



Greystone High Yield Fund

\$9.2B (C\$) in Fixed Income Assets Under Management

Why Invest with TD Greystone Asset Management

- We understand how fixed income risks can interact with equities and alternative investments
- High yield bonds can provide higher returns compared to traditional investment grade bonds and more dependable returns than stocks
- We follow a risk-conscious approach by investing in stable or improving credit to build a diversified portfolio

Investment Philosophy

- We provide strong risk-adjusted returns through managing downside risks and sound due diligence
- The combination of economic cycle and relative pricing analysis allows for capitalization of market inefficiencies

Key Characteristics

\$588.4M Specialty Fixed Income AUM Fund AUM: \$15.7M	2.3^{YRS} Average Duration Benchmark: 4.4 ^{YRS}	5.1% Yield to Maturity Benchmark: 8.0%	5.1 Standard Deviation Benchmark: 10.1	108 Number of Holdings
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	Annualized						
Figure 1: Performance (%)	March 31, 2019	Q1-19	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Greystone High Yield Fund		3.8	3.8	4.5	6.6	4.4	8.8
Benchmark ¹		7.0	7.0	5.0	9.6	4.7	11.1
Difference		-3.2	-3.2	-0.5	-3.0	-0.3	-2.3

¹ Current High Yield Fund Benchmark: 50% ML US HY Master II Trust Hedge to CAD + 50% ML CAD and USD HY Canadian Issuers Hedge to CAD. Performance inception is April 1, 2008. This figure shows the performance of the Greystone High Yield Fund in C\$, including cash; net of custodial fees, audit fees, transfer agent fees and administrative expenses; gross of investment management fees.

Figure 2: Portfolio Characteristics

	Greystone	High Yield Benchmark ¹
Maturity (yrs)	3.0	5.8
Average Duration (yrs)	2.3	4.4
Yield (%)	5.1	8.0
Standard Deviation (SI)	5.1	10.1
Maturity (%) Greystone		
Short (1-5 yrs)	74.6	
Mid (5-10 yrs)	21.8	
Long (+10 yrs)	3.6	
Credit Quality (%) Greystone		
Above BBB	1.4	
BB	64.3	
B	29.0	
Below B	4.7	
Not Rated	0.6	
Sector Mix (%) Greystone		
Automotive	1.8	
Basic Industry	7.6	
Capital Goods	7.3	
Consumer Goods	8.3	
Energy	12.4	
Financials	0.9	
Healthcare	19.2	
Insurance	0.2	
Leisure	7.3	
Media	4.8	
Real Estate	3.7	
Retail	1.2	
Services	2.7	
Technology	2.5	
Telecommunications	13.7	
Transportation	0.6	
Utilities	0.2	
Cash	4.2	

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Excludes cash. March 31, 2019.

Figure 3: Top 10 Holdings

	Weight (%)
Hughes Satellite Systems 0.065 15 Jun 2019	4.9
JBS USA LLC/JBS USA Fina 0.0725 01 Jun 2021	4.4
Teva Pharmaceuticals Ne 0.017 19 Jul 2019	4.4
Dcp Midstream Operating 0.027 01 Apr 2019	4.3
Reynolds Grp Iss/Reynold 0.0575 15 Oct 2020	4.2
Mgm Resorts Intl 0.0525 31 Mar 2020	3.9
Sprint Nextel Corp 0.07 01 Mar 2020	3.5
Tenet Healthcare Corp 0.0475 01 Jun 2020	2.6
Bausch Health Companies Inc 0.065 15 Mar 2022	2.4
Level 3 Financing Inc 0.06125 15 Jan 2021	2.4

Excludes cash. March 31, 2019.

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