|
| AAA                     | 0.00%  |
| AA                      | 16.39% |
| A                       | 40.75% |
| BBB                     | 11.78% |
| BB                      | 10.10% |
| B                       | 8.65%  |
| CCC                     | 3.11%  |
| Cash or cash equivalent | 9.22%  |

## TERM STRUCTURE

AS OF NOV 30, 2018

|                         |        |
|-------------------------|--------|
| 0 - 1 Year              | 0.00%  |
| 1 - 5 Years             | 36.95% |
| 5 - 10 Years            | 53.75% |
| >10 Years               | 0.09%  |
| Cash or cash equivalent | 9.22%  |

## PORTFOLIO BREAKDOWN

### TOP 10 HOLDINGS

AS OF NOV 30, 2018

|  |        |
|--|--------|
| BMO High Yield US Corporate Bond Hedged to CAD Index ETF | 23.39% |
| Bank Of Nova Scotia 3.036% 10/18/2024                    | 5.55%  |
| Royal Bank Of Canada 2.860% 03/04/2021                   | 4.42%  |
| Anthem Inc 3.350% 12/01/2024                             | 4.14%  |
| Bank Of America Corp 4.100% 07/24/2023                   | 4.12%  |
| Nova Gas Transmission Ltd 9.900% 12/16/2024              | 4.12%  |
| Jpmorgan Chase & Co 3.559% 04/23/2024                    | 4.03%  |
| Goldman Sachs Group Inc 3.200% 02/23/2023                | 3.98%  |
| Apple Inc 2.400% 01/13/2023                              | 3.95%  |
| Royal Bank Of Canada 2.333% 12/05/2023                   | 3.59%  |

## PERFORMANCE

AS OF NOV 30, 2018

INCEPTION DATE: JUN 07, 2017

| CLASS | 1 MONTH | 3 MONTH | 6 MONTH | YTD    | 1 YEAR | SINCE INCEPTION |
|-------|---------|---------|---------|--------|--------|-----------------|
| ETF   | -0.30%  | -0.85%  | -0.06%  | -0.58% | -0.79% | -0.07%          |
| F     | -0.31%  | -0.85%  | -0.06%  | -0.58% | -0.79% | -0.08%          |
| A     | -0.35%  | -0.98%  | -0.22%  | -0.93% | -1.16% | -0.47%          |

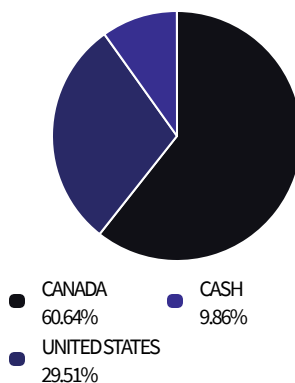
## GROWTH OF \$1,000

AS OF NOV 30, 2018



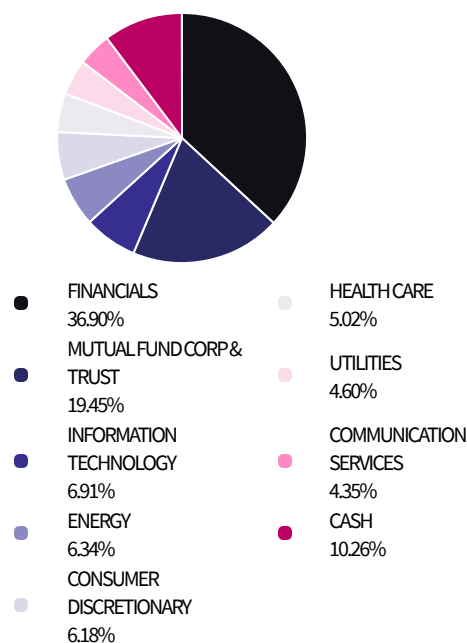
## GEOGRAPHIC BREAKDOWN

AS OF NOV 30, 2018



## SECTOR BREAKDOWN

AS OF NOV 30, 2018



Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rate of return is the historical annual compounded total return including changes in share/unit value and reinvestment of all distributions and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.