

# Focused Fixed Income

April 2021

## 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 core 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

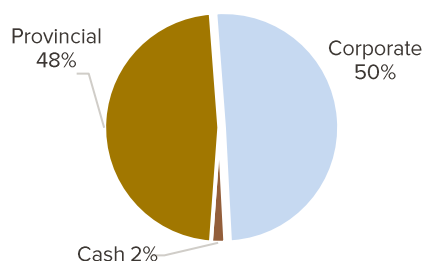
**Gary Morris, CFA**  
President

**Thomas Gomes, CPA, CFA**  
Portfolio Manager

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**Inception:** January 1, 2011  
**AUM (Mandate):** \$571 M

### Asset Mix



### Risk Profile

	Lorica (FFI)*	Universe Index**
Yield to Maturity	1.80	1.71
Average Term	10.58	10.54
Modified Duration	7.85	7.85
Coupon	2.95	2.93
Credit Rating (%)***		
AAA	5.81	38.12
AA	65.13	35.42
A	23.03	14.64
BBB	6.02	11.82

### Constraints

No. of Securities	10 – 25
Duration	-4/+2 years of Universe Index
Sector wt.	
Gov't of Canada	0 – 100%
Provincials	0 – 50%
Corporates	0 – 50%
Max Corporate Security wt.	10% Individual Issues (5% Individual BBB Issues)

## Historical Performance

Annualized Returns	1 Year	2 Years	3 Years	4 Years	5 years	Since Inception
Lorica Focused Fixed Income	-1.09	3.27	4.11	2.67	2.79	3.60
Universe Index**	-2.03	3.11	4.09	2.81	2.86	3.83

Annual Returns	1 Month	3 Months	YTD	2020	2019	2018	2017	2016
Lorica Focused Fixed Income	0.25	-3.84	-4.81	9.17	6.39	1.66	1.06	2.09
Universe Index**	0.06	-3.92	-4.98	8.68	6.87	1.41	2.52	1.66

Source: FTSE Russell & Lorica Investment Counsel Inc., as at April 30, 2021.

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

\*Focused Fixed Income; \*\*FTSE Canada Universe Bond Index; \*\*\*Refers to DBRS, S&P, Moody's