

# Lysander-Canso Short Term & Floating Rate Fund – Series F



**Fund Code:** LYZ805F

**Portfolio Manager:** Canso Investment Counsel Ltd.

**As of:** May 31, 2024

**Asset Class:** Fixed Income

**CI-FSC Category:** Canadian Short-Term Fixed Income

**Benchmark:** FTSE Canada Short Term Overall Bond Index<sup>1</sup>



## Investment Focus

The fund invests primarily in short term fixed income and floating rate debt securities of Canadian and foreign issuers with a minimum of 75% of the portfolio in BBB or higher.

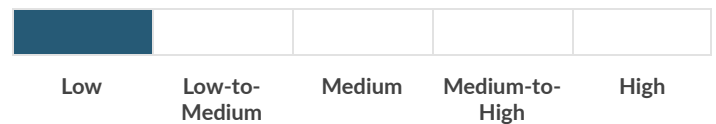
## Why Invest in this Fund?

Established in 1997, Canso Investment Counsel Ltd. is an independent firm focused on bottom-up security selection and fundamental credit research.

Canso utilizes its proprietary Maximum Loss analysis as a risk management tool to size positions while maintaining concentrated portfolios with high conviction in their best ideas.

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

## Risk Tolerance



- **Short Term Fixed Income Solution** – Portfolio comprises primarily of investment grade corporate bonds of low duration with the ability to include up to 25% in non-investment grade securities (at the time of investment).
- **Low Sensitivity to Interest Rates** – Canso seeks to maximize return while limiting interest risk by investing in primarily short term and floating rate debt securities.
- **Extensive Investment Management Expertise** – Large and 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.

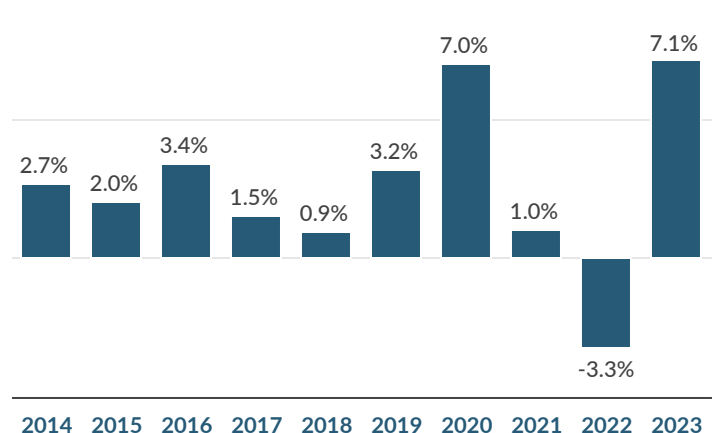
## COMPOUND RETURNS – SERIES F

1 Month	3 Months	YTD	1 Year	3 Year (Annualized)	5 Year (Annualized)	10 Year (Annualized)	Since Inception (Annualized)
0.8%	1.4%	2.1%	6.5%	2.0%	3.1%	2.6%	2.6%

## FUND FACTS

Inception Date	September 18, 2013
Currency	CAD
Fund AUM	\$253.8 Million
NAVPU	\$10.45
Management Fee	0.55%
MER as of December 31, 2023	0.67%
Minimum Initial Investment	\$500
Minimum Subsequent Investment	\$100
Liquidity	Daily
RSP Eligible	Yes

## CALENDAR YEAR RETURNS – SERIES F



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## TOP 10 HOLDINGS

Security	% of Fund	Rating
Canada 0.25% Mar 01, 2026	7.2%	AAA
Bank of America Corp FRN Sep 15, 2027 (Q CDOR+60)	5.2%	A+
Canada 2% Jun 1, 2028	5.1%	AAA
Bell Canada 3.35% Mar 12, 2025	5.0%	BBB+
Pacific Life Global Funding II FRN Feb 1, 2027 (Q CDOR+38)	4.3%	AA-
TD Bank CB 4.516% Jan 29, 2027	3.9%	AAA
TD Bank 4.477% Jan 18, 2028	3.7%	A+
RBC 4.642% Jan 17, 2028	3.5%	A+
MetLife Global Funding I 1.95% Mar 20, 2028	3.4%	AA-
BNS FRN May 3, 2027 (CORRA +75)	3.4%	A
<b>Total</b>	<b>44.7%</b>	

