

# Lysander-Canso Corporate Value Bond Fund - Series F



**Fund Code:** LYZ801F

**Portfolio Manager:** Canso Investment Counsel

**As of:** August 31, 2023

**Asset Class:** Fixed Income

**CIFSC Category:** Global Corporate Fixed Income

**Benchmark:** FTSE Canada All Corporate Bond Index<sup>1</sup>



**REFINITIV LIPPER  
FUND AWARDS**

2022 WINNER  
CANADA

**FUNDGRADE A+<sup>®</sup>**  
ACHIEVED FOR THE YEAR 2022

## Investment Focus

The fund employs a deep value investment strategy with an unrestricted mandate both geographically and by credit quality. It invests primarily in fixed income securities, but can occasionally invest in equities.

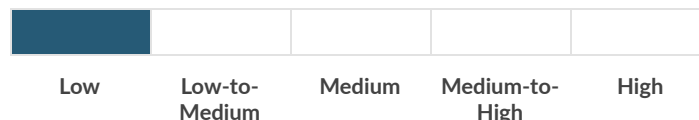
## Why Invest in this Fund?

Established in 1997, Canso is an independent firm focused on bottom up security selection. Proprietary research developed over multiple market cycles guides the investment of approximately \$36 billion in AUM.

Each security is assessed on its own merits using bottom-up, fundamental research. Canso uses its proprietary Maximum Loss grade, where the max loss quantifies recovery value in the event of a default. The greater the potential downside, the lower the portfolio weight. Canso believes in concentrating their best ideas and having high conviction portfolios with limited holdings.

This independent credit expertise enables Canso to buy securities when they are out of favour and priced at a discount to their intrinsic value.

## Risk Tolerance



- **Long Term Capital Growth** – Manager is focused on long term capital growth, with returns consisting of income and some capital gains primarily through investing in corporate bonds of developed markets.
- **Adaptable to Market Conditions** – Portfolio is unconstrained from both a duration and credit perspective, allowing the manager the flexibility to position the portfolio according to market conditions. Mandate is benchmark agnostic.
- **Proven Management Expertise** – Large investment team with experienced credit specialists with an expertise in determining default risks and recovery values of issuers to identify corporate bond opportunities. The continuity of the team has contributed to the successful management of investor portfolios over different market cycles.

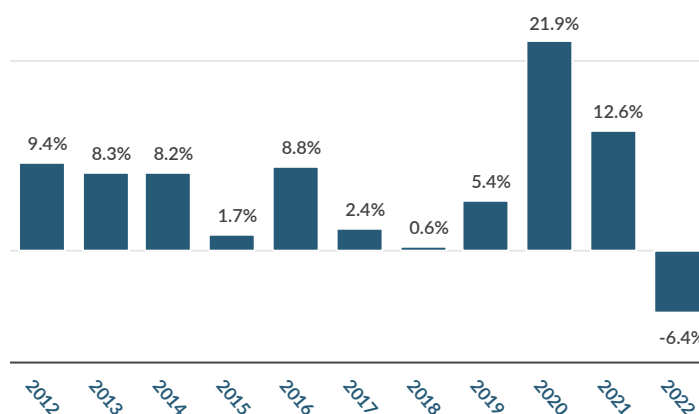
## COMPOUND RETURNS - SERIES F

1 Month	3 Months	YTD	1 Year	3 Year (Annualized)	5 Year (Annualized)	10 Year (Annualized)	Since Inception (Annualized)
0.3%	1.4%	4.9%	5.0%	6.5%	7.1%	6.3%	6.5%

## FUND FACTS

Inception Date	December 23, 2011
Currency	CAD
Fund AUM	\$10.3 Billion
NAVPU	\$13.86
Management Fee	0.75%
MER as of June 30, 2023 (unaudited)	0.90%
Minimum Initial Investment	\$500
Minimum Subsequent Investment	\$100
Liquidity	Daily
RRSP Eligible	Yes

## CALENDAR YEAR RETURNS - SERIES F



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## TOP 10 HOLDINGS

Security	% of Fund	Rating
Air Canada 4.625% Aug 15, 2029	4.9%	BB
Canada 0.75% Feb 1, 2024	4.5%	AAA
TD Bank 4.477% Jan 18, 2028	3.7%	A+
TD Bank CB FRN Jun 8, 2026 (CORRA+65)	3.2%	AAA
BNS CB FRN Sept 8, 2026 (CORRA +60)	3.1%	AAA
Canada 0.5% Nov 1, 2023	2.5%	AAA
Pacific Life Global Funding II FRN Feb 1, 2027 (Q CDOR+38)	2.3%	AA-
RBC 4.642% Jan 17, 2028	2.1%	A+
Goldman Sachs FRN Apr 29, 2025 (CDOR+37)	2.0%	A
Latam Airlines Group SA 13.375% Oct 15, 2029 144A (USD)	2.0%	B
<b>Total</b>	<b>30.3%</b>	

## DISTRIBUTIONS

Distribution Frequency: Quarterly

Most Recent Distribution per Unit: \$0.0555

12-Month Trailing Distribution Yield: 3.6%

Next Record Date: September 28, 2023

Next Distribution Date: September 29, 2023

Distributions (\$)/Unit <sup>3</sup>	YTD*	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Distributions	0.1267	0.5572	1.1593	0.9963	0.3037	0.2335	0.6161	0.4666	0.4566	0.4079	0.3672
Interest	-	0.3706	0.3854	0.4312	0.2972	0.2177	0.2745	0.4559	0.4178	0.4098	0.3672
Dividends	-	0.0328	0.0536	0.0442	0.0065	0.0024	0.0018	0.0038	0.0017	-	-
Capital Gains	-	0.1542	0.7209	0.5220	-	0.0136	0.3411	0.0082	0.0383	-	-
Withholding Tax	-	(0.0003)	(0.0005)	(0.0011)	-	(0.0002)	(0.0013)	(0.0013)	(0.0012)	(0.0019)	-

\*The final tax character will be determined based on the Fund's tax year end information.

