

NEI Global Total Return Bond Fund



December 2023

A decade of total return

From the desk of **Amundi Asset Management**

It was September 27, 2013, when the **NEI Global Total Return Bond Fund** was launched. Ten years ago, the world was a different place. Central banks' main rates were sensibly lower, inflation wasn't running hot, and investors were facing different challenges.

Since then, global bond yields have been on a volatile path, culminating in a huge resetting of interest rates in 2022, due to a synchronized global tightening cycle and the Federal Reserve hiking rates at the fastest pace in modern history. The bond market suffered a significant meltdown as central banks throughout the developed and emerging world hiked rates aggressively to fight surging inflation, on the back of supply-demand imbalances, a resilient economy, and a spike in commodity prices.

Since the inception of the Fund, we have been through a prolonged period of quantitative easing followed by quantitative tightening by major central banks, a severe global Covid crisis, and a major escalation in geopolitical tension with the war in Ukraine.

Despite rising yields and bond markets experiencing periods of elevated volatility, **NEI Global Total Return Bond Fund (Series F)** has:

- Generated **excess returns versus the benchmark** over both the short and long term
- Been rated **four stars by Morningstar** across one, three, five, and ten-year time periods
- An **overall four-star Morningstar** rating
- Demonstrated that **'going global'** for fixed income can add value over time²

