

**RIDGEWOOD CANADIAN INVESTMENT GRADE BOND FUND**

Price: \$15.40<sup>1</sup>

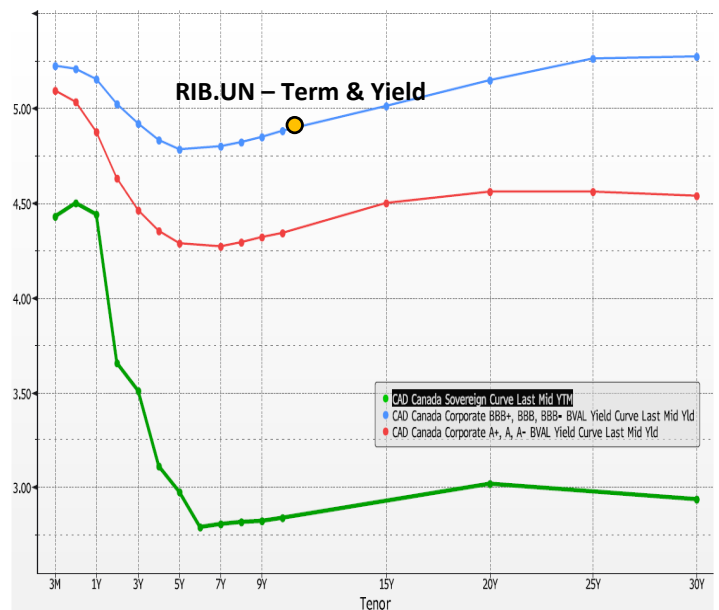
TSX: RIB.UN

Yield: 4.9 %<sup>1</sup>

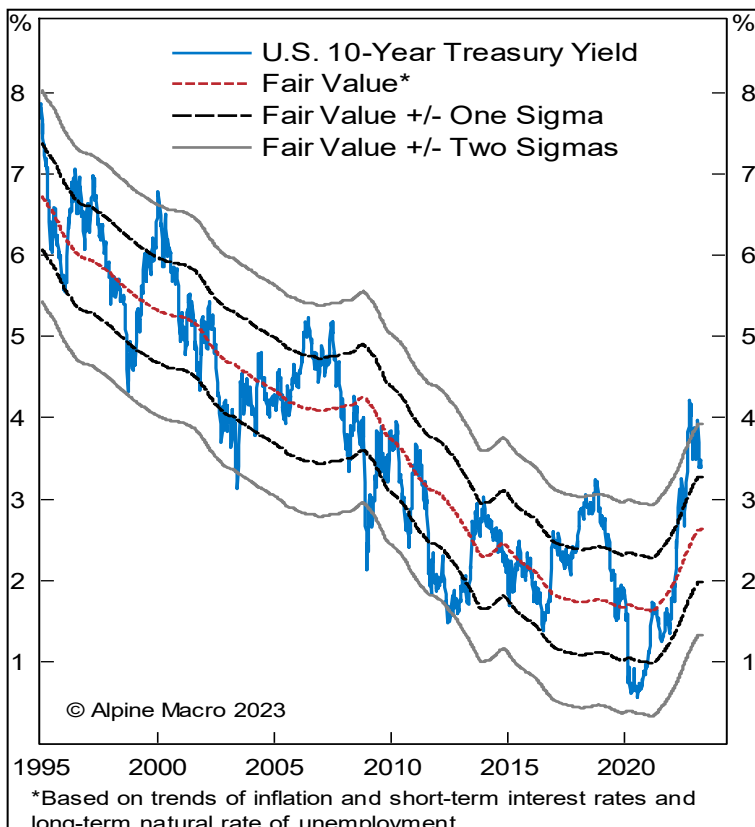
*Bond Market Outlook*

- The bond market was up 0.97% for the month, with Corporates outperforming with a return of 1.36%
- The Bank of Canada held interest rates at 4.5% on April 12th, 2023; in line with our previous commentary the hiking cycle is nearly complete. As a result, our investment stance has continued to shift to take advantage of the change in monetary policy.

**Canadian Yield Curves** <sup>1</sup>



Source: Bloomberg



- In the US, the stress in the banking system has yet to be contained. Impairment to the financial system hampers the transmission of monetary policy from the Fed. Under the current circumstances, this impairment amplifies restrictive policy.
- Continued easing of inflation coupled with declining GDP strengthens the investment stance of increasing the portfolio duration.

## Portfolio Update

- Fund outperformed by 44 basis points as a result of increasing the positions in long dated bonds, both government and corporate credit.
- Yield to maturity for the total portfolio is 7.15%

### NAV Performance (net of fees) <sup>1</sup>

	RIB.UN	FTSE Universe	Value Added
One Month	1.4%	1.0%	0.4%
YTD 2023	2.2%	4.2%	-2.0%
2022	-15.2%	-11.7%	-3.5%
2021	2.4%	-2.5%	4.9%
10 yr to Dec 2022	5.4%	1.6%	3.8%

## 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 4.24%<sup>1</sup>
- **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](http://www.ridgewoodcapital.ca) or contact John H. Simpson, CFA (416) 479-2751