FIXED INCOME



STRATEGY PROFILE

HIGHLIGHTS

- Large, reputable, independently owned firm
- Deep, stable and experienced fixed income team
- Significant commitment to leading edge risk management capabilities
- Repeatable process portable to client-specific custom benchmarks

PORTFOLIO SNAPSHOT

Characteristic	Description
Style:	Core
Process:	Top Down/Bottom Up
Duration:	Index +/- 20%

INVESTMENT PHILOSOPHY

CC&L's fixed income philosophy is based on three core beliefs:

- 1. Active management can add value in the Canadian fixed income market;
- 2. Fundamentals drive asset prices over the long term; and
- 3. The pursuit of a diverse set of investment opportunities is the optimal way to add value.

INVESTMENT PROCESS

CC&L's fixed income investment process is based on an integrated approach that focuses on pairing theoretically sound decision-making with strict attention to risk management. The team believes that in addition to well-defined roles and responsibilities, a structured and methodical approach leads to repeatable added value.

Over the last 30 years, the firm has been delivering an array of fixed income solutions based on a disciplined investment process aimed at providing clients investment solutions that meet their risk and return objectives.

Research and Forecasting

Macro research: The role of macroeconomic research is to make a top down assessment of the global economic landscape with the objective of arriving at interest rate forecasts.

Credit research and forecast: Credit research entails an in depth review of corporate bond issuers that focuses on both company specific factors as well as industry positioning with the ultimate objective of forecasting how an issuer's credit outlook will change.

Risk Management

At its core, the CC&L fixed income investment process seeks to assess the trade-off between return and risk in investment opportunities. In other words, the process ensures that client portfolios are appropriately compensated for the risk taken.

CC&L's fixed income team believes that risk management is a critical component of the investment process. Therefore, significant investments have been made to develop and implement a sophisticated, state of the art risk management model that enables the monitoring and measurement of every active risk for each client portfolio on a daily basis.

Portfolio Strategy and Implementation

Portfolio strategy: The portfolio construction process is executed collaboratively by the Portfolio strategy group which includes the team's most senior members, the people responsible for the macro research, credit research, risk management and strategy implementation functions. The integration of their different perspectives is essential to the development of the team's deep understanding of how the current state of financial markets, market liquidity and potential investment strategies may impact a portfolio's risk and return profile.

Portfolio implementation: CC&L's fixed income dedicated implementation team is a competitive advantage that benefits clients as we believe that dedicated trading teams are rare in the marketplace. This is a competitive advantage because the specialization provides more time and the ability to uncover mispriced securities. Its deep understanding of market structure and management of liquidity as well as its ability to uncover mispriced securities benefit client portfolios through enhanced returns and lower transaction costs.

COMPETITIVE ADVANTAGES

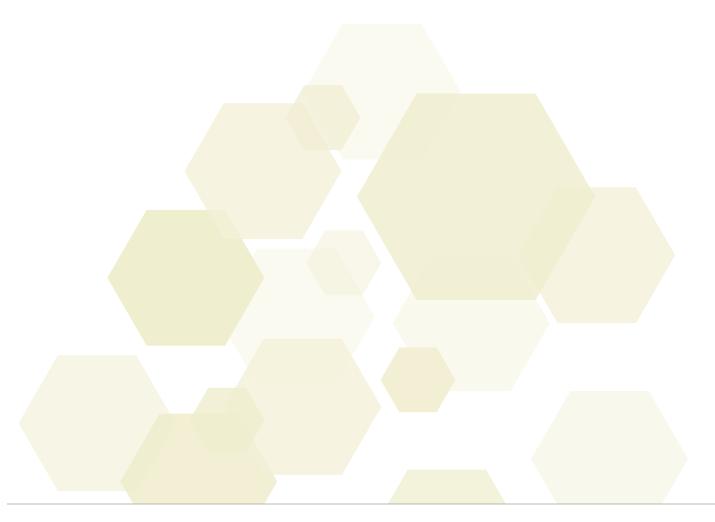
- Strong, stable team of experienced investment professionals whose expertise is supplemented by the intellectual capital of the firm's other investment teams.
- **Structured and disciplined approach** that translates into repeatable results.
- Strict risk management using a proprietary risk model.
- Long track record managing fixed income mandates.

MANDATES

CC&L's fixed income mandates include money market, short term, core bond, long and ultra-long duration, high yield and portable alpha strategies. The investment process is also replicable for custom benchmarks.

RISKS

Investors should be aware of the material risks of CC&L's Fixed Income strategies, which may include, but are not limited to, credit, fixed income, high yield securities, interest rate, market and performance risk. For more information on the material risks of each investment strategy, please contact CC&L.



For more information about CC&L Fixed Income, please contact our Client Solutions Team at more_info@cclgroup.com.

