

## Goodwood Fixed Income Strategies

Compound Return (%)	1 Mo	YTD	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	Inception	Weighted Average Yield	Effective Duration
<b>Goodwood Milford Fund*</b>	<b>0.55</b>	<b>3.68</b>	<b>10.97</b>	<b>2.19</b>	<b>7.07</b>	<b>4.97</b>	<b>8.52</b>	<b>10.05</b>	<b>5.4%</b>	<b>5.3</b>
iShares Core Canadian Universe Bond ETF	-0.66	1.33	9.06	3.43	-0.08	1.70	2.93	-	3.5	7.1
iShares Canadian Corporate Bond ETF	-0.43	1.34	9.64	5.27	1.95	2.58	3.56	-	4.1	5.6
S&P/TSX Composite TR Index ("TSX")	-0.10	1.41	17.85	9.57	14.37	8.27	8.03	7.28	3.0%	-

Returns are net of fees. Source: Goodwood Inc.; Goodwood Milford Fund LP - Class S and iShares by Blackrock. See page 2 for more detailed footnote.

### Portfolio Manager

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### Goodwood Fixed Income Strategies

**Goodwood Milford Fund Units** - The Goodwood Milford Fund has a core strategy of investing in corporate bonds selected to provide higher coupon income and capital gains from credit upgrades and credit-enhancing events. The Fund's manager uses a bottom-up, fundamental investment style to deliver strong returns with low monthly volatility. The Fund can invest a portion of its assets in long-short equity investments.

**Institutional Segregated Accounts** - Goodwood offers sub-advisory portfolio management services to pensions, endowments, foundations and other institutional investors. The [investment-grade bond](#) mandate's objective is to preserve capital and provide a high rate of cash coupon income. The environmental, social, and (corporate) governance ("[ESG](#)") [conscious investment-grade bond](#) mandate's objective is to preserve capital and generate income by investing in bonds with good relative ESG performance and attractive coupons.

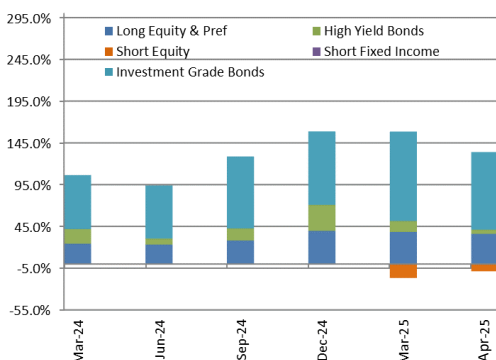
**Private Client Accounts** - Goodwood offers segregated managed accounts to individual investors utilizing a corporate bond and equity investment strategy similar to the Goodwood Milford Fund; however, each account is customized to meet investors' goals, objectives and risk tolerances.

### President

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### Historical Asset Allocation\*



### Goodwood Milford Fund Portfolio Review

Investment Grade Corporate Bonds - Liberation Day, Trump "put", economic front running and FOMC Chair Powell under attack. April was an extremely volatile month in fixed income. President Trump's tariff announcement on April 2 initiated a strong rally in the US 10 year where yields dropped 30bps to about 3.8% on concerns the tariffs could initiate a global slowdown. Over the next couple of days, the US 10 year yield backed up to close to 4.5%. Factors cited by commentators were potential Asian selling of US assets and unwinding of leveraged trades focused on the US bond market. US Treasury Secretary Bessent had to calm the market and on April 9 Trump announced a 90 day pause in the reciprocal tariffs. The bond market rallied (prices up, yields down) to the end of the month. The iShares Core U.S. Aggregate Bond ETF return was +0.39% for April and +3.16% for 2025. Credit spreads for investment grade bonds in Canada widened about 15bps in the early April selloff but have recovered by the end of the month. Subsequent to month end there has been a 15bps back up in yields as economic data - US GDP and US payrolls - have come in stronger than forecast. The majority of analyst have pointed to tariff "front running" as the cause of these strong data points. President Trump started to criticize FOMC Chairman Powell fairly frequently. His comments center around Powell being "too slow" to lower rates. It appears Powell will not be reappointed when his term expires in May 2026. Several potential candidates for the post are increasing their media presence in response.

In the US, the drop in 2 year yields from 3.9% to 3.6% in April signals the market believes the FOMC should be cutting the Fed Funds rate. US fed funds are currently 4.25%-4.50%. In the US, Goodwood currently expects the Fed to implement two rate cuts of 25 basis points each in Q3, followed by one additional 25 basis points cut in Q4. In Canada, current rates are significantly lower than in the US i.e. Canada 10 year yield is currently around 3.2% vs 4.3% for the US 10 year. The Bank of Canada policy rate sits at 2.75%. We anticipate the Bank of Canada will continue easing with two additional 25 basis points cuts in Q3, ultimately reaching a terminal rate of 2.25% by end of 2025.