## PORTFOLIO CHARACTERISTICS

Number of Securities	216
Number of Issuers	118
Average Term to Maturity (Years)	3.9
Average Duration (Years)	1.8
Average Coupon (%)	4.8%
Yield to Maturity (%)	6.7%
Current Yield (%)	5.1%
Average Credit Quality <sup>2</sup>	A

## CREDIT QUALITY BREAKDOWN

AA & Higher	42.8%
A	20.2%
BBB	12.8%
BB & Lower	22.1%
Not Rated	2.1%

## GEOGRAPHIC BREAKDOWN

Canada	72.1%
USA	19.9%
South America	2.0%
Europe	4.5%
Other	1.5%

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Lysander Funds Limited is the investment fund manager of Lysander-Canso Corporate Value Bond Fund (the “Fund”). This document is not an invitation to invest in the Fund and does not constitute a public offering of sale. Purchases in the Fund can only be made through an Investment Professional on the terms in the Fund’s offering document by eligible investors. Each purchaser of units in a fund may have statutory or contractual right of action. 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 historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution 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 and past performance may not be repeated. <sup>1</sup>Copyright © 2023 FTSE Global Debt Capital Markets Inc. All rights reserved. FTSE Global Debt Capital Markets Inc (“FTDCM”), FTSE International Limited (“FTSE”) or the London Stock Exchange Group companies (the “Exchange” and, together with FTDCM and FTSE, the “Licensor Parties”). The Licensor Parties make no warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE Canada Indices (“the Indices”) and/or the figure at which the said Indices stand at any particular time on any particular day or otherwise. The Indices are compiled and calculated by FTDCM and all copyright in the Indices values and constituent lists vests in FTDCM. The Licensor Parties shall not be liable (whether in negligence or otherwise) to any person for any error in the Indices and the Licensor Parties shall not be under any obligation to advise any person of any error therein.

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### Refinitiv Lipper Fund Awards Canada 2022 Winner

Lysander-Canso Corporate Value Bond Fund (Series F) was named Best Global Corporate Fixed Income Fund for 3 years ending July 31, 2022, out of a classification total of 17 funds (3 years). The corresponding Refinitiv Lipper Leader ratings for Consistent Return of the fund for the period ended July 31, 2022 were: N/A (1 year), 5 (3 years), 5 (5 years), and 5 (10 years). Performance for the fund (Series F) for the period ended August 31, 2023, was 5.0% (1 year), 6.5% (3 years), and 7.1% (5 years) and 6.3% (10 years).

The Refinitiv Lipper Fund Awards, granted annually, highlight funds and fund companies that have excelled in delivering consistently strong risk-adjusted performance relative to their peers. The Refinitiv Lipper Fund Awards are based on the Lipper Leader for Consistent Return rating, which is a risk-adjusted performance measure calculated over 36, 60 and 120 months. The highest 20% of funds in each category are named Lipper Leaders for Consistent Return and receive a score of 5, the next 20% receive a score of 4, the middle 20% are scored 3, the next 20% are scored 2, and the lowest 20% are scored 1. The fund with the highest Lipper Leader for Consistent Return (Effective Return) value in each eligible classification wins the Refinitiv Lipper Fund Award. For more information, see [lipperfundawards.com](http://lipperfundawards.com). Although Refinitiv Lipper makes reasonable efforts to ensure the accuracy and reliability of the data contained herein, the accuracy is not guaranteed by Refinitiv Lipper. Note: The Lipper Leader Ratings for each fund are subject to change every month. Refinitiv Lipper Fund Awards, ©2023 Refinitiv. All rights reserved. Used under license.

Lysander-Canso Corporate Value Bond Fund was awarded the 2022 Fundata FundGrade A+ Award in the Global Corporate Fixed Income Category, out of 53 funds. The FundGrade start date was 1/31/2013 and FundGrade end date was 12/31/2022. Performance for the fund (Series A) for the period ended August 31, 2023 was 4.4% (1 year), 5.9% (3 years), 6.5% (5 years) and 5.7% (10 years).

FundGrade A+® is used with permission from Fundata Canada Inc., all rights reserved. The annual FundGrade A+® Awards are presented by Fundata Canada Inc. to recognize the “best of the best” among Canadian investment funds. The FundGrade A+® calculation is supplemental to the monthly FundGrade ratings and is calculated at the end of each calendar year. The FundGrade rating system evaluates funds based on their risk-adjusted performance, measured by Sharpe Ratio, Sortino Ratio, and Information Ratio. The score for each ratio is calculated individually, covering all time periods from 2 to 10 years. The scores are then weighted equally in calculating a monthly FundGrade. The top 10% of funds earn an A Grade; the next 20% of funds earn a B Grade; the next 40% of funds earn a C Grade; the next 20% of funds receive a D Grade; and the lowest 10% of funds receive an E Grade. To be eligible, a fund must have received a FundGrade rating every month in the previous year.

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The FundGrade A+® uses a GPA-style calculation, where each monthly FundGrade from “A” to “E” receives a score from 4 to 0, respectively. A fund’s average score for the year determines its GPA. Any fund with a GPA of 3.5 or greater is awarded a FundGrade A+® Award. For more information, see [www.FundGradeAwards.com](http://www.FundGradeAwards.com). Although Fundata makes every effort to ensure the accuracy and reliability of the data contained herein, the accuracy is not guaranteed by Fundata. Note: The FundGrade ratings for each fund are subject to change every month.

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