



INTEGRATING QUANTITATIVE STRATEGIES IN FIXED INCOME PORTFOLIOS

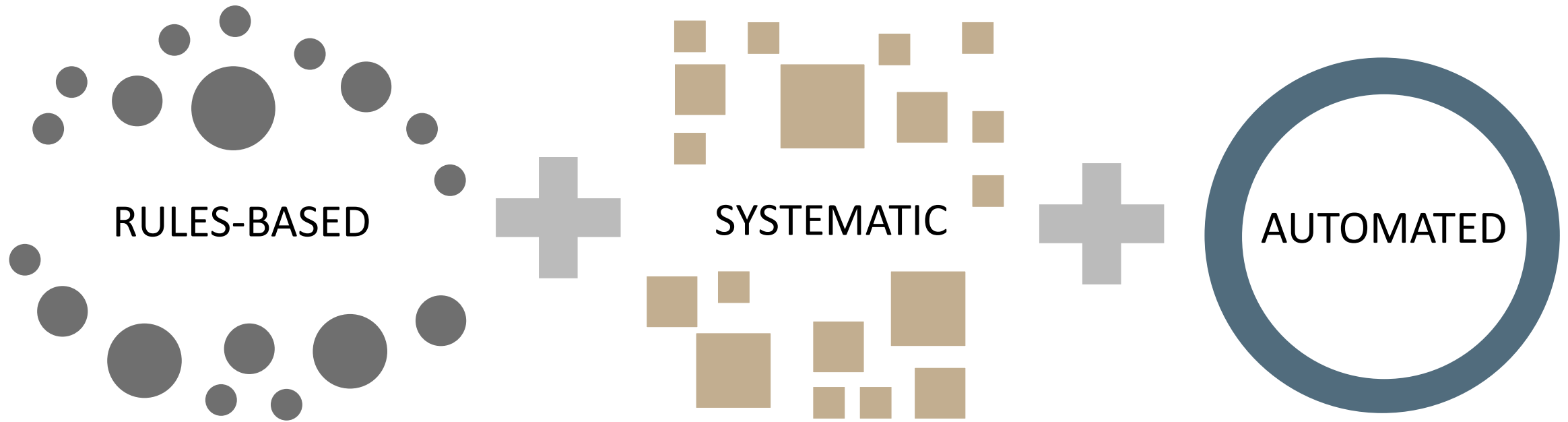
Investment Innovation Conference

Guest Speaker: Patrick Duplessis
Portfolio Manager, Fixed Income


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DEFINING QUANTITATIVE STRATEGIES



