



RP ALTERNATIVE GLOBAL BOND FUND ("AGB")

January 2024



OVERVIEW

- 1** AGB provided investors with positive returns every calendar year since its inception.
- 2** Credit risk is managed through a dynamic hedging strategy to preserve capital for investors.
- 3** We believe the Fund is well-positioned to provide compelling relative and absolute performance in 2024.

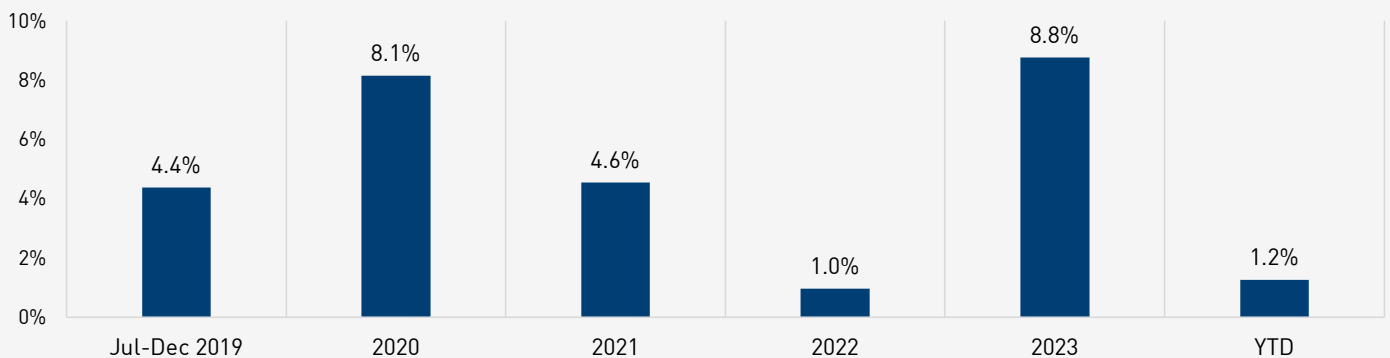
REVIEW

Investment Results

Since its inception in July 2019, AGB has provided investors with positive returns every calendar year and achieved its target return of 5-7% despite the volatility that has plagued bond markets in that period.

Positive Total Returns Each Year Since Inception

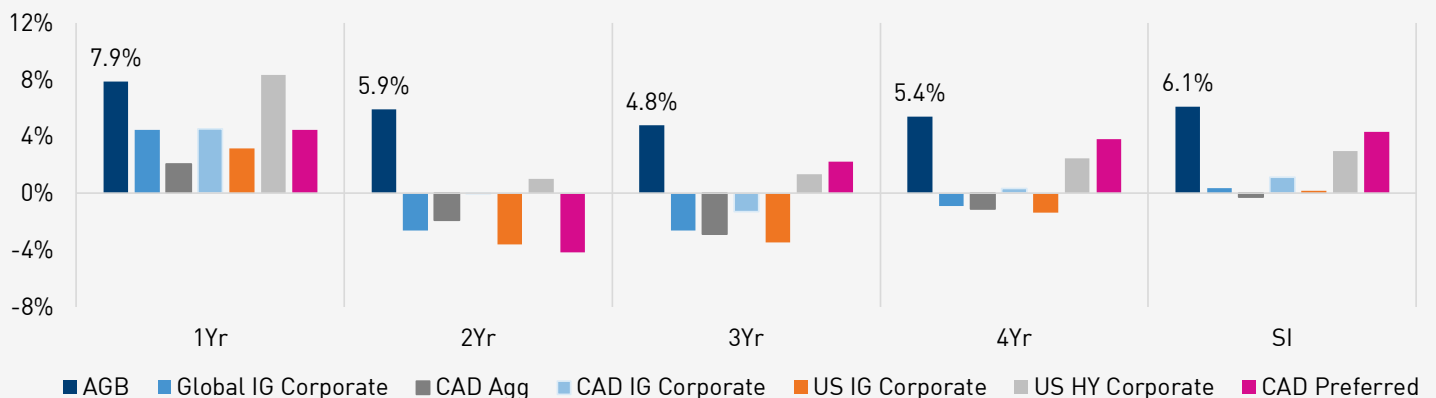
Net Return (Class F)



Source: RPIA. Data as of January 31, 2024.