The Canadian dollar ended March at approximately \$1.4395 CAD per USD, then rallied strongly to the \$1.4049 level as tariffs were announced and it appeared that Canada would not face additional tariffs. The Canadian dollar then weakened to \$1.4260 per USD on April 9 then rallied steadily to approximately 1.38% at month end.

**High Yield Bonds** - The US high yield bond ETF (iShares iBoxx \$ High Yield Corporate Bond ETF) April and 2025 returns were +0.07% and +1.14%, respectively. High yield bonds exhibited the same volatility to the tariff announcements as equities and fixed income. However, losses in the high yield ETF were much less severe than equities with a maximum drawdown of 3.1%. The Fund sold the majority of its high yield bonds back in February.

**Equities** - The S&P/TSX Composite TR Index returns for March and 2025 were -0.10% and +1.41% and the Dow Jones Industrial Average total returns were -3.08% and -3.92%, respectively. After the inter month volatility described above, it is notable the returns have rebounded to almost unchanged for April. The rally in stocks at the end of April appears to be driven by investors view that either Trump will be successful in signing a trade deal with a significant country or he will backtrack on tariff levels or implementation.

**Preferred Shares** - The S&P/TSX Preferred Share Index returned -3.12% in April and -0.61% year-to-date. The Fund currently holds no preferred shares.

As a reminder, the Fund provides weekly & monthly liquidity and is open to new investors.

Portfolio Statistics	FUND
Effective Duration (Years) (Net)	5.3
Net Capital Invested	125.5
Gross Exposure	142.7
Correlation to Broad Mkt (TSX)	0.60

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### Growth of \$100,000 Invested January 1, 2006



Returns are net of fees. Source: Goodwood Inc., Goodwood Milford Fund LP Class S

### Investment Awards:

2021 Global Manager Research Top Performer: **Credit-Focused Alternatives - 3-Year Return**  
 2021 Global Manager Research Top Performer: **Credit-Focused Alternatives - 1-Year Return**  
 2019 Canadian Hedge Fund Awards: **Overall Best Hedge Fund Category**  
 2019 Canadian Hedge Fund Awards: **Best 1-Year Return Category**  
 2018 Canadian Hedge Fund Awards: **Best 5-Year Return Category**  
 2017 Canadian Hedge Fund Awards: **Best 5-Year Return Category**  
 2016 Canadian Hedge Fund Awards: **Best 5-Year Sharpe Ratio Category**  
 2015 Canadian Hedge Fund Awards: **Best 5-Year Sharpe Ratio Category**  
 2014 Canadian Hedge Fund Awards: **Best 5-Year Return Category**  
 2012 Canadian Hedge Fund Awards: **Best 3-Year Sharpe Ratio Category**  
 2012 Canadian Hedge Fund Awards: **Best 3-Year Return Category**

#### Goodwood Milford Fund



WINNER OF THE  
2019 CANADIAN  
HF AWARDS

Credit Focused

Best 1 Year Return

1st Place

#### Goodwood Milford Fund



WINNER OF THE  
2019 CANADIAN  
HF AWARDS

Overall Best Hedge Fund

Best Combined 10 Year Return  
AND Sharpe Ratio

1st Place

### Information Disclosure:

This communication is for information purposes only and is not, and under no circumstances is it to be construed as, an invitation to make an investment in the Goodwood Milford Fund LP or Goodwood Milford Fund Trust (the "Funds") nor does it constitute a public offering to sell the Funds, strategy or any other products described herein. It should not be relied upon when evaluating the merits of a potential investment in any funds or strategies managed by Goodwood Inc. \*Performance returns within are calculated for the founding Class of Units for the Fund - Goodwood Milford Fund LP Class S Units. The Fundserv Codes provided herein are for Units of the Goodwood Milford Fund Trust. While the Goodwood Milford Fund LP utilizes the same investment mandate as Goodwood Milford Fund Trust, other classes or series, including the Goodwood Milford Fund Trust may charge different fees and/or have varying investments therefore performance returns between classes and Funds may vary. The returns are net of all management fees, expenses and incentive performance fees. Performance data from certain market indices/ETFs (iShares Core Canadian Corporate Bond Index ETF (XCB), iShares Core Canadian Universe Bond Index ETF (XBB) and TSX) are provided in this presentation for information purposes only. A comparison of the Fund's performance to such market indices is of limited use because the composition of the Fund's portfolio may contain other securities not found in the market index. As a result, no market indices are directly comparable to the results of the Fund or strategy.