

# AGF HIGH YIELD BOND FUND

## FIXED INCOME

AS OF  
JULY 31, 2017



Tom Nakamura, CFA  
AGF Investments Inc.

### FUND DETAILS

**Fund type:** High-yield bond

**Fund start date:** February 8, 1994

**Total net assets:** \$394.2 million

**MER<sup>1</sup>:** 1.86%

**Risk profile:** Low Med High

### FUND CODES

|               | FE  | DSC | LL  | F   | Q    |
|---------------|-----|-----|-----|-----|------|
| <b>C\$ MF</b> | 419 | 420 | 237 | 649 | 1209 |

### DISTRIBUTIONS

|           | 2016 | 2015 | 2014 |
|-----------|------|------|------|
| <b>MF</b> | 0.25 | 0.32 | 0.33 |

**Monthly MF<sup>1</sup>** \$0.0175/unit

Please refer to AGF.com for distribution information.

<sup>1</sup>MER as of March 31, 2017.

<sup>1</sup>The distribution is not guaranteed, may be adjusted from time to time at the discretion of the fund manager and may vary from payment to payment. Amount shown, if any, is the most recent distribution amount.

\*Cash is not included.

Note: numbers may not add up to 100% because of rounding.

<sup>1</sup>TTM = Trailing 12-month.

On April 10, 2012, unitholders approved a change in the investment objective providing the Fund with greater flexibility to invest in high-yield bonds issued or guaranteed by corporations around the world.

### REASONS TO INVEST IN THIS FUND

- This bond fund provides exposure to high-yield bonds, which may be an ideal choice for investors building a diversified portfolio and seeking a higher potential monthly distribution.

### INVESTMENT PROCESS

- The AGF Fixed Income team seeks to maximize the total return of the portfolio through a bottom-up approach to corporate bond selection.

### AVERAGE ANNUAL COMPOUND RETURNS (%)

|      | 1 MO. | 3 MO. | 6 MO. | YTD | 1 YR. | 2 YR. | 3 YR. | 5 YR. | 10 YR. | PSD <sup>^</sup> |
|------|-------|-------|-------|-----|-------|-------|-------|-------|--------|------------------|
| FUND | -0.4  | -1.8  | 3.3   | 3.1 | 6.7   | 2.8   | 2.8   | 4.5   | 4.7    | 5.2              |

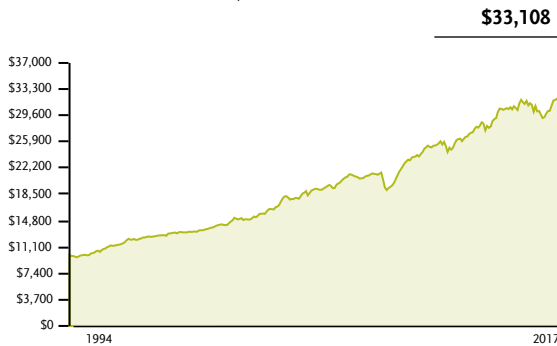
<sup>^</sup> Performance start date as of February 22, 1994.

### ANNUAL RETURNS (%)

|      | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
|------|------|------|------|------|------|------|------|------|------|------|
| FUND | 6.2  | -0.4 | 3.9  | 5.5  | 10.5 | -0.2 | 7.8  | 20.1 | -8.1 | 1.0  |

### GROWTH OF \$10,000

INVESTED FEBRUARY 28, 1994



### FIXED INCOME ALLOCATION

|                                   |       |
|-----------------------------------|-------|
| Corporate                         | 95.3% |
| Government / Government Sponsored | 1.2%  |
| Cash, Cash Equivalents & Other    | 3.5%  |

### TOP 10 HOLDINGS<sup>2</sup>

TOTAL HOLDINGS: 76

|  |              |
|--|--------------|
| Meritor Inc. 6.25% February 15, 2024                       | 2.8%         |
| First Quantum Minerals 7.25% April 1, 2023                 | 2.7%         |
| Ardagh Packing Finance PLC 6.00% February 15, 2025         | 2.7%         |
| Cheniere Corpus Christi Holdings LLC 5.875% March 31, 2025 | 2.6%         |
| Realogy Group Co. 4.875% June 1, 2023                      | 2.6%         |
| CCOH Safari LLC 5.75% February 15, 2026                    | 2.5%         |
| Petrobras Global Finance BV 6.25% March 17, 2024           | 2.5%         |
| Cemex SAB de CV 5.70% January 11, 2025                     | 2.5%         |
| Vermilion Energy 5.625% March 15, 2025                     | 2.4%         |
| Ally Financial Inc. 5.125% September 30, 2024              | 2.4%         |
|  | <b>25.6%</b> |

