

# Greystone Bond Plus Fund

**\$8.5B (C\$) in Fixed Income Assets Under Management**

### Why Invest in Greystone

- We understand how fixed income risks can interact with equities an alternative investments
- We seek to deliver a bond strategy that provides stability to your portfolio in periods of stress, along with yield enhancement from private commercial mortgages

### Investment Philosophy

- We believe fixed income portfolios should add value while also balancing the equity and liquidity risk of the total investment program
- To accomplish this we have developed a multi-strategy fixed income approach that will harvest value from interest rates and credit when they are attractive and will defend when opportunities are unattractive

## Key Characteristics

**\$385.1M**

Bond Plus AUM  
Fund AUM: \$212.8M

**7.2YRS**

Modified Duration  
Benchmark: 7.4<sup>YRS</sup>

**3.4%**

Yield to Maturity  
Benchmark: 2.9%

**116.0%**

Turnover Rate  
(12 Months)

**72**

Number of  
Holdings

## Our Investment Process

### Our Approach

We actively manage our fixed income portfolios, using a combination of fundamental and technical analysis

Fundamental analysis seeks to identify the current stage of the interest rate and credit cycle by examining economic and monetary conditions

Technical analysis examines the supply and demand factors allowing us to appropriately scale risk around our fundamental bias

### Credit Targets



### Annualized (%)

**Figure 1: Performance (%)**

September 30, 2018	Q3-18	YTD	1 yr	3 yrs	Since Jul-14
<b>Bond Plus</b>	<b>-0.7</b>	<b>0.2</b>	<b>2.4</b>	<b>2.5</b>	<b>3.2</b>
FTSE TMX Canada Universe Bond Index	-1.0	-0.4	1.7	1.6	2.6
Difference	0.3	0.6	0.7	0.9	0.6

This figure shows the performance of the Greystone Bond Plus Fund in C\$, including cash; net of custodial fees, audit fees, transfer agent fees and administrative expenses; gross of investment management fees.

Information shown in this document is that of Greystone as of Sep 30, 2018. As of Nov 1, 2018, the acquisition of Greystone by The Toronto-Dominion Bank closed and Greystone now operates as TD Greystone Asset Management.

Greystone claims compliance with the Global Investment Performance Standards (GIPS). A GIPS compliant presentation is available upon request. Greystone has been independently verified for the period from January 1, 2000 to December 31, 2017. The verification report(s) is/are available upon request. Verification assess whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.



**Figure 2: Key Portfolio Characteristics**

	Greystone	FTSE TMX Canada Universe Bond Index
Maturity (yrs)	10.1	10.3
Macaulay Duration (yrs)	7.6	7.5
Modified Duration (yrs)	7.2	7.4
Yield (%)	3.4	2.9
Average Coupon (%)	3.4	3.3
Maturity (%)	Greystone	FTSE TMX Canada Universe Bond Index
Short (0-5 yrs)	45.1	46.5
Mid (5-10 yrs)	25.4	21.0
Long (+10 yrs)	29.2	32.5
High Yield Fund	0.0	0.0
Real Estate owned*	0.3	0.0
Credit Quality (%)	Greystone	FTSE TMX Canada Universe Bond Index
AAA	33.2	39.4
AA	25.6	36.4
A	9.4	13.5
BBB	6.7	10.6
High Yield	0.0	0.0
Mortgages	25.1	0.0
Sector Mix (%)	Greystone	FTSE TMX Canada Universe Bond Index
Federal	31.1	35.6
Provincials	23.9	34.0
Municipals	0.0	1.9
Corporates	19.8	28.5
High Yield	0.0	0.0
Mortgages	25.1	0.0

\* Real estate owned consists of a portfolio of four properties held by a limited liability corporation owned by the Greystone Mortgage Fund. Excludes cash. September 30, 2018

**Figure 3: Top 10 Holdings**

	Weight (%)
BANK MONTREAL 2.840 JUN 04 20	1.1
ROYAL BANK CDA 2.030 MAR 15 21	1.1
TD BANK 3.005 MAY 30 23	0.9
TRANSCANADA PIPELINE 4.350 JUN 06 46	0.8
BANK MONTREAL 2.100 OCT 06 20	0.7
ENBRIDGE PIPELINES 4.130 AUG 09 46	0.7
BANK NOVA SCOTIA 1.830 APR 27 22	0.7
CU INC 4.722 SEP 09 43	0.6
BANK NOVA SCOTIA 2.980 APR 17 23	0.6
FEDERATED CO-OP LTD 3.917 JUN 17 25	0.6

Excludes cash and Greystone Mortgage Fund allocation. September 30, 2018

## Greystone Managed Investments Inc.

Greystone Managed Investments Inc. is an institutional money manager with multi-asset solutions proudly serving its clients since 1988. Headquartered in Regina, with additional offices in Toronto, Winnipeg and Hong Kong, Greystone manages over C\$35 billion<sup>1</sup> on behalf of institutional clients across Canada.

Greystone has in-house expertise in the following areas:

### MULTI-ASSET

- Balanced
- Balanced Plus
- Target Date Plus
- Alternative Plus<sup>2</sup>

### ALTERNATIVES

- Real Estate
- Infrastructure

### PRIVATE DEBT

- Mortgages

### FIXED INCOME

- LDI
- Term
- Plus
- Sector

### PUBLIC EQUITIES

- Canadian & U.S.
- International
- Global
- China

## Looking for a Multi-asset Class Solution Investment Partner?

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<sup>1</sup> As at Sep 30, 2018.

<sup>2</sup> The Greystone Alternative Plus Solution is an integrated open-ended alternatives mandate where a client invests in the Greystone Infrastructure Fund (Canada) LP, the Greystone Mortgage Fund and the Greystone Real Estate Fund Inc. or the Greystone Real Estate LP Fund. Greystone holistically manages the underlying cash flows and liquidity of the allocation as well as the asset mix between the underlying strategies.

For employees shown, titles are as of Oct 31, 2018 prior to the acquisition of Greystone by The Toronto Dominion Bank. As of Nov 1, 2018 the acquisition of Greystone by The Toronto-Dominion Bank was completed and Greystone now operates as TD Greystone Asset Management. Titles of employees shown are the employees' Greystone titles and not necessarily the employees' title as part of TD Greystone Asset Management.

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