



# SPROTT DIVERSIFIED BOND FUND<sup>††</sup>

Performance as of October 31, 2017

## INVESTMENT TEAM

Mark Wisniewski  
Senior Portfolio Manager

## FUND OBJECTIVE

The Fund's investment objective is to maximize the total return of the Fund and to provide income by investing primarily in debt and debt-like securities of corporate and government issuers from around the world.

## FUND DETAILS<sup>1</sup>

Fund Type	Diversified High-Yield Fixed Income Fund
Assets Under Management	\$197.1 Million
Nature of Securities Offered	Mutual Fund, Trust Units
<sup>1</sup> Inception Date	August 5, 2010
Unit Price	\$10.75
Min. Initial Investment	\$1,000
Min. Subsequent Investment	\$25
Min. Investment Term/ Early Redemption Fee (ERF)	20 days/1.5% ERF
Contributions/Valuations	Daily
Management Fee	1.65% (Series A) 0.75% (Series F) 1.65% (Series T) 0.75% (Series FT)
Performance Fee	None
Eligible for Registered Plans	Yes
Risk Tolerance	Low
Distributions <sup>**</sup>	
August 2017	\$0.0132 per Unit
September 2017	\$0.0133 per Unit
October 2017	\$0.0208 per Unit

## FUND CODES

Code	NL	FE	LL
Series A		SPR 018	SPR 318
Series T		SPR 418	SPR 518
Series F	SPR 118		
Series FT	SPR 619		
Series P		SPR 327	
Series PT		SPR 328	
Series PF	SPR 329		
Series PFT	SPR 330		
Series Q		SPR 331	
Series QT		SPR 332	
Series QF	SPR 333		
Series QFT	SPR 334		

<sup>††</sup>Effective May 28, 2015, Sprott Diversified Yield Fund was renamed Sprott Diversified Bond Fund.

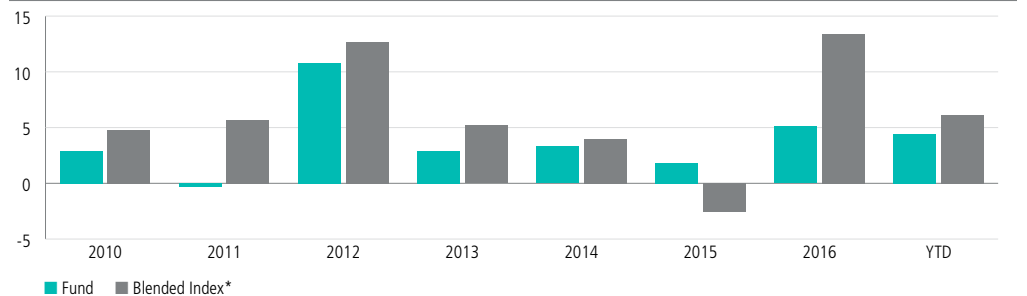
## WHY INVEST IN THIS FUND?

- Absolute return focus with the ability to short for hedging purposes.
- Flexibility to invest in all fixed income asset classes.
- Active currency management.
- Experienced management team with a proven track record.
- An ideal complement to traditional bond funds, GICs and bond ladders.

## COMPOUNDED RETURNS (%)<sup>1</sup>

	1 MTH	YTD	3 MTH	6 MTH	1 YR	3 YR	5 YR	ANNUALIZED INCEPTION <sup>1</sup>
SPROTT DIVERSIFIED BOND FUND	1.0	4.4	1.3	1.1	4.9	3.9	3.8	4.2
BLENDED INDEX*	0.7	6.1	1.4	2.5	6.7	5.1	5.5	6.7

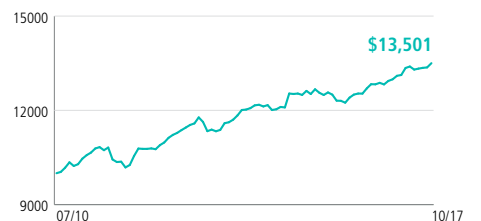
## CALENDAR YEAR RETURNS (%)<sup>1</sup>



## STATISTICAL ANALYSIS<sup>2</sup>

STATISTICS	FUND	BLENDED INDEX*
Cumulative Return (Since Inception)	35.0%	60.1%
Standard Deviation	3.6%	4.4%
Sharpe Ratio	1.02	1.38
Total Positive Months	61	62
Total Down Months	26	25
Beta	0.62	

