



POOL RETURNS

	1 Year	3 Year	5 Year
VPI Corporate Bond Pool - Series A	4.5%	6.2%	5.2%
FTSE Canada Universe Bond Index*	2.9%	4.7%	-0.2%
Value Added	1.6%	1.5%	5.4%

*Please see disclaimer on the last page for more information on the benchmark comparison. Returns as of September 30, 2025.

Source: Value Partners Investments.

MARKET OVERVIEW

The U.S. Federal Reserve cut interest rates by a quarter point, as Fed officials projected labour market softness outweighing inflation risk. The U.S. government has imposed tariffs on all its trading partners, raising the costs for manufacturers and small businesses. The difference between interest rates for corporate credit over government bonds, or spreads, are historically low. Most investors expect a slowdown versus an outright recession and have been diving into corporate credit for this reason.

High inflation, increased government spending and elevated debt levels in major developed economies have

pushed yields of thirty-year government bonds to multiyear highs. 'Core' inflation, which excludes food and energy items, has remained high at just under 3%. The threat to the Fed's independence remains a risk.

The Bank of Canada lowered its overnight interest rate to 2.5%. Canada's exports have fallen from the first quarter when companies rushed to fill orders ahead of the tariffs. The government's recent decision to remove most retaliatory tariffs on imported goods from the U.S. should lower upward pressure on prices.

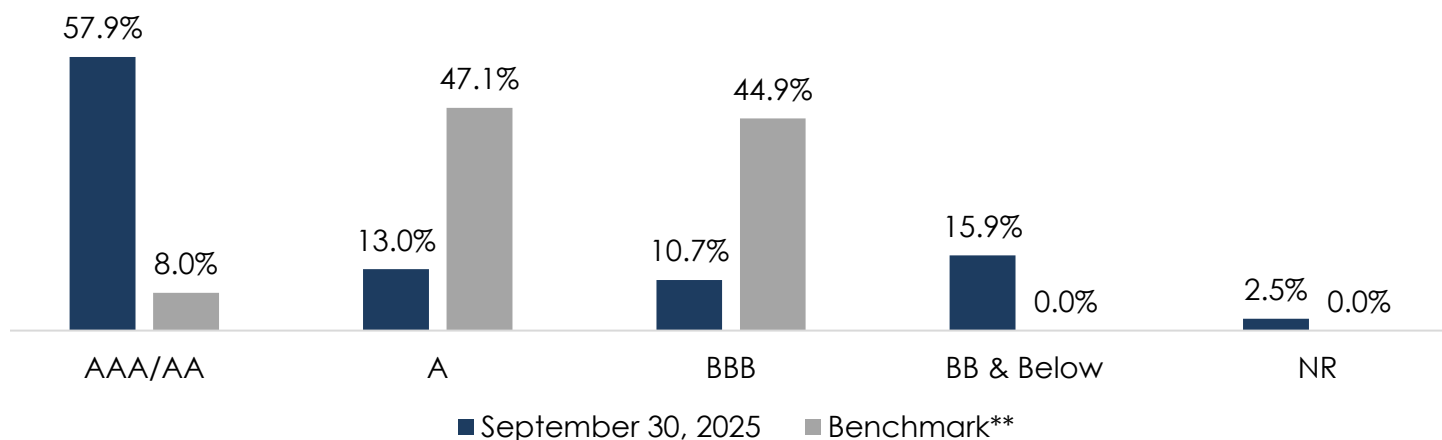
POOL ACTIVITY

The portfolio purchased new maple bond issues from AA rated Pacific Life and MassMutual and A rated senior unsecured issues of TD Bank and RBC. In the secondary market, the portfolio added to its holdings of AAA rated NHA, MBS, and CHT bonds. The portfolio opportunistically sold short corporate holdings, including positions in short dated bank covered bonds and senior unsecured bonds, and extended duration into mid-term Canadas. Avis, Bombardier and a Hertz convertible bond were reduced as spreads traded tighter.

An Air Canada convertible note matured on July 1st while a MileagePlus term loan and a UBS Group senior unsecured issue were called at par. LATAM Airlines redeemed their 2029 senior secured notes 3 months prior to the first call date, paying bondholders a make-whole premium to do so. FLINT Corp completed a recapitalization involving the exchange of bonds and preferred shares for common equity.



