



## Key Benefits

- To provide a steady income stream through fixed income investing
- Capital preservation while mitigating risk exposure from both an interest rate risk and credit risk perspective
- Diversified portfolio of bonds by sector, issuer and maturity

## Highlights for the Month

- Continued volatility. Through the month, we saw ups and down on progression of the US/China trade war as we started the month with a lot of optimism but then slowly that optimism fell apart. Hong Kong protest re-escalated. There was no Bank of Canada meeting this month. The Canadian yield curve was mixed this month with the short to mid part of the curve (1 to 10 years) moving higher anywhere between 3bps to 9bps while the rest of the curve moved lower 1bp to 2bps. Corporate spreads compressed anywhere between 4bps to 10bps across tenors and rating categories.
- The bond universe returned +52bps on the month, while the corporate bond index returned +65bps. The best performing segment was long corporate bonds (+160bps), while the worse performing segment was mid-term government bonds (-18bps). Canadian High Yield returned +53bps and the BMO Laddered Preferred ETF returned +108bps.
- We outperformed our benchmark for the month as we posted returns of +63bps and +68bps for Series A and M, respectively, while our benchmark returned 37bps. Things that worked well for the month were holdings that were called (namely Enercare Solutions bonds and Cargojet convertible bonds), in addition MCAP Commercial LP, Enbridge hybrids and Precision Drilling bonds all performed well with stronger spread compression than the norm of the universe.
- The portfolio's duration was mostly unchanged at 2.6 years as purchase yield was higher at 4.28% vs. 4.15%.
- Leverage for the month was 2.8% vs. 1.3% last month.

The Kipling Funds are only available for sale to investors who meet the definition of "accredited investor" or who are purchasing under the "Offering Memorandum" exemption, in either case as set forth in National Instrument 45-106 Prospectus and Registration Exemptions, or non-individuals who will be investing a minimum of \$150,000. Please contact us or consult the offering documents to determine your qualification status.

*Investors should take note that certain statements in this report about a fund or strategy, including expected future performance, are forward-looking. Statements that look forward in time or include anything other than historical information are subject to risks and uncertainties, and actual results, actions or events could differ materially from those set forth in the forward-looking statements. Although the forward-looking statements contained herein are based upon what the portfolio manager believes are reasonable assumptions, the portfolio manager cannot assure that actual results will be consistent with these forward-looking statements. Due to ongoing portfolio transactions, the positions discussed in this communication may no longer be held or may be unwound at any time and without notice.*

# KIPLING STRATEGIC INCOME FUND

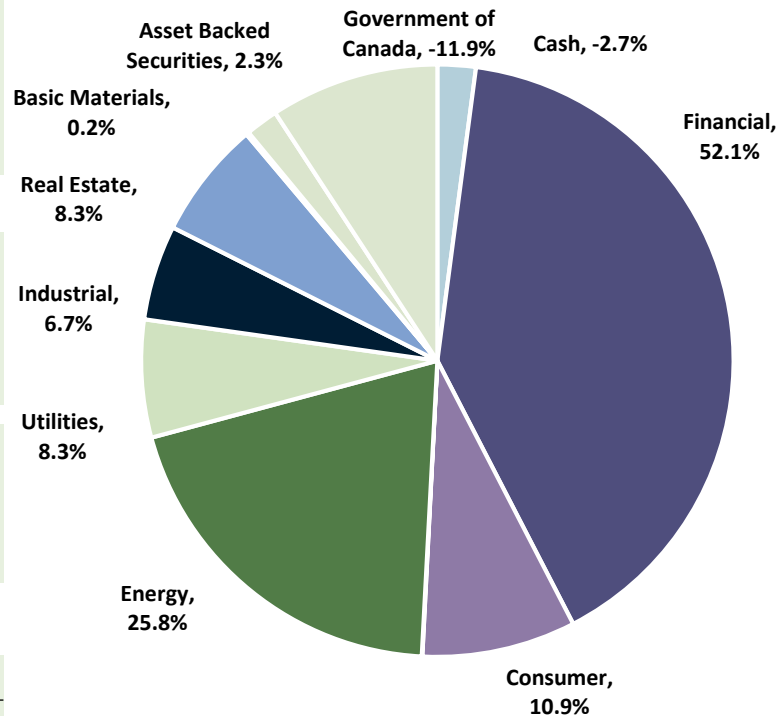
Fund Facts	
Asset Type	Fixed Income
Inception	August 5, 2016
NAV(\$)/A/M Series	\$10.26 / \$10.34
Distribution (\$)	\$0.35/annum
Distribution Frequency	Monthly

