

Lysander-Slater Preferred Share *Activ*ETF

September 2018

SLATER ASSET MANAGEMENT



TSX: PR

Fund Information

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

INCEPTION
August 10,
2015

AUM
\$116.7 mil
as of
9/30/18

MER
1.02%
as of 6/30/18
(unaudited)

CURRENT YIELD
(before fees)
4.7%
as of 9/30/18

Objective

The *Activ*ETF seeks to generate income while preserving investor capital by investing primarily in preferred shares of Canadian entities that are listed on a Canadian stock exchange.

Manager's Monthly Commentary

The S&P/TSX Preferred Share Index was down -0.33%, and the Lysander-Slater Preferred Share *Activ*ETF was down -0.60% 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 Altgas 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

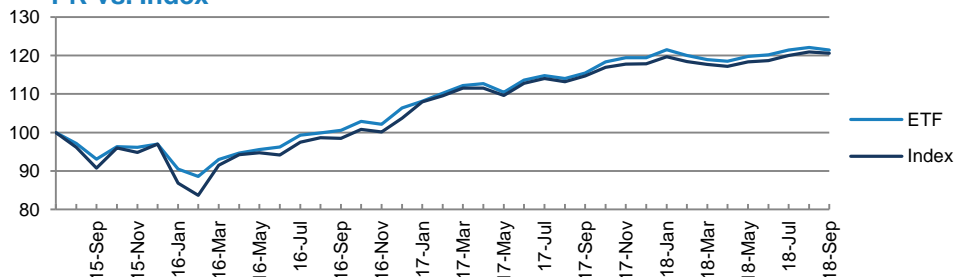
Inception is August 10, 2015

Name	1 Month	3 Month	YTD	1-Year	3-Year	Since Inception
Lysander-Slater Preferred Share <i>Activ</i> ETF	-0.60%	1.04%	1.67%	5.17%	9.28%	6.37%
S&P/TSX Cdn Preferred Share (TR) Index	-0.33%	1.60%	2.31%	5.10%	9.93%	6.13%

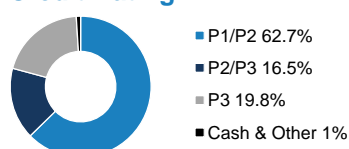
Top 10 Holdings as of September 30, 2018

Name	%
SUN LIFE FINANCIAL PFD	4.8
CANADIAN UTILITIES PFD	4.0
POWER FINANCIAL PFD	3.5
INDUSTRIAL ALLIANCE PFD	3.3
EMERA PFD	3.2
TRANSCANADA PFD	3.1
FAIRFAX FINANCIAL PFD	3.0
EMERA PFD	2.7
GEORGE WESTON PFD	2.6
CANADIAN UTILITIES PFD	2.2
Total	32.4

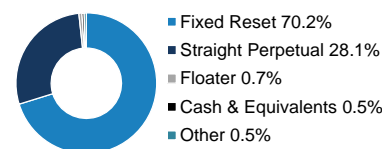
PR vs. Index



Credit Rating



Structure



See the prospectus for more details on the Lysander-Slater Preferred Share *Activ*ETF ("ETF"). This document is not an invitation to invest in the ETF, nor does it constitute a public offering of sale. Commissions, trailing commissions, management fees and expenses all may be associated with ETF investments. 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.

Please read the prospectus before investing. ETFs are not guaranteed, their values change frequently and past performance may not be repeated. You will usually pay brokerage fees to your dealer if you purchase or sell units of the ETF on the Toronto Stock Exchange ("TSX"). If the units are purchased or sold on the TSX, investors may pay more than the current net asset value when buying units of the ETF, and may receive less than the current net asset value when selling them. ©Lysander Funds is a registered trademark of Lysander Funds Limited

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