

RIDGEWOOD CANADIAN INVESTMENT GRADE BOND FUND

Price: \$15.02¹

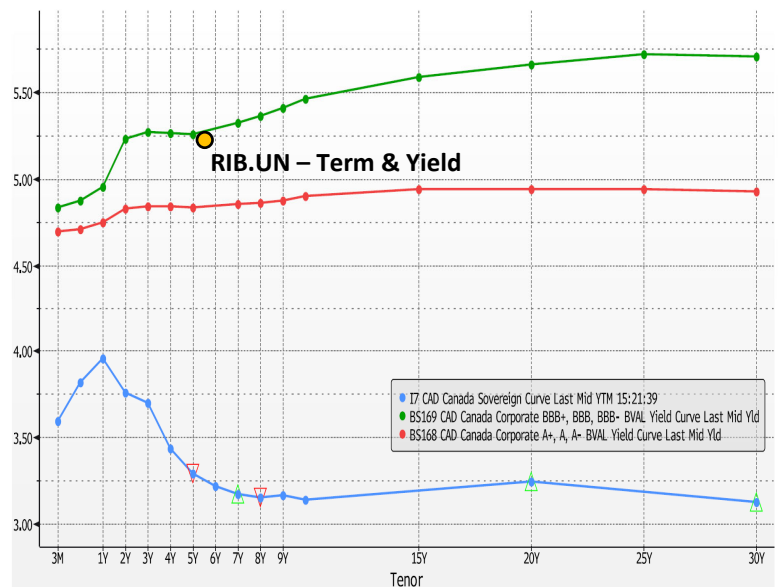
TSX: RIB.UN

Yield: 5.2%¹

Bond Market Outlook

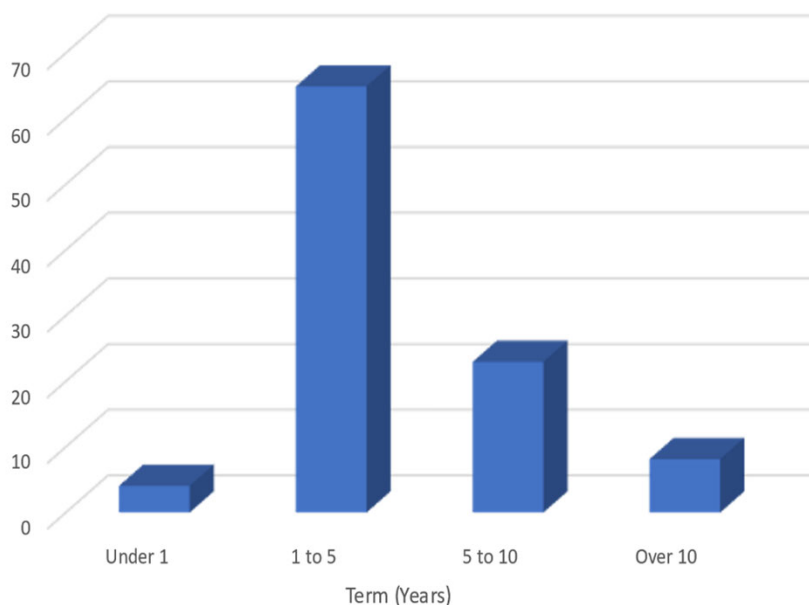
- Overall the index declined .53%, with long AAA bonds being the worst performing sector at -3.24%.
- RIB has limited exposure to longer term bonds, with only an 8% weight. (see chart below).
- The Bank of Canada and the Federal Open Market Committee raised rates 75 basis points at their September meetings. Overnight rates now sit at 3.25% in both countries.

Canadian Yield Curves ¹



Source: Bloomberg

RIB: Percent of Portfolio



- As seen in the yield curve chart, short term rates are pricing in a terminal rate of 4%
- The portfolio is heavily invested in short term bonds to take advantage of the peak in yields.

¹ as at Sept 30, 2022

Portfolio Update

- RIB underperformed the index by 85 basis points due to its overweight exposure to corporate bonds.
- Risk assets have reached an extreme oversold position. We believe that will reverse in Q4.

NAV Performance (net of fees) ¹

	RIB.UN	FTSE Universe	Value Added
One Month	-1.4%	-0.5%	-0.9%
YTD 2022	-14.3%	-11.8%	-2.5%
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 3.93%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