## DISTRIBUTIONS

Distribution Frequency: Quarterly

Most Recent Distribution per Unit: \$0.0785

12-Month Trailing Distribution Yield: 3.4%

Next Record Date: June 20, 2024

Next Distribution Date: June 21, 2024

Distributions (\$)/Unit <sup>3</sup>	YTD*	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Distributions	0.0785	0.4056	0.2370	0.1515	0.2140	0.2307	0.1787	0.1711	0.2153	0.2100	0.2200
Interest	-	0.4052	0.2364	0.1181	0.2027	0.2307	0.1787	0.1552	0.2160	0.1910	0.2206
Dividends	-	0.0004	0.0006	0.0003	0.0001	-	-	-	-	-	-
Capital Gains	-	-	-	0.0332	0.0112	-	-	0.0167	0.0000	0.0194	-
Withholding Tax	-	-	-	-	-	-	-	(0.0008)	(0.0007)	(0.0004)	(0.0006)

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

## PORTFOLIO CHARACTERISTICS

Number of Securities	61
Number of Issuers	41
Average Term to Maturity (Years)	3.7
Average Duration (Years)	2.2
Average Coupon (%)	4.1%
Yield to Maturity (%)	5.5%
Current Yield (%)	4.2%
Average Credit Quality <sup>2</sup>	A+

## CREDIT QUALITY BREAKDOWN

AA & Higher	40.7%
A	33.5%
BBB	13.3%
BB & Lower	11.5%
Not Rated	1.0%

## GEOGRAPHIC BREAKDOWN

Canada	72.1%
USA	22.5%
South America	1.1%
Europe	4.4%

## Lysander-Canso Short Term & Floating Rate Fund – Series F

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Lysander Funds Limited is the investment fund manager of Lysander-Canso Short Term and Floating Rate 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. Please read the prospectus before investing. Commissions, trailing commissions, management fees and expenses all may be associated with investment funds.

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. Investment funds are not guaranteed or insured, their values change frequently and past performance may not be repeated.

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<sup>2</sup> Fixed income securities unrated by external agencies are assigned an internal Canso rating for Average Credit Quality.

<sup>3</sup> Distributions are based on the actual number of units outstanding at the relevant time. Distributions are paid in cash or reinvested in additional units. If the series’ net income/capital gains is less than the amounts distributed in the year, the distribution will include a return of capital. In these circumstances, if an investor elects to receive their distributions in cash and not reinvest distributions, it is expected that the value of their investment will decline over time. Distributions are not an indication of performance, rate of return or yield.

### LSEG Lipper Fund Awards Canada 2023

Lysander-Canso Short Term & Floating Rate Fund (Series F) was named Best Canadian Short Term Fixed Income Fund for 5 years ending July 31, 2023, out of a classification total of 38 funds (5 years). The corresponding LSEG Lipper Leader for Consistent Return ratings of the fund for the period ended July 31, 2023 were: N/A (1 year), 5 (3 years), and 5 (5 years). Performance for the fund (Series F) for the period ended May 31, 2024 was 6.5% (1 year), 2.0% (3 years), 3.1% (5 years) and 2.6% (10 years).

The LSEG Lipper Fund Awards Canada, granted annually, highlight funds and fund companies that have excelled in delivering consistently strong risk-adjusted performance relative to their peers. The LSEG Lipper Fund Awards are based on the Lipper Leader for Consistent Return rating, which is an objective, quantitative, risk-adjusted performance measure calculated over 36, 60 and 120 months. The fund with the highest Lipper Leader for Consistent Return (Effective Return) value in each eligible classification wins the LSEG Lipper Fund Award. For more information, see [lipperfundawards.com](http://lipperfundawards.com). Although LSEG Lipper makes reasonable efforts to ensure the accuracy and reliability of the data used to calculate the awards, their accuracy is not guaranteed. Note: The Lipper Leader Ratings for each fund are subject to change every month.

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Lysander-Canso Short Term and Floating Rate Fund was awarded the 2023 Fundata FundGrade A+<sup>®</sup> Award in the Canadian Short Term Fixed Income Category, out of 161 funds. The FundGrade start date was 1/31/2014 and FundGrade end date was 12/31/2023. Performance for the fund (Series A) for the period ended May 31, 2024 was 5.9% (1 year), 1.4% (3 years), 2.5% (5 years) and 2.0% (10 years).

FundGrade A+<sup>®</sup> is used with permission from Fundata Canada Inc., all rights reserved. The annual FundGrade A+<sup>®</sup> Awards are presented by Fundata Canada Inc. to recognize the “best of the best” among Canadian investment funds. The FundGrade A+<sup>®</sup> 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. The FundGrade A+<sup>®</sup> uses a GPA-style calculation, where each monthly FundGrade from “A” to “E” receives a score from 4 to 0,

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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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