



N NICOLA

WEALTH MANAGEMENT

The Pool

NWM High Yield Bond Fund's primary objective is to provide unit-holders with a high level of interest income with a secondary emphasis on capital preservation and appreciation by investing in non-investment-grade fixed income securities. A U.S. dollar series of this fund is also available.

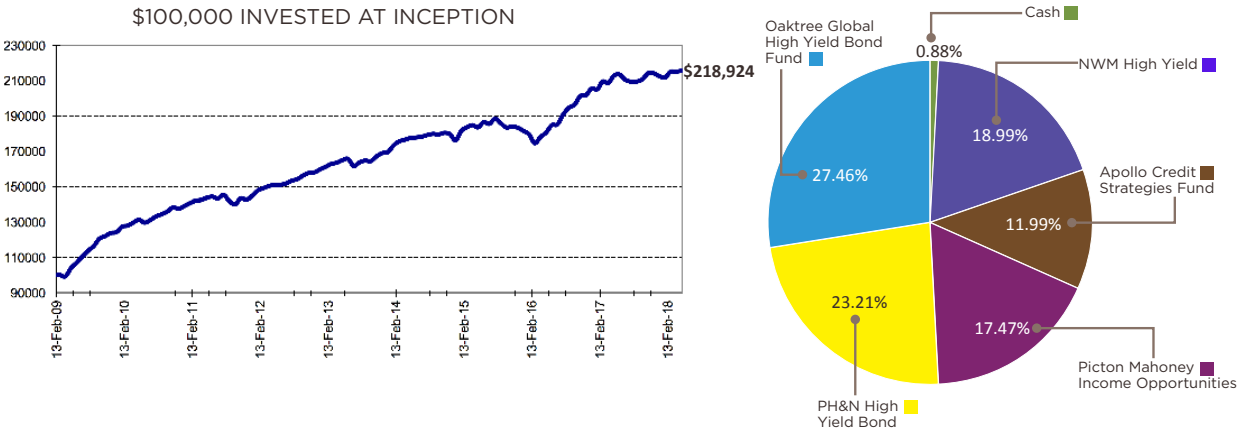
The Strategy

The fund primarily invests in higher yielding bonds, debentures, and convertible debentures issued by Canadian, U.S. and foreign governments and corporations denominated in Canadian dollars and/or foreign currencies. The underlying investments may use a long/short strategy and derivatives such as options, futures, forward contracts, swaps and other similar instruments for hedging and non-hedging purposes. Diversification of the fund is enhanced by utilizing funds and managers of different investment styles.

The Manager

Nicola Wealth Management Ltd. (NWM), the "Fund Manager," is a wealth management and planning firm established in 1994. With a philosophy built on cash flow and diversification, our growing series of funds is managed by members of NWM's Portfolio Management Team.

PERFORMANCE (cumulative return) Canadian \$ Series, Class O Asset Mix as of March 31, 2018



PERFORMANCE (monthly returns) As of JUNE 30, 2018 Canadian \$ Series, Class O

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
2018	-0.3%	1.5%	0.1%	0.2%	0.5%	1.0%							2.9%
2017	-0.1%	2.1%	-0.4%	2.0%	0.3%	-1.4%	-0.5%	0.0%	0.6%	1.6%	0.0%	-0.8%	3.4%
2016	-1.2%	-2.7%	2.0%	1.4%	2.3%	0.3%	3.0%	2.0%	0.9%	2.5%	0.3%	1.8%	13.2%
2015	3.1%	1.0%	0.7%	-0.7%	1.6%	-0.5%	1.6%	-1.4%	-1.3%	0.4%	-0.5%	-1.0%	3.0%
2014	2.2%	1.3%	0.6%	0.6%	0.2%	0.2%	0.5%	0.4%	-0.2%	0.5%	-0.4%	-1.9%	3.9%
2013	1.0%	0.9%	0.5%	0.9%	0.4%	-2.4%	1.2%	0.7%	-0.2%	1.6%	1.1%	0.4%	6.1%
2012	2.1%	0.9%	0.9%	0.4%	0.1%	0.5%	1.0%	0.6%	1.3%	0.9%	0.2%	1.1%	10.4%
2011	1.2%	0.9%	0.3%	0.9%	0.4%	-0.6%	1.3%	-2.4%	-1.2%	2.4%	-0.5%	1.5%	4.1%
2010	2.5%	0.4%	1.3%	1.3%	-1.3%	1.1%	1.6%	0.9%	1.1%	1.8%	-0.6%	1.1%	11.9%
2009		0.3%	-0.9%	4.6%	3.0%	3.3%	3.0%	2.3%	3.6%	1.2%	1.4%	0.4%	24.5%