## GROWTH OF \$10,000 INVESTED (AUG. 5, 2010)<sup>1</sup>



## GEOGRAPHIC ALLOCATION<sup>3</sup>

Canada	63.4%
United States	13.2%
United Kingdom	2.9%
Other	2.4%
Countries Less than 1%	1.6%
Switzerland	1.5%
France	1.4%

## TOP TEN HOLDINGS<sup>3</sup>

TD Capital Trust III, 7.243%
Royal Bank of Canada, 1.17%, 11/06/17
Bank of Montreal, BA
Government of Canada, 1.00%, 06/01/27
Telesat LLC, 8.88%, 11/15/24
Toronto Dominion Bank, 1.2%, 11/09/17
Bell Canada, Inc., 3.60%, 09/29/27
Tembec Industries, Inc., 9.00%, 12/15/19
Enbridge Energy Partners, L.P., 5.13%, 10/01/37
Canadian Natural Resources Limited, 2.60%, 12/03/19

## SECTOR ALLOCATION<sup>3</sup>

High Yield Bonds	40.5%
Corporate Bonds	27.3%
Bankers Acceptance	12.5%
Cash and Cash Equivalents	7.9%
Preferred Equities	5.2%
Government Bonds	4.7%
Asset Backed Securities	1.0%
Sectors Less than 1%	-0.1%

## CORRELATION

DESCRIPTION	FUND
FTSE TMX Canada Universe Bond Index <sup>TM</sup>	0.39
BofA Merrill Lynch U.S. High Yield Index	0.68
S&P/TSX Composite Total Return Index	0.42

Effective August 1, 2017, Ninepoint Partners LP has assumed portfolio management of the Canadian diversified assets of Sprott Asset Management LP.

# SPROTT DIVERSIFIED BOND FUND



[www.ninepoint.com](http://www.ninepoint.com)

\* Blended Index is 75% of the BofA Merrill Lynch US High Yield Index and 25% FTSE TMX Canada Universe Bond Index™ and is computed by Ninepoint Partners LP based on available index information.

\*\*Series A. Last three months; monthly distribution is not guaranteed and may be adjusted from time to time at the discretion of the fund manager.

<sup>1</sup> All returns and fund details are a) based on Series A units; b) net of fees; c) annualized if period is greater than one year; d) as at October 31, 2017; e) 2010 annual returns are from 08/05/10 to 12/31/10.

<sup>2</sup> Where applicable, all figures are annualized and based on monthly returns since inception. Risk-free rate and minimum acceptable rate calculated using rolling 90-day CDN T-bill rate. The rate of return or mathematical table shown is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the mutual fund or returns on investment in the mutual fund.

<sup>3</sup> Top ten holdings, sector allocation and geographic allocation as at October 31, 2017. Top ten holdings based on % of net asset value. Sector allocation based on % of net asset value. Geographic allocation based on % of net asset value and excludes cash. Numbers may not add up due to rounding. Cash and cash equivalents include non-portfolio assets and/or liabilities.

**The Fund is generally exposed to the following risks. See the prospectus of the Fund for a description of these risks: capital depletion risk (Series T, Series FT, Series PT, Series PFT, Series QT, and Series QFT units only); concentration risk; credit risk; currency risk; derivatives risk; exchange traded funds risk; foreign investment risk; inflation risk; interest rate risk; regulatory risk; securities lending, repurchase and reverse repurchase transactions risk; series risk; short selling risk; substantial unitholder risk; tax risk.**

Ninepoint Partners LP is the investment manager to the Sprott Funds (collectively, the "Funds"). Commissions, trailing commissions, management fees, performance fees (if any), and other expenses all may be associated with investing in the Funds. Please read the prospectus carefully before investing. The indicated rate of return for series A units of the Fund for the period ended October 31, 2017 is based on the historical annual compounded total return including changes in unit value and reinvestment of all distributions and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. The information contained herein does not constitute an offer or solicitation by anyone in the United States or in any other jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. Prospective investors who are not resident in Canada should contact their financial advisor to determine whether securities of the Fund may be lawfully sold in their jurisdiction.

Ninepoint Partners LP: Toll Free: 1.866.299.9906. DEALER SERVICES: RBC Investor & Treasury Services: Tel: 416.955.5885; Toll Free: 1.877.874.0899.