### CREDIT MIX<sup>2</sup>

|              |       |
|--------------|-------|
| AAA          | 1.2%  |
| BB           | 48.1% |
| B            | 39.2% |
| CCC or Lower | 6.4%  |
| Non Rated    | 5.0%  |

### FUND CHARACTERISTICS

|                           |                |
|---------------------------|----------------|
| Payment Frequency         | <b>Monthly</b> |
| TTM Distribution Yield*   | <b>4.48%</b>   |
| Modified Duration (Years) | <b>3.72</b>    |
| Average Term (Years)      | <b>6.97</b>    |

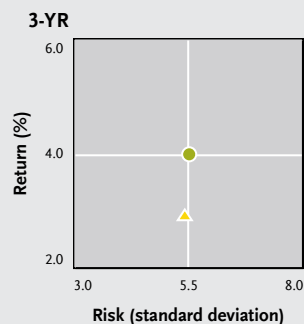


### RISK MEASUREMENTS

| Fund                      | 3-Yr  | 5-Yr  |
|---------------------------|-------|-------|
| <b>STANDARD DEVIATION</b> | 5.44% | 5.11% |
| <b>SHARPE RATIO</b>       | 0.42  | 0.80  |
| <b>BETA</b>               | 0.50  | 0.48  |

| Peer                      | 3-Yr  | 5-Yr  |
|---------------------------|-------|-------|
| <b>STANDARD DEVIATION</b> | 5.53% | 5.00% |
| <b>SHARPE RATIO</b>       | 0.63  | 0.97  |
| <b>BETA</b>               | 0.29  | 0.29  |

### RISK RETURN



- ▲ AGF High Yield Bond Fund
- Peer

Source: Morningstar as of June 30, 2017. Peer Group is represented by High Yield Fixed Income. For more information, visit [www.morningstar.ca](http://www.morningstar.ca).

### For more information, contact:

#### AGF Client Services

Toll Free: 1-800-268-8583



What are you doing after work?

### THE AGF FIXED INCOME TEAM

The AGF Fixed Income team comprises a multi-disciplinary team based in Toronto, Canada that manage assets on behalf of retail and institutional clients. The team has a long and distinguished history, dating back to 1957, of managing a wide range of Canadian and global fixed income mandates. A global framework allows the team to strategically allocate to a wide range of fixed income categories and currencies, deriving value from category allocation, country allocation, the yield curve, credit and currency. The Team's extensive experience actively managing global fixed income mandates and the efficient use of specialists' results in a better diversified portfolio with multiple alpha-generating sources of return, while employing risk-mitigation strategies to reduce overall portfolio risk and volatility.

#### TOM NAKAMURA, CFA

##### Vice-President and Portfolio Manager

- Experience in all aspects of the fixed-income asset class spectrum
- Industry experience since 1998

The information contained in this fund profile is designed to provide you with general information related to investment alternatives and strategies and is not intended to be comprehensive investment advice applicable to the circumstances of the individual. We strongly recommend you to consult with a financial advisor prior to making any investment decisions. 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 compounded total returns including changes in share and/or unit value and reinvestment of all dividends and/or 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; their values change frequently and past performance may not be repeated. The payment of distributions should not be confused with a fund's performance, rate of return or yield. If distributions paid by the fund are greater than the performance of the fund, your original investment will shrink. Distributions paid as a result of capital gains realized by a fund, and income and dividends earned by a fund, are taxable in your hands in the year they are paid. Your adjusted cost base will be reduced by the amount of any returns of capital. If your adjusted cost base falls below zero, you will have to pay capital gains tax on the amount below zero.

In order to invest in and maintain participation in the AGF Gold Label program (Series Q and/or W), a minimum of \$100,000 in Series Q and/or W per fund (in each account) or \$250,000 in household assets in Series Q and/or W is required. Management fees (for Series Q and W) as well as service fees (for Series Q only) within the AGF Gold Label program will be taken out directly from client accounts. For AGF Gold Label clients, AGF pays the operating expenses, custody and other administration-related costs (except brokerage commissions, counterparty fees, IRC fees or other extraordinary items). Tier level discounts apply only to the dollar amount(s) grouped in each particular tier.

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