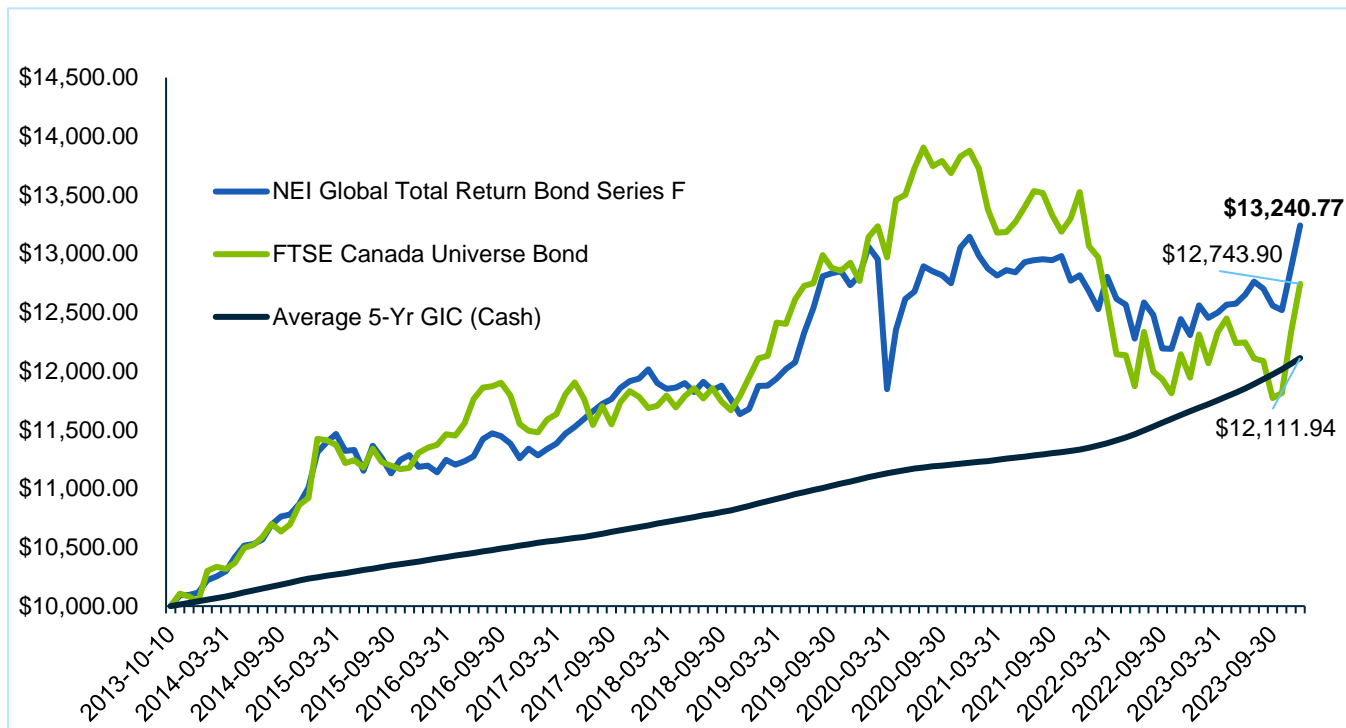


Performance (%)¹

	1mo	3mo	6mo	YTD	1 Yr	3 Yr	5 Yr	10 Yr
NEI Global Total Return Bond Fund (Series F)	2.90	5.26	4.48	7.41	7.41	0.18	2.51	2.71
Bloomberg Barclays Global Aggregate Bond Index (Hdg CAD)	1.29	5.43	3.86	2.88	2.88	-4.42	-1.01	2.57
<i>Excess Returns</i>	<i>+1.61</i>	<i>-0.17</i>	<i>+0.62</i>	<i>+4.53</i>	<i>+4.53</i>	<i>+4.60</i>	<i>+3.52</i>	<i>+0.14</i>

¹ All fund and benchmark data are as of December 31, 2023, in CAD.

A decade of total return²



² Source: Morningstar. All fund and benchmark data are as of December 31, 2023, in CAD. The rate of return is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the investment fund or returns on investment in the investment fund. FTSE Canada Universe Bond Index and Guaranteed Investment Certificate, an investment with bank-like returns and low-risk, are utilized to contrast the long term global fixed income opportunity that is available to investors when looking beyond our borders.

Such results re-affirm how our flexible strategy, favoring liquid and high-quality securities within a diversified portfolio, was able to produce a robust positive performance throughout the cycle.

In our view, the future is shaping up to be supportive for bonds and the market environment presents constructive opportunities for the portfolio in both the short and long term, but we remain cautious overall.

With current global investment grade, fixed income yields at higher levels, we have built a portfolio of high quality, liquid assets that is **offering an attractive 6.2% yield to maturity³**.

As monetary policy enters a new phase and with most rate hikes for this cycle likely behind us, we view a more positive outlook for fixed-income markets. It is still likely to be a bumpy ride, with a volatile global economy and rising political uncertainty over the coming year. **High asset quality, liquidity, and our nimble and flexible investment approach** should help us navigate these challenges ahead.

“As proud partner of NEI, we look forward to this continued partnership and invite you to explore this unconstrained, go anywhere, global fixed-income mandate.” – Amundi

- [Morningstar Fund profile](#)
- [About Amundi Asset Management](#)
- [Fund feature](#)

For more information about NEI Global Total Return Bond Fund contact your NEI Sales Representative or visit neiinvestments.com

Morningstar Ratings reflect performance as of December 31, 2023 and are subject to change monthly. The ratings are calculated from a fund's 3, 5, and 10-year returns measured against 91-day Treasury bill and peer group returns. For each time period the top 10% of the funds in a category get five stars. The Overall Rating is a weighted combination of the 3, 5 and 10-year ratings. For greater detail see www.morningstar.ca. The star ratings and number of Multi-Sector Fixed Income funds for each period are as follows: one year is four stars, out of 258 funds, three years is four stars, out of 239 funds, five years is four stars, out of 212 funds, ten years is four stars, out of 59 funds.

Within each CIFSC category, the top 10% of funds receive five stars, the next 22.5% four stars, the middle 35% three stars, the next 22.5% two stars, and the bottom 10% receive one star. Funds are rated for up to three time periods— three-, five-, and 10 years—and these ratings are combined to produce an overall rating. Funds with less than three years of history are not rated. Ratings are objective, based entirely on a mathematical evaluation of past performance. They're a useful tool for identifying funds worthy of further research but shouldn't be considered buy or sell recommendations.

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³Source: NEI Investments, Amundi Asset Management, as of October 31, 2023. Weighted average yield to maturity represents an average of the YTM of each of the bonds held in a bond fund or portfolio, weighted by the relative size of each bond in the portfolio. It's important to note that investments carry inherent risks, and yields can fluctuate based on market conditions.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in units value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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