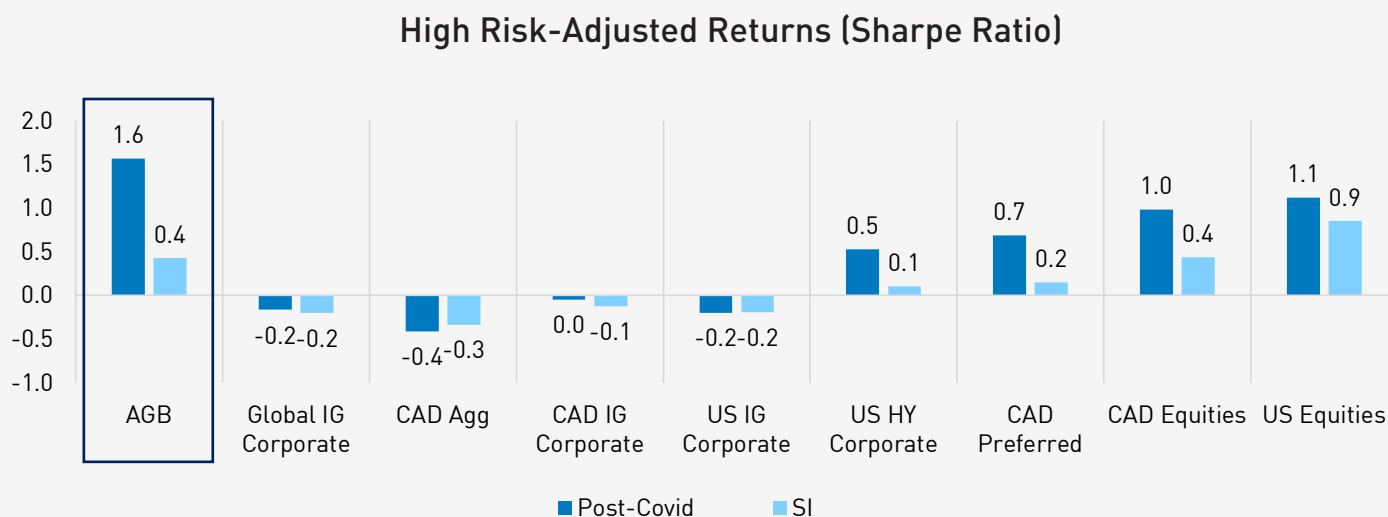
AGB's lifespan thus far has coincided with extreme market events, including the pandemic, unprecedented financial easing, elevated geopolitical risk, and aggressive financial tightening. Our tactical approach during continued turbulence led to the Fund substantially outperforming fixed income indices across the risk spectrum.

Notable Outperformance vs. Indices Across the Fixed Income Spectrum



Source: RPIA, eVestment. Data as of January 31, 2024. AGB = RP Alternative Global Bond Fund Class F return.

More importantly, AGB has generated these returns in a sophisticated risk-adjusted manner and has proven its ability to capitalize on opportunities following bouts of volatility.



Source: RPIA, eVestment. Data as of January 31, 2024. Risk-free rate = Canadian 3-Month TBill. SI = July 2019.

How We Do It

Managing Interest Rates: AGB’s enhanced toolkit aims to provide the investment team with the capability to dynamically navigate markets and shift the portfolio’s exposure faster and more efficiently than traditional bond portfolios. Rate exposure is tactically managed within a -1 to 8-year range so that AGB can shift its interest rate exposure to capture compelling opportunities, but also protect against adverse rate movements.

The goal is to strike a balance between protecting the downside from rising bond yields while participating in capital appreciation opportunities when rate exposure (duration) appears very attractive.

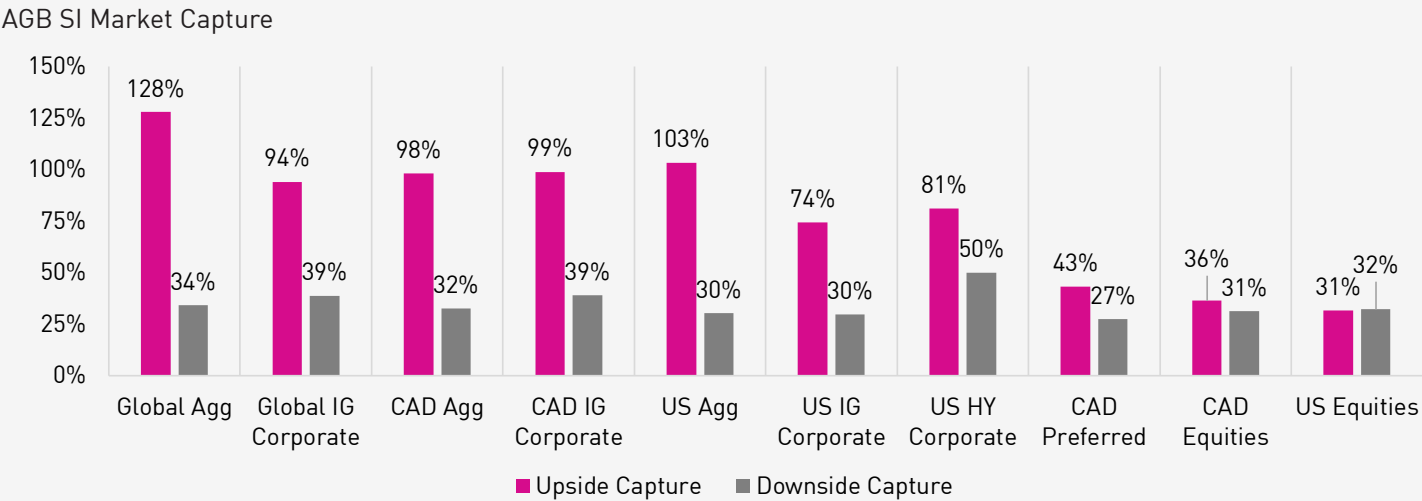
Credit Spread Opportunities: The additional yield received over the risk-free rate is referred to as the “credit spread,” which is an inefficiently priced risk factor. We have a long and successful track record of generating repeatable and consistent returns from this opaque area of the bond market using our specialized credit expertise and process.