PORTFOLIO MANAGERS VERSUS QUANTITATIVE MODELS



Leveraging experience
Building trust with others
Strategic thinking



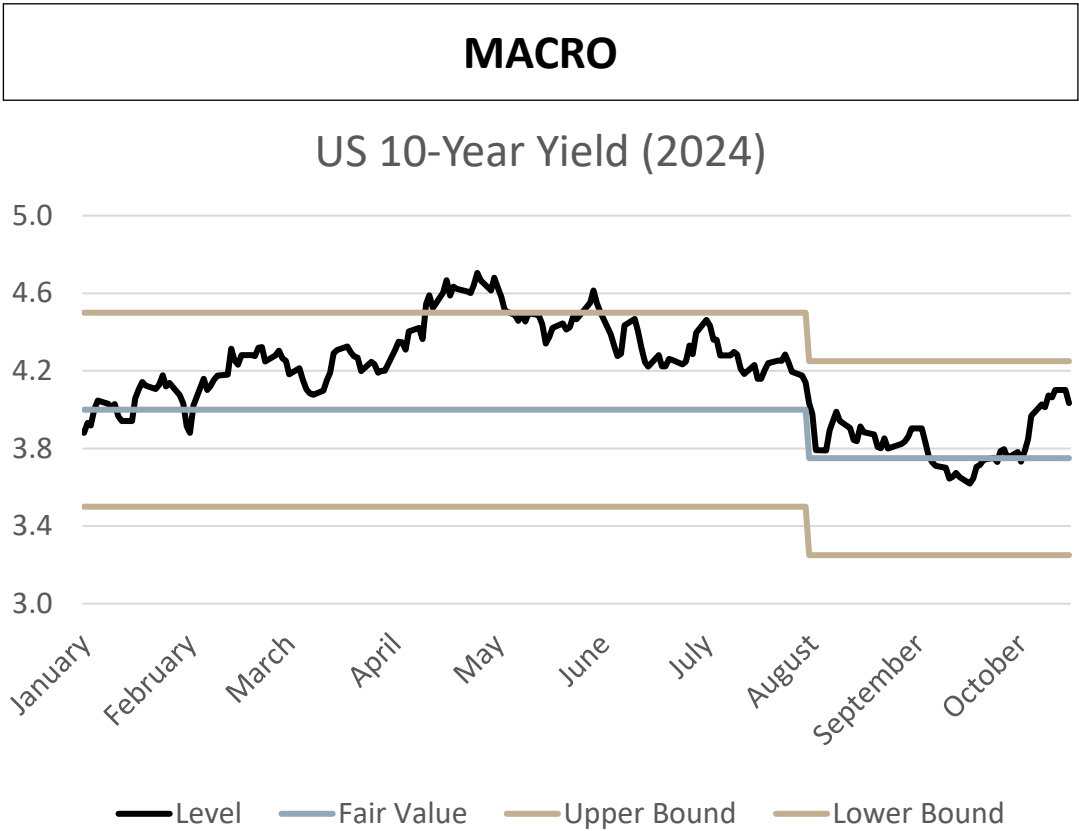
Optimization
Analyzing large datasets
Reacting quickly to environment

