

A Second Chance

Dynamic Short Term Credit PLUS Fund

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On Nov. 4, 2022 we spent a day meeting clients to discuss the opportunity in our short term focused mandates. The overriding message from advisors was that they wanted to own their own bonds (short dated bank paper yielding 4-5%) or GICs/cash. This message has remained consistent over the past year.

Performance: One Year Forward

One year from that date the Dynamic Short Term Credit PLUS Fund has returned 8.96% after fees. GICs would have earned their stated 4-5%. Short dated (2yr) Canadian bank paper would have earned between 5-6%. All figures before tax.

Keep in mind that over this period the Bank of Canada overnight rate rose 1.25 percentage points and the Fed Funds Rate 1.5 rose percentage points. We also contended with the volatility of regional bank failures, elevated inflation and rising geopolitical concerns. We have weathered the volatility and our performance is a testament to our capabilities.

Our view is that the majority of central bank rate hikes are now behind us, if not entirely over. This sets the stage for a more stable and predictable environment moving forward, allowing us to focus on maximizing returns to clients.

Our Message Remains the Same

It's crucial to highlight that our convictions remain as strong today as they were last year when advisors seemed content with 4-5% GICs.

Our current gross yield remains a robust 7.5%+ and when factoring in capital gains, the interest-equivalent return is higher than it was this time last year. We are delivering steady income and capital appreciation for our clients with a high-quality, investment-grade, low duration liquid alternative.

We feel as confident today as we did a year ago that our strategy will outperform cash equivalents.

	YTD	1 Month	3 Month	6 Month	1 Year	SI
Dynamic Short Term Credit Plus Fund	5.5	0.5	0.8	1.7	7.8	3.0
Benchmark	2.6	0.7	0.7	(0.2)	3.9	(0.5)

As of Oct. 31, 2023

Fund Inception: Jan. 27, 2022

Source: 1832 Asset Management

Benchmark: FTSE Canada Short Term Corporate Bond Index

Indices are not managed and it is not possible to invest directly in an index



advisor.dynamic.ca

Series A units are available for purchase to all investors, while Series F units are only available to investors who participate in eligible fee-based or wrap programs with their registered dealers. Differences in performance between these series are primarily due to differences in management fees and fixed administration fees. Performance results for Series F units may also appear higher than for Series A units as the management fee does not include the trailing commission. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compound total returns including changes in unit values and reinvestment of all distributions does not take into account sales, redemption or option changes or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Views expressed regarding a particular company, security, industry or market sector should not be considered an indication of trading intent of any funds managed by 1832 Asset Management L.P. These views are not to be considered as investment advice nor should they be considered a recommendation to buy or sell. These views are subject to change at any time based upon markets and other conditions, and we disclaim any responsibility to update such views. © Copyright 2023 1832 Asset Management L.P. All rights reserved. Dynamic Funds® is a registered trademark of its owner, used under license, and a division of 1832 Asset Management L.P