

# Verecan Global Income Fund

MARCH 31, 2025

## Fun Facts

Tariffs are a tax on imports, so the knee-jerk reaction is that they will be inflationary – i.e. they will increase prices. Inflation, generally, leads to higher interest rates and lower bond prices. However, a secondary effect of tariffs may be to reduce economic growth, as consumers and businesses pull back on spending. Lower spending tends to reduce inflation, so we are faced with opposing forces and we don't yet know which of these two sumo wrestlers will throw the other out of the ring. This uncertainty makes it difficult to position bond portfolios with a high conviction.

Canadian and US bond yields are typically closely linked. They will diverge at times, but they tend to trend in the same direction. In the past 12 months, however, the Canadian 10-year bond yield has decreased by 0.62% while the US 10-year bond yield has decreased by only 0.10%. This diversion is quite unusual and reflects the weaker economic and inflation dynamics that are present in Canada.

## Transaction Summary

None.

The water flows around the sturdy rock.



## By the Numbers

0.74%

Spread between US and Canadian 10-year yields as of April 1, 2024

1.26%

Spread between US and Canadian 10-year yields as of March 31, 2025

(Sources: Federal Reserve Bank of St. Louis, Bank of Canada.)



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Verecan Capital Management Inc. is registered as a Portfolio Manager in all provinces across Canada (except Manitoba).

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## Performance of \$10,000



Past performance is not indicative of future returns.

Inception date	2021-06-28
Quarter end date	2025-03-31
<b>VGIF</b>	<b>Return</b>
QTD	1.5%
YTD	1.5%
1-year	5.5%
3-year	2.6%
Since Inception (06/01/2021)	1.0%

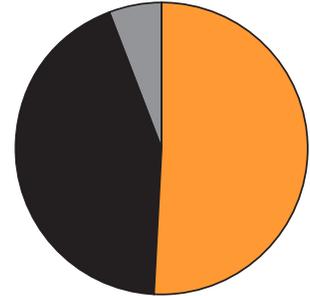
## Complete Holdings

Holdings	Weight (%)
PIMCO Monthly Income	21.59
BMO World Bond	20.27
PH&N Total Return Bond Fund	18.06
BMO Aggregate Bond ETF	14.06
Canso Corporate Value Bond	10.01
Cortland Credit Strategies	3.62
BMO Long-Term US Treasury ETF	3.31
BMO Long Federal Bond ETF	2.48
Ninepoint Alternative Income Fund	2.27
PH&N High Yield Bond Fund	2.11
Dynamic Credit Absolute Return	1.94
Cash	0.26

The issuer breakdown, complete holdings and geographic breakdown represent a snapshot of the fund's investments as of the date of this report. The fund's investments may change over time.

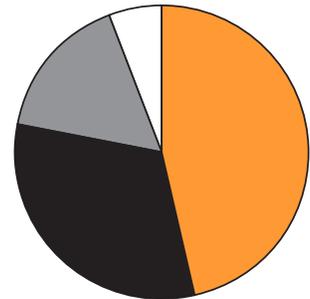
## Issuer Breakdown

- Government 52.0%
- Corporate 44.1%
- Cash 3.9%



## Geographic Breakdown

- Canada 44.3%
- US 28.1%
- International 23.8%
- Cash 3.9%



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The content in this document offers general information about the fund, but it's essential to note that this information may change or be adjusted to match the fund's operating environment. The information in this document should not be considered legal, tax, investment, financial or other professional advice and should only be used in conjunction with a discussion with your Verecan advisor. This will ensure that your own circumstances have been considered properly and that action is taken on the latest available information. The information contained herein has been obtained from sources believed to be reliable at the time obtained but Verecan cannot guarantee its accuracy or completeness. Past performance does not guarantee future returns, and conclusions or opinions expressed here do not ensure future events or performance.

This information is intended for individuals residing in provinces where Verecan Capital Management Inc. is registered as a portfolio manager.

Verecan Capital Management Inc. is the portfolio manager of both the Verecan Global Equity Fund and the Verecan Global Income Fund (the "Verecan Funds"). Majestic Asset Management is the investment fund manager of the Verecan Funds and is responsible for the day to day operations, compliance and supervision of the Verecan Funds.