In addition to in-depth fundamental credit research, AGB employs a relative value approach in our security selection process. Once we have decided which issuer is attractive, our proprietary technology, along with our unique execution team, allows us to laser in on what we view as the best security to buy of that issuer to maximize our return potential from the trade.

Managing Risk with Hedges: AGB uses a dynamic set of hedging tools to optimize and control credit risk. From single-name issuer shorts to options on volatility products, the portfolio’s hedges embed downside protection and provide the investment team with the confidence to employ our best ideas seamlessly.

Putting it Together: AGB’s unique approach to generating returns through investment grade corporate bonds and managing risk factors has provided investors with meaningful diversification. Its low correlation to broad fixed income benchmarks and its potential ability to participate in positive market environments while limiting the downside during periods of weakness, make it a good fit for almost any bond portfolio seeking enhanced returns and improved diversification.¹

Participating in the Upside While Limiting the Downside



Source: RPIA, eVestment. Data as of January 31, 2024.

¹Source: RPIA, eVestment. Data as of January 31, 2024. The monthly total net returns of AGB have shown a correlation of ≤ 0.4 with those of major aggregate bond indices, namely the Bloomberg Global Aggregate (CAD Hedged), FTSE Canada Universe, and the Bloomberg US Aggregate (CAD Hedged).



2024 MARKET VIEWS

This market cycle has been highlighting the need for fixed income strategies that can manage interest rate volatility and take a flexible approach to bond investing. There is no doubt that the reset in valuations and higher yields have made fixed income attractive again, both on an absolute and relative basis. To that end, we believe investors can employ active bond strategies during 2024 to create meaningful returns and provide clients with diversification without sacrificing liquidity or credit quality.

On an absolute basis, today's all-in yields can provide a margin of safety to bondholders and income that has not been obtainable since the Global Financial Crisis. On a relative basis, we believe the risk-reward dynamic of long/short bond strategies can be superior to that offered by equity investments and private debt.

Nonetheless, the macroeconomic and geopolitical backdrop remains volatile, and the implications for asset returns and the real economy remain uncertain. This is why we urge against relying solely on passive bond strategies. Rather than implicitly attempting to predict the forward path of interest rates, we advocate for an alternative approach – one that is not entirely reliant on broad macro influences, but is instead committed to seeking positive absolute returns by taking a thoughtful relative value approach.

We believe RP Alternative Global Bond Fund is well-positioned to continue providing investors with the necessary active management to achieve attractive risk-adjusted returns. We stand ready to take advantage of opportunities and are excited about the potential for another strong year.

Indices Used

Source: eVestment | **Global Aggregate:** Bloomberg Global Aggregate (CAD Hedged) | **CAD Aggregate:** FTSE Canada Universe Bond | **CAD IG Corporate:** FTSE Canada All Corporate | **Global IG Corporate:** Bloomberg Global Aggregate Corporate Bond (CAD Hedged) | **US IG Corporate:** Bloomberg US Corporate Investment Grade (CAD Hedged) | **US HY Corporate:** Bloomberg US Corporate High Yield (CAD Hedged) | **CAD Preferred:** S&P/TSX Preferred Share | **CAD Equity:** S&P/TSX Composite | **US Equity:** S&P 500

RP AGB Inception = July 8, 2019. Data as of January 31, 2024.

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“Forward-Looking” statements are based on assumptions made by RPIA regarding its opinion and investment strategies in certain market conditions and are subject to a number of mitigating factors. Economic and market conditions may change, which may materially impact actual future events and as a result RPIA’s views, the success of RPIA’s intended strategies as well as its actual course of conduct.

RPIA managed strategies and funds carry the risk of financial loss. Performance is not guaranteed and past performance may not be repeated. Unless indicated otherwise, all returns are presented as of the last business day of the stated month and returns presented for periods greater than one year are annualized.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Indicated rates of return include changes in share or unit value and reinvestment of all dividends or distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Returns for time periods of more than one year are historical annual compounded total returns while returns for time periods of one year or less are cumulative figures and are not annualized. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

Performance presented for RP Alternative Global Bond Fund is for Class F of the respective fund. Class F units do not include embedded sales commissions, which results in higher performance relative to Class A units of the fund. Performance data for RP Alternative Global Bond Fund is calculated in accordance with NI 81-102.

The index performance comparisons presented are intended to illustrate the historical performance of the indicated strategies compared with that of the specified market index over the indicated period. The comparison is for illustrative purposes only and does not imply future performance. There are various differences between an index and an investment strategy or fund that could affect the performance and risk characteristics of each. Market indices are not directly investable and index performance does not account for fees, expense and taxes that might be applicable to an investment strategy or fund.