



Long Term Bond

Summary

This actively managed bond strategy aims to generate a yield to maturity exceeding that of the benchmark by investing in long-term quality Canadian bonds.

Style	Active
Process	Top-down
Horizon	Long term
Benchmark	FTSE Canada Long Term
Value-added objective	0.50% over 4-year moving averages (before management fees)
Main sources of value added	Duration, sectors, curve, security selection and asset allocation

Why invest in this strategy

- Objective to generate a yield to maturity exceeding that of the index
- Emphasis on capital preservation
- Objective to generate an information ratio greater than 0.50 (high potential for outperformance)
- Long historical performance and constant value added
- Rigorous, disciplined investment process that integrates ESG factors
- Stable, experienced management team

Investment Philosophy

This strategy is based on pronounced biases in favour of provincial, municipal and corporate bonds and on strategic yield-curve positioning to provide a higher yield to maturity in most economic environments. The strategy also emphasizes sector rotation based on economic and geopolitical issues. The management team combines quantitative and active management to reach a consensus on the magnitude of the tactical deviations adopted. Security selection, based on tactical arbitrage, relies on the Big Data System, a decision-aid technology platform that enhances traditional fundamental and macroeconomic approaches.

Investment Process

ANALYSIS

Fundamental	Technical	Sentiment
Seasonality	ESG factors	Multiasset class

PORTFOLIO CONSTRUCTION

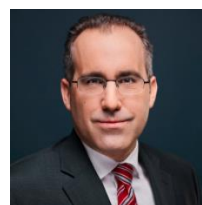
1) Systematic bias <i>Long-term strategic</i>	20%
2) Quantitative management <i>Optimization</i>	10%
3) Active management <i>Tactical deviations</i>	55%
4) Security selection <i>Big Data system</i>	15%

Management Team



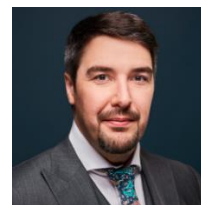
Martin Delage,
CFA, M. Fin.
Canadian Chief Investment Officer

30 years of experience



Hugues Sauvé,
CFA, M.Sc., B.A.A., Écon. Fin.
FVP, Fixed Income and Executive Assistant to the Chief Canadian Investment Officer

24 years of experience



Pierre-Olivier Boulanger,
CFA, M.Sc.
Vice-President, Responsible Investment

14 years of experience