POOL CREDIT QUALITY



POOL POSITIONING

The portfolio continues to be conservatively positioned with 57.9% invested in AAA/AA rated securities. The BB & Below weight dropped 2.4% to end the period at 15.9%. Portfolio duration increased from 3.3 to 4.1 years, but remains short of the 5.6 year Index duration.

POOL CHARACTERISTICS

	Current Quarter	Previous Quarter
Pool Duration	4.1 years	3.3 years
Benchmark Duration	5.6 years	5.6 years
Pool Yield	4.5%	5.1%
Benchmark Yield	3.8%	4.0%
Weight in Floating Rate	4.4%	5.3%
Weight in Foreign Issuers	15.9%	20.9%
Weight in Foreign Currency	14.2%	20.4%

Pool Characteristics table: Data as of September 30, 2025. Pool Yield is current yield. Pool yield is calculated as the weighted sum of the yields of all securities in the pool. **Benchmark: FTSE Canada All Corporate Bond Index. **Please refer to page 3 for further details on benchmark comparison. Source: Canso Investment Counsel Ltd.



STANDARD PERFORMANCE DATA

	1 YEAR	3 YEAR	5 YEAR	SINCE INCEPTION
SERIES A	4.5%	6.2%	5.2%	5.6%

Note: As of September 30, 2025. Inception: June 29, 2020. Source: Value Partners Investments Inc.

DISCLAIMER

* The FTSE Canada Universe Bond Index ("the Benchmark") is the headline index for the Canadian bond market. This index is provided for information only and comparisons to the index has limitations. The Benchmark is an appropriate standard against which the performance of the VPI Corporate Bond Pool ("the Pool") can be measured over longer time periods as it represents the primary investment environment from which the Portfolio Manager selects securities based on the preservation of capital and long-term growth. The Portfolio Manager attempts to achieve this by purchasing fixed securities of high-quality and value. Although there are similarities, the Benchmark is a broad market index. Therefore, performance deviations relative to the Benchmark may be significant. The Pool also has concentrated investments in a limited number of companies compared to the Benchmark. As a result, a change in one security's value may have more effect on the Pool's value as compared to the Benchmark.

**The FTSE Canada All Corporate Bond Index ("the Benchmark") is a major index for the Canadian bond market. This index is provided for information only and comparisons to the index has limitations. The Benchmark is an appropriate standard against which the performance of the VPI Corporate Bond Pool ("the Pool") can be measured over longer time periods as it represents one of the investment environments from which the Portfolio Manager selects securities based on the preservation of capital and long-term growth. The Portfolio Manager attempts to achieve this by purchasing fixed income securities of high-quality and value. Although there are similarities, the Benchmark is a broad market index. Therefore, performance deviations relative to the Benchmark may be significant. The Pool also has concentrated investments in a limited number of companies compared to the Benchmark. As a result, a change in one security's value may have more effect on the Pool's value as compared to the Benchmark.

This material has been prepared based on information that is publicly available or that has been provided by Value Partners Investments Inc. (Value Partners). The information provided includes views or opinions of Value Partners, in its capacity as the fund manager of VPI Corporate Bond Pool (the Pool), and does not constitute individual, legal, investment, or tax advice about the Pool or the issuers discussed therein. Information about specific issuers of securities has been made available by Value Partners for the sole purpose of providing additional background information on the holdings in the Pool and is not intended to be investment advice about the merits of investing directly in these issuers. If included the comparison of specific stocks as "What You Own" and "What You Don't Own" is provided to illustrate the key characteristics that Value Partners uses in its investment process to identify great businesses at reasonable prices. Please consult your own legal, investment, and/or tax advisor prior to making a decision to invest in the Pool.

The complete holdings of the Pool are disclosed in its Financial Statements semi-annually. On a quarterly basis, the Pool discloses its top 25 holdings in its Top 25 Holdings report. Both these documents are available on our website at www.valuepartnersinvestments.ca. Value Partners is a registered investment fund manager, portfolio manager, and exempt market dealer and has engaged Canso Investment Counsel Ltd., a registered portfolio manager, to make decisions about the investments made by the Pool – these investment decisions are not made by Value Partners.

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