

RIDGEWOOD CANADIAN INVESTMENT GRADE BOND FUND

Price: \$17.00¹

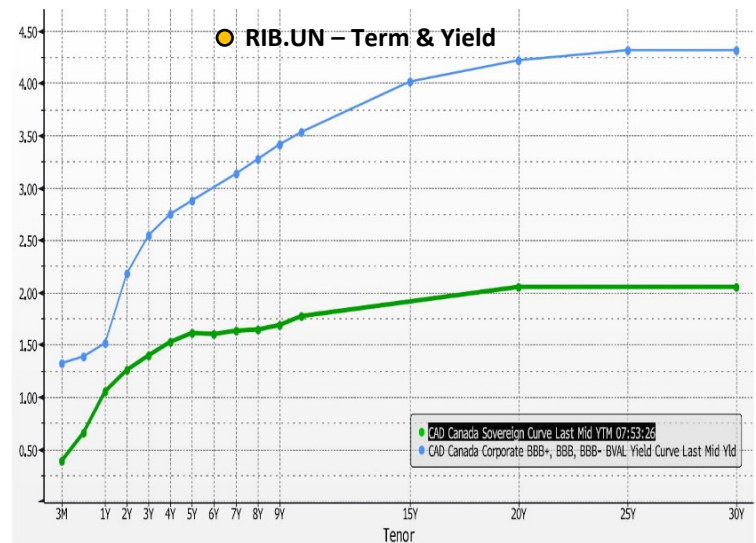
TSX: RIB.UN

Yield: 4.44%¹

Bond Market Outlook

- In January, RIB declined 2.0% versus a decline of 3.4% for the Universe bond index. The relative outperformance was due to a defensive structure in the fund.
- The consensus concern on inflation is overdone. Expectations for inflation have started to roll over

Canadian Yield Curves¹



Source: Bloomberg



NOTE: SHADED AREA INDICATES 2.3% AND 2.5% LEVELS CONSISTENT WITH THE FED'S 2% CORE PCE TARGET.

and the bond market will recover from current levels.

- The market has already priced in 5 interest rate hikes for 2022. We feel that this is a low probability and are maintaining a fully invested position.

¹ as at Jan 31, 2022

Portfolio Update

- Long term Government bonds dropped 7.02% during the month. RIB had no holdings in this sector and will continue to avoid longer term bonds.
- Mid term bonds represent the best value in our opinion, as the yield curve has priced in considerable interest rate increases.

NAV Performance (net of fees) ¹

	RIB.UN	FTSE Universe	Value Added
One Month	-2.0%	-3.4%	1.4%
2021	2.4%	-2.5%	4.9%
2020	12.0%	8.7%	3.3%
10 yr to Dec 2021	9.0%	3.3%	5.7%

RIB.UN Re-openings

- Nov 2021 deal for \$7.5 M at \$16.30
- May 2021 deal for \$19.3M at \$15.86
- April 2021 deal for \$8.1M at \$16.20
- December 2020 deal for \$11.7M at \$16.32
- August 2020 deal for \$8.2M at \$16.00
- March 2020 deal for \$11.9M at \$15.65
- June 2019 deal for \$5.6M at \$15.50
- February 2019 deal for \$7.3M at \$14.75

Fund Facts

- A unique opportunity for retail investors to access the **investment grade bond** market
- Focus on **Canadian issuers**, with up to 25% in non-Canadian investment grade bonds
- **Actively managed** with prudent use of leverage, up to 35% of the total assets of the fund may be borrowed
- **Attractive monthly distribution** yielding 4.21%¹
- **Experienced portfolio manager** with over 20 years of fixed income experience, Mark J. Carpani, CFA has been responsible for managing the fund since its inception in 2009

Ridgewood Capital Asset Management

- Ridgewood was founded in 2008 and manages \$1.6 billion for high net worth individuals and institutional clients
- A top quartile fixed income manager specializing in corporate bonds; fixed income assets represent 78% of total AUM
- The inception date of the Ridgewood Canadian Investment Grade Bond Fund (RIB.UN) was December 18, 2009

For further information visit www.ridgewoodcapital.ca or contact John H. Simpson, CFA (416) 479-2751