

**IA CLARINGTON  
STRATEGIC INCOME FUND**

March 31, 2018

**Fund Performance (%)<sup>1</sup> – Series A**

1-month	3-month	Y-T-D	1-year	3-year	5-year	10-year	Since inception
-0.1	-2.6	-2.6	-0.1	2.8	4.9	-	6.2

**Calendar Year Returns (%)<sup>1</sup> – Series A**

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
-	-	-	-	9.1	12.3	7.6	-5.9	13.9	5.4

**Value of \$10,000 Investment<sup>1</sup> – Series A**

**What Does The Fund Invest In?**

The fund seeks to provide a consistent stream of income and capital appreciation by investing primarily in Canadian equity and fixed income investments.

The fund may invest up to 49% of its assets in foreign securities.

**Key Reasons to Invest**

- Flexible income-focused balanced fund that can adjust asset allocation as market conditions warrant. The manager's expertise in both equity and fixed income provides an unbiased asset allocation decision and the ability to assess relative value across the capital structure of a company
- Fixed income component includes high yield corporate bonds that may have lower interest rate sensitivity than one focused on investment grade bonds alone
- Rigorous & active investment process that focuses on safety of income and incorporates the manager's macro outlook

**Portfolio Manager**

**IA Clarington Investments Inc.**  
Dan Bastasic, CFA, MBA

Start date: Aug. 2011

**Fund Details**

**Fund Type:** Trust

**Size:** \$1.5 billion

**Inception Date:** Series A: Aug. 8, 2011

**NAV:** Series A: \$13.51  
Series T6: \$10.23  
Series T8: \$8.64

**MER\*:** Series A: 2.35%  
Series T6: 2.33%  
Series T8: 2.34%  
\*as at Sep. 30, 2017

**Risk Tolerance:**


**Distribution Frequency:**  
Series A: Monthly, Variable  
Series T6: Monthly, Fixed  
Series T8: Monthly, Fixed

**Fund Codes (CCM)**

Series	Front	Back	Low	Series	Fee-Based
A	3420	3421	3422	F	3423
E	3431	-	-	F6	3427
E6	3432	-	-	F8	1320
T6	3424	3425	3426		
T8	3428	3429	3430		

Distributions (\$/unit)	A	T6	T8
April 2017	-	0.050	0.067
May 2017	-	0.050	0.067
June 2017	-	0.050	0.067
July 2017	-	0.050	0.067
August 2017	-	0.050	0.067
September 2017	0.038	0.050	0.067

Distributions (\$/unit)	A	T6	T8
October 2017	0.042	0.050	0.067
November 2017	0.047	0.050	0.067
December 2017	0.039	0.050	0.067
January 2018	0.011	0.050	0.067
February 2018	0.007	0.050	0.067
March 2018	0.015	0.050	0.067

**IA Clarington Investments Inc.**

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### Asset Mix

<b>Equity</b>	<b>61.3%</b>
Canadian Equities	33.5%
U.S. Equities	19.2%
Income Trusts	5.0%
Foreign Equities	2.4%
Preferred Equities	1.2%
<b>Fixed Income</b>	<b>29.4%</b>
Canadian High Yield Corporate Bonds	18.5%
U.S. High Yield Corporate Bonds	4.1%
Foreign High Yield Corporate Bonds	3.0%
Canadian Investment Grade Corporate Bonds	3.0%
Convertible Bonds	0.5%
Foreign Investment Grade Corporate Bonds	0.3%
<b>Cash and Other</b>	<b>9.3%</b>
Cash and Other Net Assets	9.3%

### Geographic Allocation

Canada	61.1%
United States	23.9%
United Kingdom	3.8%
Europe - Other	1.2%
Africa	0.7%

### Top Equity Holdings

Unilever NV	2.4%
Canadian Imperial Bank of Commerce	2.4%
Brookfield Asset Management Inc.	2.2%
CCL Industries Inc., Class B, NV	2.1%
Microsoft Corp.	2.0%
The Toronto-Dominion Bank	2.0%
Waste Connections Inc.	2.0%
Canadian Pacific Railway Co.	1.9%
Fortis Inc.	1.9%
Manulife Financial Corp.	1.9%
<b>Total Allocation</b>	<b>20.7%</b>

### Equity Sector Allocation<sup>2</sup>

Financials	13.3%
Utilities	7.5%
Industrials	6.7%
Energy	6.3%
Health Care	5.9%
Consumer Staples	5.7%
Telecommunication Services	4.0%
Real Estate	3.4%
Information Technology	3.3%
Consumer Discretionary	2.9%
Materials	2.1%

### Top Fixed-Income Holdings

Superior Plus LP, 5.250%, 2024-02-27	1.5%
Chrysler Group Co./CG Co-Issuer Inc., 4.500%, 2020-04-15	1.4%
Norbord Inc., 6.250%, 2023-04-15	1.3%
Gibson Energy Inc., 5.250%, 2024-07-15	1.1%
Brookfield Residential Properties Inc., 6.125%, 2023-05-15	1.1%
Sprint Corp., 7.250%, 2021-09-15	1.0%
Dynagas LNG Partners LP, 6.250%, 2019-10-30	0.9%
Russel Metals, 6.000%, 2026-03-16	0.9%
Cascades Inc., 5.750%, 2023-07-15	0.8%
Parkland Fuel Corp., 6.000%, 2022-11-21	0.8%
<b>Total Allocation</b>	<b>10.9%</b>

### Total Number of Investments<sup>3</sup>

Fixed Income	48
Equity	48

### Portfolio Characteristics

Portfolio Yield	3.9%
Average Coupon	4.8%
Modified Duration	2.8 yrs
Average Term	4.0 yrs
Average Credit Quality <sup>4</sup>	BBB

<sup>1</sup> The Fund's sub-advisor and investment strategies changed on August 8, 2011. These changes may have affected the Fund's performance. <sup>2</sup> Excludes applicable sector allocations of investment funds not managed by IA Clarington Investments Inc. <sup>3</sup> Excludes Cash and Other Net Assets and applicable investment funds not managed by IA Clarington Investments Inc. <sup>4</sup> Cash is included in the Average Credit Quality.

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