



TD Greystone Long Bond Plus Fund



\$9.2B (C\$) in Fixed Income Assets Under Management¹

Why Invest

- We understand how fixed income risks can interact with equities and alternative investments
- We seek to deliver a bond strategy that provides stability to your portfolio in periods of stress, along with yield enhancement from private commercial mortgages

Investment Philosophy

- We believe fixed income portfolios should add value while also balancing the equity and liquidity risk of the total investment program
- To accomplish this we have developed a multi-strategy fixed income approach that will harvest value from interest rates, credit and private premiums when they are attractive and will defend when opportunities are unattractive

Key Characteristics

\$435.4M

Bond Plus AUM
Fund AUM: \$2.8M

15.7YRS

Modified Duration
Benchmark: 15.5YRS

3.0%

Yield to Maturity
Benchmark: 2.6%

Our Approach

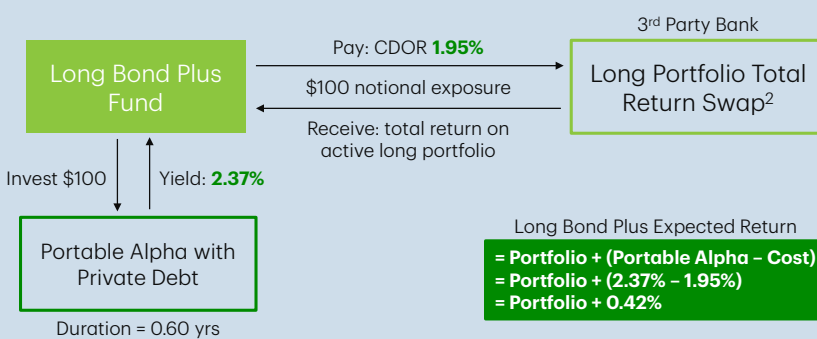


We actively manage our fixed income portfolios, using a combination of fundamental and technical analysis

Fundamental analysis seeks to identify the current stage of the interest rate and credit cycle by examining economic and monetary conditions

Technical analysis examines the supply and demand factors allowing us to appropriately scale risk around our fundamental bias

Structure of Long Bond Plus Portfolio



| Figure 1: % Returns as at Dec 31, 2019 | Annualized | | |
|---|-------------|-------------|--------------|
| | Q4-19 | 1 Yr | Since Jan-18 |
| TD Greystone Long Bond Plus Fund | -1.7 | 13.1 | 6.7 |
| FTSE Canada Long Term Overall Bond | -1.9 | 12.7 | 6.3 |
| Difference | 0.2 | 0.4 | 0.4 |

This figure shows the performance of the TD Greystone Long Bond Plus Fund in C\$, including cash; net of custodial fees, audit fees, transfer agent fees and administrative expenses; gross of investment management fees.

¹ The AUM shown is a combined total of all TD Greystone Fixed Income strategies.

² Total Return Swap are based on TD Asset Management's active long bond strategies and not the index return.

Source: TD Asset Management. As at Dec 31, 2019.

Figure 2: Portfolio Characteristics

| | Fund | FTSE Canada Long Term Overall Bond Index | |
|-------------------------|-------------------------------|--|--|
| Maturity (yrs) | 11.7 | 23.1 | |
| Modified Duration (yrs) | 15.7 | 15.5 | |
| Yield (%) | 3.0 | 2.6 | |
| Average Coupon (%) | 3.5 | 4.2 | |
| Maturity (%) | Synthetic Long Bond Portfolio | Portable Alpha | FTSE Canada Long Term Overall Bond Index |
| Short (1-5 yrs) | 0.0 | 92.8 | 0.0 |
| Mid (5-10 yrs) | 3.0 | 6.4 | 0.0 |
| Long (+10 yrs) | 97.0 | 0.2 | 100.0 |
| Mortgage Fund | 0.0 | 0.7 | 0.0 |
| Credit Quality (%) | Synthetic Long Bond Portfolio | Portable Alpha | FTSE Canada Long Term Overall Bond Index |
| AAA | 23.0 | 21.0 | 23.1 |
| AA | 47.8 | 35.3 | 47.1 |
| A | 19.5 | 22.8 | 19.8 |
| BBB | 9.7 | 2.1 | 10.1 |
| Mortgage Fund | 0.0 | 18.9 | 0.0 |
| Average Quality | 0.0 | AA | AA |
| Sector Mix (%) | Synthetic Long Bond Portfolio | Portable Alpha | FTSE Canada Long Term Overall Bond Index |
| Federal | 18.2 | 21.0 | 18.5 |
| Provincials | 56.8 | 40.5 | 54.8 |
| Municipals | 0.0 | 0.0 | 2.8 |
| Corporates | 25.0 | 19.7 | 23.9 |
| Mortgage Fund | 0.0 | 18.9 | 0.0 |

Excludes cash. As at December 31, 2019.



Contact us to find out how TDAM can bring new thinking to your most important challenges.
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