Fund Terms	
Min Initial Investment (\$)	\$150,000
Min Subsequent Investment (\$)	\$5,000
Redemptions	Weekly

Portfolio Metrics	
# of Holdings	88
Duration (Years)	2.55
Purchase Yield (%)	4.29%

Top 10 Holdings	Weight
Enbridge Inc. Commercial Paper 12/06/2019	6.1%
First National Financial 4.01% 04/09/2020	5.2%
MCAP Commercial LP 4.151% 06/17/2024	5.1%
Equitable Bank 2.948% 26/09/2022	5.1%
H&R Reit 2.923% 05/06/2022	3.6%
Superior Plus LP 5.125% 08/27/2025	3.5%
Brookfield Property Finance ULC 4.3% 03/01/2024	3.2%
First Capital Realty Inc 3.604% 05/06/2026	3.1%
Empire Life Insurance 3.383% 12/16/2026	3.1%
Parkland Fuel Corp 5.5% 28/05/2021	3.1%

## Sector Allocation



## Credit Quality Allocation (%)

As of 11/29/2019

AAA	-10.4%
AA	0.5%
A	7.9%
BBB	77.7%
BB and lower	23.3%
Not Rated	3.7%
Cash	-2.7%

## Asset Type Allocation (%)

As of 11/29/2019

Investment Grade Corporate Bonds	74.0%
High-Yield Bonds	22.1%
Convertible Bonds	3.2%
Preferred Shares	3.4%
Cash	-2.7%

	NAV	1mth	3mth	6mth	YTD	1yr	2yr	3yr	2018	2017	Inception** (Annualized)
A Series (CAD)	\$10.26	0.63%	1.27%	2.59%	6.21%	6.39%	4.13%	4.31%	2.01%	4.19%	4.51% (Aug 5, 2016)
M Series (CAD)	\$10.34	0.68%	1.42%	2.89%	6.79%	7.02%	4.76%	4.93%	2.63%	4.79%	5.13% (Aug 5, 2016)
Benchmark		0.37%	-0.26%	1.81%	6.52%	7.45%	3.54%	2.92%	1.06%	1.47%	2.24%

Data shown is as of November 29, 2019. Pricing from SVC/PC Bond, Statpro, and IDC. Duration and credit ratings are from Bloomberg.

\*\*Net of fees

The objective of the Kipling Strategic Income Fund (the "Fund") is to provide unitholders with a steady income while preserving capital and mitigating risk exposure. The Fund will invest across the full spectrum of publicly traded fixed income instruments including: investment grade and non-investment grade corporate bonds, other fixed income investments including money market and government bonds, convertible securities, preferred shares, derivative products and exchange traded funds. The Fund is managed by Cumberland Investment Counsel Inc. pursuant to an Investment Advisory Agreement entered with NCM Asset Management Ltd., the Manager. Cumberland Investment Counsel Inc. and Cumberland Private Wealth Management Inc. are affiliates of the Manager as they are wholly owned by Cumberland Partners Limited. The fund benchmark is comprised of 50% of the iShares Canadian Bond Fund ETF and 50% of the iShares Canadian 1-5 Year Laddered Corporate Bond Index ETF.

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