

RIDGEWOOD CANADIAN INVESTMENT GRADE BOND FUND

Price: \$17.00¹

TSX: RIB.UN

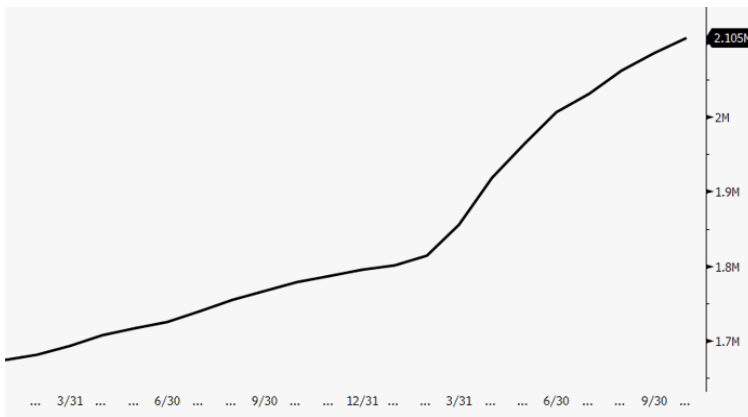
Yield: 3.74%¹

Bond Market Outlook

➤ What a memorable year 2020 turned out to be. It began with a global pandemic and ended with a vaccine out in record time. In the middle of all this we can summarize the year with 3 R's:

1. *Relief* – stimulus and other government support including quantitative easing and increasing money supply

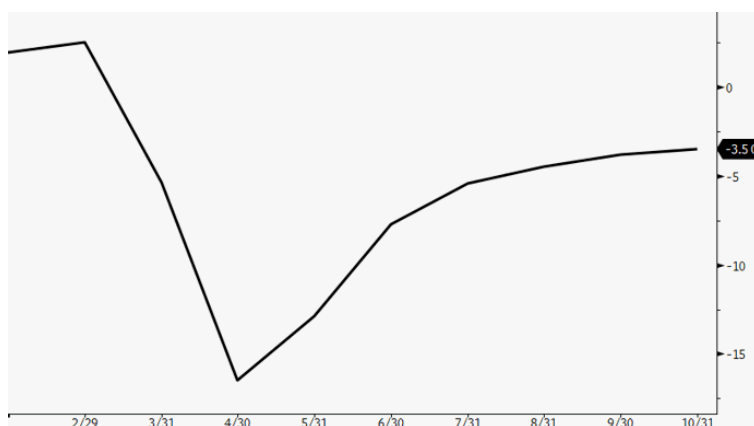
Bank of Canada Money Supply – M2



Source: Bloomberg

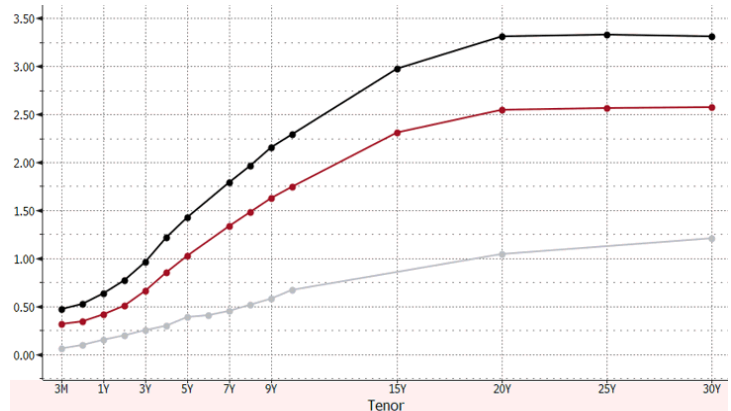
2. *Recovery* – still room to go

2020 Canadian GDP – YoY %



Source: Bloomberg

Canadian Yield Curves¹

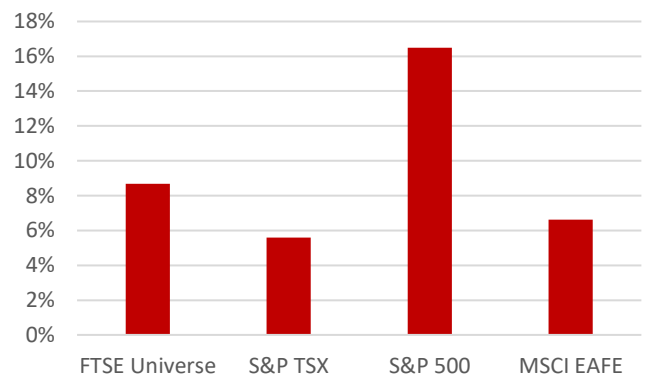


- Canada Corporate BBB+, BBB, BBB-
- Canada Corporate A+, A, A-
- Canada Sovereign Curve

Source: Bloomberg

3. *Returns* - across asset classes

Total Return % (C\$)



➤ Our outlook for 2021 is constructive for investment grade credit as corporate balance sheets become healthier and the supply outlook is limited.

➤ Wishing you and your family a healthy and prosperous 2021!

¹ as at December 31, 2020

Portfolio Update

- Corporate BBB bonds returned 1.0% vs 0.04% for Canada bonds in the month of December.
- Portfolio took profits on longer term high beta holdings. Reinvested into mid term new issue bonds.

NAV Performance (net of fees)¹

	RIB.UN	FTSE Universe	Value Added
One Month	2.0%	0.4%	1.6%
Year to Date	12.0%	8.7%	3.3%
2019	14.3%	6.9%	7.4%

RIB.UN Re-openings

- December 2020 deal for \$11.7mm at \$16.32
- August 2020 deal for \$8.2mm at \$16.00
- March 2020 deal for \$11.9mm at \$15.65
- June 2019 deal for \$5.6mm at \$15.50
- February 2019 deal for \$7.3mm 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 3.74%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 \$1.3 billion for high net worth individuals and institutional clients
- A top quartile fixed income manager specializing in corporate bonds; fixed income assets represent 77% 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