

Short-Term Bond

October 2020

Firm Overview

Lorica is an investment counsellor, committed to providing an entire investment service including management, administration, communication and compliance. Lorica's investment team and process is characterised by stability, security and consistency and an ongoing commitment to delivering superior results.

Philosophy

Underpinning Lorica's investment philosophy is a belief that value can be added through active management in all market environments. We believe a comprehensive range of core bond market competencies can be used effectively to manage within a central risk management paradigm. Economies and markets are dynamic, and we have learned they call for an adaptive, subjective approach to forecasting. However, construction of diversified, yet targeted portfolios is ideally suited to our proprietary computer-based models and algorithms.

Investment Strategy

An actively managed short-term fixed income strategy investing in government and investment grade corporate bonds. The investment strategy includes duration and yield curve management; and sector, industry, issuer and individual security selection; with an emphasis on duration and credit risk management.

Managers

Gary Morris, CFA
President

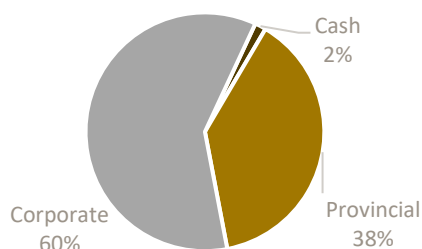
Thomas Gomes, CPA, CFA
Portfolio Manager

T. 647.776.8111
Email. info@loricaic.com www.loricaic.com

Inception: August 20, 2014

AUM (Mandate): \$43 M

Asset Mix



Risk Profile

	Lorica (STB)*	Short-Term Index**
Yield to Maturity	0.88	0.64
Average Term	3.04	2.97
Modified Duration	2.90	2.84
Coupon	2.65	2.36
Credit Rating (%)***		
AAA	1.53	50.32
AA	59.45	26.18
A	23.54	12.79
BBB	15.48	10.72

Constraints

No. of Securities	15 – 25
Duration	-1.5/+1.5 years of Short-Term Index
Sector wt.	
Governments	0 – 100%
Provincials	0 – 60%
Corporates	0 – 60%
Max Issuer wt.	10% Individual Issuer
Max Corporate Security wt.	(5% Individual BBB Issues)

Historical Performance

Annualized Returns	1 Year	2 Years	3 Years	4 Years	5 years	Since Inception
Lorica Short-Term Bond	5.24	4.70	3.26	2.61	2.60	2.56
Short-Term Index**	4.72	4.70	3.15	2.32	2.27	2.33

Annual Returns	1 Month	3 Months	YTD	2019	2018	2017	2016	2015
Lorica Short-Term Bond	0.06	0.37	5.03	3.28	1.70	0.83	1.68	2.42
Short-Term Index**	0.01	0.26	4.80	3.10	1.91	0.08	1.01	2.61

Source: FTSE Russell & Lorica Investment Counsel Inc., as at October 31, 2020.

All Index references refer to the FTSE Canada Universe Bond Indices and their sub-indices, unless otherwise stated.

*Short-Term Bond; **FTSE Canada Short-Term Overall Bond Index; ***Refers to DBRS, S&P, Moody's