Total Assets ¹ (millions) \$268.3	
12-Month Trailing Cash Flow Distribution ² 7.3%	
Returns for the period ENDING JUNE 30, 2018	
1 month	1.0%
3 month	1.6%
6 month	2.9%
1 year	3.9%
2 year	8.7%
3 year	5.6%
4 year	5.3%
5 year	6.2%
6 year	6.3%
7 year	6.2%
8 year	6.6%
9 year	7.9%
Since Inception*	8.7%

* February 13, 2009
¹ All classes & series
² Canadian \$ Series, Class O

Top Holdings (excluding cash)

Oaktree Global High Yield Bond Fund	Mar 31/18
Sprint Corp.	1.90%
Valeant Pharmaceuticals	1.80%
Telecom Italia	1.60%
HCA Holdings Inc.	1.40%
First Data Corp	1.20%
Unitymedia Gmbh	1.10%
CCO Holdings LLC	1.00%
Reynolds Grp Iss/Reynold	1.00%
Virgin Media	0.90%
Crown European Holdings S.A.	0.90%

Top Holdings (excluding cash)

PH&N High Yield Bond	Mar 31/18
Enbridge Inc., 5.375%, 09/27/2077	6.10%
Quebecor Media Inc., 6.625%, 01/15/2023	5.80%
Numericable-SFR S.A., USD 7.375%, 05/01/2026	5.00%
Baytex Energy Corp., 6.625%, 07/19/2022	4.10%
Trilogy Energy Corp., 7.250%, 12/13/2019	3.90%
Teine Energy Ltd., USD 6.875%, 09/30/2022	3.80%
Trilogy International Partners LLC, 8.875%, 05/01/2022	3.20%
Baytex Energy Corp., 6.750%, 02/17/2021	2.50%
Newalta Corp., 7.750%, 11/14/2019	2.50%
Seven Generations Energy Ltd., USD 6.750%, 05/01/2023	2.30%

Top Holdings (excluding cash)

Picton Mahoney Income Opportunities Fund	Mar 31/18
Royal Bank of Scotland Group, 1.625%, 12/29/2049	5.66%
Lloyds Bank PLC, 08/28/2049	4.15%
Standard Chartered PLC, 1.6875%, 11/29/2065	3.20%
Standard Chartered PLC, 1.7125%, 12/06/2065	3.14%
Canexus Corp., 7.875%, 09/20/2023	2.84%
Freepport Minerals Corporation, 9.5%, 06/01/2031	2.64%
HCA Inc., 7.5%, 12/15/2023	2.37%
United Rentals (North America), 5.75%, 11/15/2024	2.37%
Alcoa Nederland, 7%, 09/30/2026	2.19%
Csc Holdings Ltd., 10.875%, 10/15/2025	2.14%

Disclosure

- Past performance is not indicative of future results.
- Returns are net of fund expenses.
- Please refer to the NWM Funds Offering Memorandum for additional details and important disclosure information.

NWM is registered as a Portfolio Manager, Exempt Market Dealer and Investment Fund Manager with the required provincial securities' commissions.