BENEFITS OF QUANTITATIVE STRATEGIES

Improving portfolio value creation

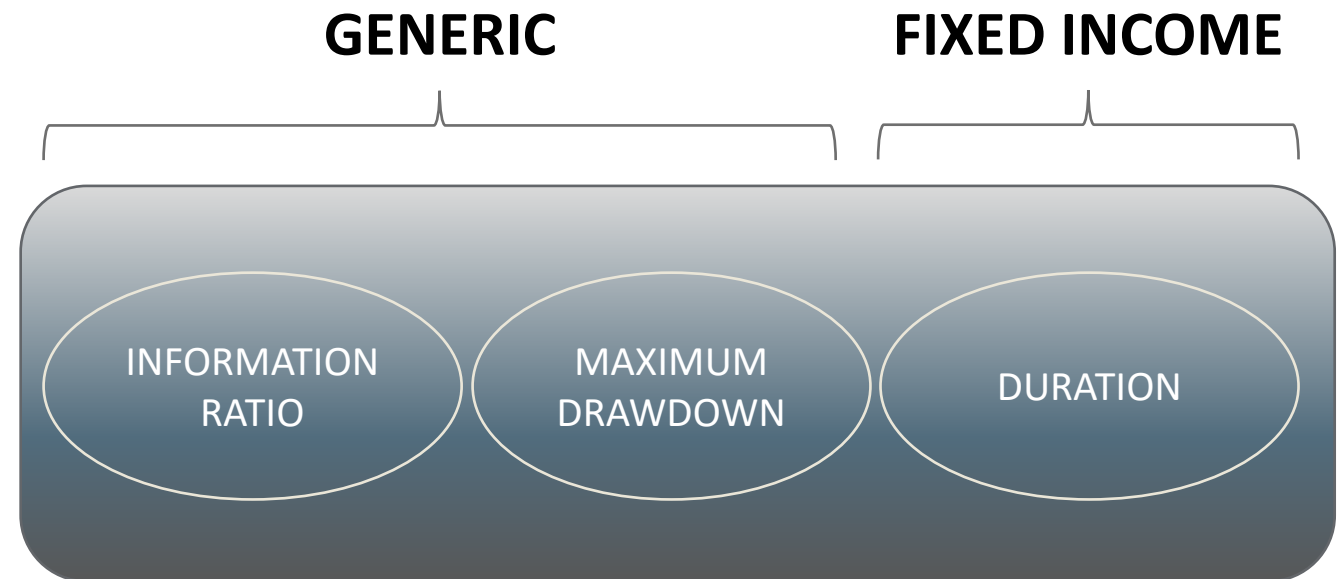
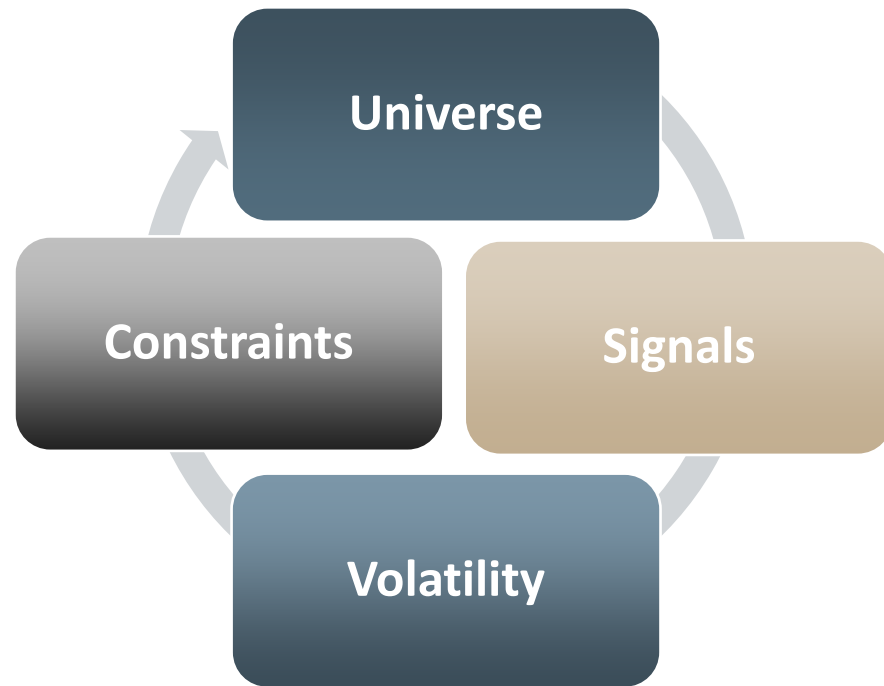
- › Diversification
- › Efficient decision making
- › Maintain active risk in a constrained opportunity environment

MACRO VS TREND



Models complement portfolio manager's style

MODEL SELECTION: FINDING THE RIGHT FIT



IMPLEMENTATION: CRITICAL LAST MILE

Proprietary

- › Tailored solution
- › Easy maintenance and enhancements

Quantitative Investment Strategies (QIS)

- › Extensive range of models
- › Efficient implementation

Investment team considerations

- › Fees/cost
- › Overfitting
- › Intellectual property
- › Crowding

BOTH REQUIRE SUBSTANTIAL TIME AND COMMITMENT FROM THE INVESTMENT TEAM

A decorative graphic on the left side of the slide features several 3D arrows. A prominent red arrow points upwards and to the right. Behind it, a grey arrow points in the same direction. In the foreground, two white arrows point towards the right, one slightly above the other.

INTEGRATING QUANTITATIVE STRATEGIES IN FIXED INCOME PORTFOLIOS

- PLAYS A KEY ROLE IN A PORTFOLIO
- MODELS COMPLEMENT PORTFOLIO MANAGERS
- REQUIRES
 - PRUDENT SELECTION
 - PROPER IMPLEMENTATION
 - EFFECTIVE OVERSIGHT



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Trans-Canada Capital Inc.

1800 McGill College Avenue, Suite 2000
Montreal, QC, Canada
H3A 3J6

T +1 514 397-3973

@ TCC.IR@transcanadacapital.com

🌐 www.transcanadacapital.com