

Lysander-Slater Preferred Share Dividend Fund

September 2018

SLATER
ASSET MANAGEMENT



FundSERV: LYZ 920A

Fund Information

Managed by: **Doug Grieve, CIO**
SLATER ASSET MANAGEMENT INC.

INCEPTION
December
30, 2014

AUM
\$119 mil
as of
9/30/18

MER
Series A: 1.53%
as of 6/30/18
(unaudited)

CURRENT YIELD
(before fees)
4.6%
as of 9/30/18

Objective

The Fund's objective is to seek to generate income while preserving investor capital by investing primarily in preferred securities of Canadian issuers that are listed on a Canadian stock exchange.

Manager's Monthly Commentary

The S&P/TSX Canadian Preferred Share Index was down -0.33%, and the series A units of Lysander-Slater Preferred Share Dividend Fund was down -0.66% during the month. Three new issues came to market in September for a combined issuance size of over \$1 billion, putting pressure on the market as investors made room in their books to accommodate the new deals. Debt level concerns with Altagas caused the common stock to drop approximately 19% before recovering slightly, and their Preferred Shares followed shortly after dropping 5-7%. Despite the headwinds this month, a helpful factor for the Preferred share market going forward is that the 5-Year Bank of Canada bond yield was able to break through long term resistance levels and finished the month at 2.4%. A better than expected trade deal between the U.S, Mexico, and Canada (USMCA) should also bode well for the Canadian economy going forward and we expect to see another interest rate hike in October by the Bank of Canada. We continue to look for best value discounted resets with the outlook of higher rates for the coming year.

For more information please contact
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Performance as of September 30, 2018

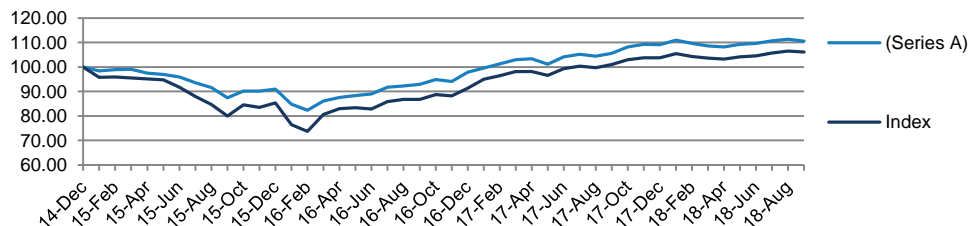
Inception is Dec. 30, 2014

Name	1 month	3 month	YTD	1 Year	3 year	Since Inception
Series A	-0.66%	0.86%	1.29%	4.67%	8.15%	2.71%
S&P/TSX Preferred Share Index (TXPR)	-0.33%	1.60%	2.31%	5.10%	9.93%	1.61%

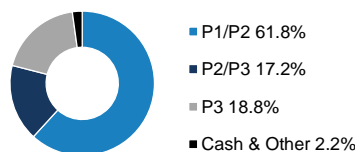
Top 10 Holdings as of September 30, 2018

Name	%
SUN LIFE FINANCIAL PFD	4.7
CANADIAN UTILITIES PFD	4.1
POWER FINANCIAL PFD	3.4
EMERA PFD	3.2
INDUSTRIAL ALLIANCE PFD	3.1
TRANSCANADA PFD	3.1
FAIRFAX PFD	2.8
EMERA PFD	2.6
GEORGE WESTON PFD	2.2
CANADIAN UTILITIES PFD	2.1
Total	31.3

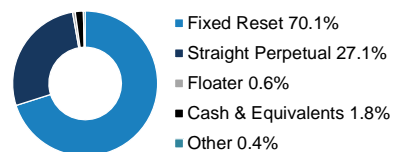
Fund vs. Index



Credit Rating



Structure



Commissions, trailing commissions, management fees, & expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are based on calculated net asset values per unit, which are net of management fees, operating expenses, and applicable taxes. These returns include changes in unit value and reinvestment of all distributions and do not take into account certain fees such as redemption fees or optional charges or income taxes payable by any securityholder that would have reduced returns.

Mutual funds are not guaranteed or insured, their values change frequently & past performance may not be repeated. © Lysander Funds is a registered trademark of Lysander Funds LTD.

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