

# Lysander-Canso Short Term & Floating Rate Fund - Series F

## Fund Code: LYZ805F

Portfolio Manager: Canso Investment Counsel Ltd.

As of June 30, 2020

Fund Category: Fixed Income

Benchmark: FTSE Canada Short Term Overall Bond Index<sup>1</sup>



## Investment Focus

The fund invests primarily in short term fixed income and floating rate debt securities of Canadian and foreign issuers with a minimum of 70% of the portfolio in BBB or higher.

## Risk Tolerance



## Why Invest In This Fund

Established in 1997, Canso is an independent firm focused on bottom up security selection. Proprietary research developed over multiple market cycles guides the investment of over \$31.4 billion in AUM.

Each security is assessed on its own merits using bottom-up, fundamental research. Canso uses its proprietary Maximum Loss grade, where the max loss quantifies recovery value in the event of a default. The greater the potential downside, the lower the portfolio weight. Canso believes in concentrating their best ideas and having high conviction portfolios with limited holdings.

This independent credit expertise and successful investment management experience enables Canso to buy securities when they are out of favour and priced at a discount to their intrinsic value.

- Short Term Fixed Income Solution** - An investment grade portfolio of low duration corporate bonds with the ability to include up to 30% in non investment grade yield enhancements.
- Low Sensitivity to Interest Rates** - The manager seeks to maximize return while limiting interest risk by investing in primarily short term and floating rate debt securities.
- Proven Management Expertise** - Large and experienced credit specialists with an expertise in determining default risks and recovery values of issuers to identify corporate bond opportunities. The continuity of the team has contributed to the successful management of investor portfolios over different market cycles.

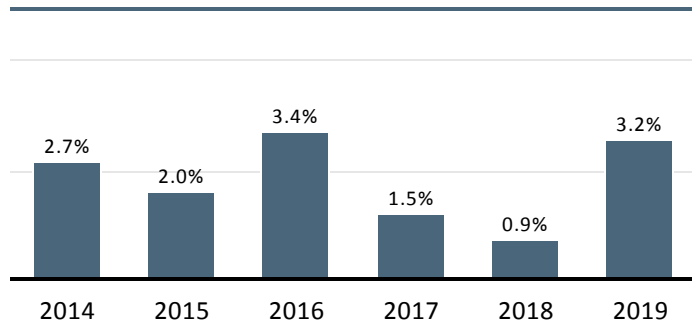
## Compound Returns - Series F

1 Month	3 Months	YTD	1 Year	3 Year (Annualized)	5 Year (Annualized)	Since Inception (Annualized)
1.2%	5.7%	1.6%	3.3%	2.1%	2.1%	2.3%

## Fund Facts

Series Inception Date	September 18, 2013
Currency	CAD
Fund AUM	\$78.5 Million
NAVPU	\$10.20
Management Fee	0.55%
MER (As of December 31, 2019)	0.73%
Minimum Initial Investment	\$1,000
Minimum Subsequent Investment	\$100
Liquidity	Daily
RRSP Eligible	Yes

## Calendar Year Returns - Series F



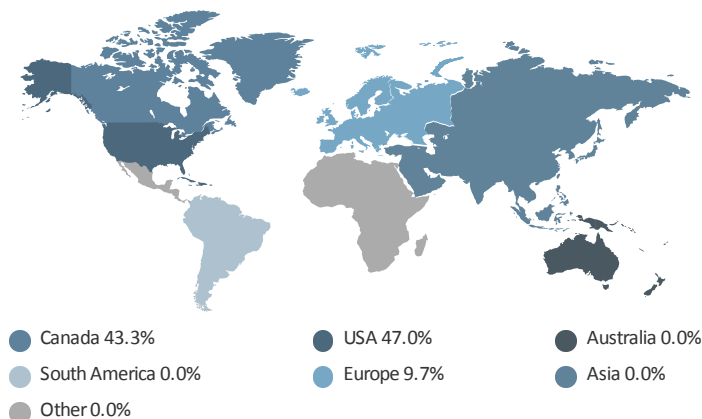
## Top 10 Holdings

Security	% of Fund	Rating
MetLife Global Funding I FRN Sep 27, 2022 (Q CDOR +50)	9.7%	AA-
VW Credit Canada Inc. FRN Sep 27, 2021(Q CDOR +68)	7.6%	BBB+
The Walt Disney Company 3.057% Mar 30, 2027	6.7%	A-
SNC Lavalin FRN Mar 2, 2021 (Q CDOR + 54)	6.0%	BB+
GE Capital Canada FRN Feb 6, 2023 (Q CDOR +120)	4.9%	BBB+
WTH Car Rental ULC (AVIS) 2.781% Jul 22, 2024	3.6%	AAA
Heathrow Funding Limited 3.4% Mar 8, 2028	3.5%	BBB+
Ford Motor Credit Co LLC FRN Jan 7, 2022 (USD)(Q LIBOR+314)	3.4%	BB+
Boeing Co 2.125% Mar 1, 2022 (USD)	3.2%	BBB-
TransCanada Pipelines FRN May 15, 2067 (3M LIBOR+221) (USD)	3.0%	BBB
Total	51.6%	

## Portfolio Characteristics

Number of Securities	88
Number of Issuers	41
Average Term to Maturity (Years)	4.5
Average Duration (Years)	2.2
Average Coupon (%)	3.1%
Yield to Maturity (%)	3.7%
Current Yield (%)	3.2%
Average Credit Quality <sup>2</sup>	BBB

## Geographic Breakdown



## Credit Quality Breakdown (%)

AA & Higher	15.4%
A	10.5%
BBB	44.8%
BB & Lower	28.8%
Not Rated	0.5%

## Distributions

Distribution Frequency: Quarterly
Most Recent Distribution per Unit: \$0.0583
12-Month Trailing Distribution Yield: 2.3%
Next Record Date: September 24, 2020
Next Distribution Date: September 25, 2020

Distributions (\$)/Unit <sup>3</sup>	YTD*	2019	2018	2017	2016	2015	2014	2013
Total Distributions	0.1212	0.2307	0.1787	0.1711	0.2153	0.2100	0.2200	0.0285
Interest		0.2307	0.1787	0.1552	0.2160	0.1910	0.2206	0.0285
Dividends		---	---	---	---	---	---	---
Capital Gains		---	---	0.0167	0.0000	0.0194	---	---
Withholding Tax		---	---	(0.0008)	(0.0007)	(0.0004)	(0.0006)	---

\*The final tax character will be determined based on the Fund's tax year end information

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