

STRATEGY PHILOSOPHY

The Income Public Market – Core+ strategy utilizes an overweight of liquid credit of **superior quality**, such as corporate, provincial and municipal credit. Furthermore, a short duration is synthesized through the composition of assets in order to preserve the capital against the risk of a rate increase.

ANALYSIS



KEY POINTS

Style	Active management
Process	Bottom-up approach
Duration	-5 years to +2 years
Benchmark Index	FTSE Canada Universe
Performance Objective	4% absolute return

RISK MEASURES

	4 years	Since Inception*
Information Ratio	0.2	0.3
Sharpe Ratio	1.0	1.2
Batting average – monthly	55%	57%
Positive average return	0.89	0.86
Negative average return	-0.88	-0.82

The risk measures as of September 30, 2021.
 * Mandate inception date: December 2016.

PORTFOLIO CONSTRUCTION

1. Systematic Bias	The Income Public Market – Core+ strategy utilizes an overweight of liquid credit consisting of corporate, provincial and municipal credit. Furthermore, a short duration is synthesized through the composition of assets in order to preserve the capital against the risk of a rate increase.
2. Active Management	The markets tend to operate in silos (equities/bonds, USD/CAD, high performance/quality), quantitative high-tech tools highlight fundamental data and market data across asset classes and allow the identification of excess return opportunities. The value add resulting from active management is derived from asset selection and breakdown, in particular from tactics linked to non-traditional assets such as preferred shares, high performance and international .
3. Security Selection	The <i>Big Data</i> System is a technological platform which helps decision-making and which enhances fundamental and traditional macroeconomic approaches. This system allows us to detect market opportunities. It allows us to build a portfolio which offers the best value add potential and risk management on a proactive basis amongst active issuers in the market.