

Canadian Bonds



Strategy summary

- Active top-down strategy that diversifies the sources of added value and reduces idiosyncratic risk.
- Active positions in duration, curve, government allocation and security selection, based on market conditions and the team's medium-term convictions.
- Overweight exposure to corporate issuers, supported by credit expertise, to capture risk premiums.
- Risk taken based on analyst recommendations and relative value targets.

Index	FTSE Canada Universe Bond
Value-added target	0.50% over a four-year period
Style	Top-down approach
Duration	±1 year vs the index

June 30, 2018
Strategy inception

\$6,134.2 M
Strategy AUM

May 31, 2013
Institutional fund
inception

\$487.5M
Fund AUM

Responsible investment

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Integration of ESG factors: factored into credit analysis and into the issuers' risk-return profiles. Rating of issuers according to four categories of environmental, social and governance risk.
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Issuer engagement: In collaboration with the responsible investment team, we encourage debt issuers to improve their consideration of ESG criteria. The same objective applies when we work with equity teams on joint issuers.
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Exclusions: tobacco growers and non-conventional weapons

Returns

(In %)	3 months	YTD	1 year	2 years	3 years	5 years	10 years	Since inception
Portfolio	(0.22)	3.39	3.39	4.42	5.54	0.40	---	2.50
Index	(0.32)	2.64	2.64	3.43	4.50	(0.35)	---	1.88
Added value	0.10	0.75	0.75	0.99	1.04	0.75	---	0.62

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Portfolio	5.47	7.83	(11.34)	(2.15)	9.20	7.32	---	---	---
Index	4.23	6.69	(11.69)	(2.54)	8.68	6.87	---	---	---
Added value	1.24	1.14	0.35	0.39	0.52	0.45	---	---	---

The returns shown are those of the composite, which started on June 30, 2018. Returns for periods longer than 12 months are annualized.

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Risk measures and statistics

	Portfolio	Index
Duration (years)	7.0	6.9
Average coupon (%)	3.8	3.5
Yield to maturity (%)	3.7	3.5
Average credit rating	AA	AA
Information ratio	2.8	---
Standard deviation (%)	3.1	3.1

Investment team

Simon Garneau, M. Sc.

Senior Portfolio Manager and Team Leader
Experience: 1996

Francis Scott, CFA

Portfolio Manager
Experience: 2000

The strategy managers work alongside the fixed income team, made up of nine portfolio managers and four credit analysts. They are supported by the responsible investment team.

Contact us

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Source: DGAM, in CAD, December 31, 2025

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Portfolio positioning

Allocation by credit rating (%)	
AAA	39.2
AA	19.2
A	21.6
BBB	15.1
BB and less (incl. nonrated)	5.0

Sector allocation (%)	
Federal	38.3
Provincial	19.5
Municipal	4.8
Corporate	37.3
Cash	0.2

Allocation by term (%)	
Less than 1 year	0.0
1 to 5 years	41.8
5 to 10 years	24.8
More than 10 years	33.3