

# LONG TERM BONDS (PIMCO)

GROUP SAVINGS  
AND RETIREMENT

Inception date: November 2009

FU861

TOTAL NET ASSETS: \$2.7 MILLION

## Investment Advisor

**P I M C O**

Management team composed of several managers

## Objectives of the Fund

- Oriented toward current income
- Moderate long-term capital growth
- Conforms to a medium- to long-term investment horizon

## Investment style

Multiple strategies

## Investment limits

### Industrial Alliance Fund

	Min.	Max.
Short term	0%	20%
Units of an underlying fund	80%	100%

### Underlying fund

	Min.	Max.
Short term	0%	20%
Bonds	80%	100%

## Risk level



## Underlying Fund

PIMCO Canada Canadian CorePLUS Long Bond Trust

## Asset mix of the Industrial Alliance Fund

As at December 31, 2011	Distribution
Short term	(1.36)%
Units of the underlying fund	101.36%
	100.00%

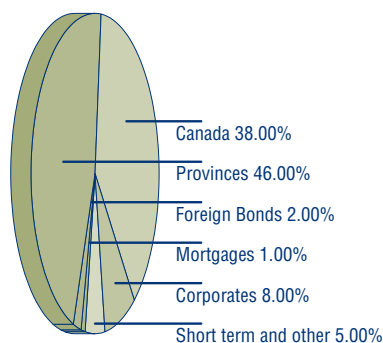
## Commentary

PIMCO is a "core-plus" manager. Their goal is to add value by consistently outperforming a benchmark by tapping traditional and non-traditional sectors of the fixed income markets, while maintaining overall risk similar to that of the benchmark.

Risk factors to which PIMCO is overweight or underweight include: Canadian duration; Canadian yield curve; sectors of the Canadian bond market, including government bonds, provincials and corporate bonds; and credit quality. In addition, PIMCO allocates a small portion of its CorePLUS portfolios to out-of-index risk factors comprised of the firm's best ideas from around the global bond markets, which include international fixed income, currency, Canadian and non-Canadian inflation-linked bonds, Canadian and non-Canadian high yield, emerging markets, liquidity and volatility strategies.

## Asset mix of the underlying fund

As at December 31, 2011



## Characteristics of the underlying fund

As at December 31, 2011

### Bond and Short term Portfolios

Average rating - Bonds	AA
Average term	23.09 years
Modified duration	14.45 years
Average coupon	4.64%
Yield at cost	N/A
Yield at market value	N/A

## Performance of the Industrial Alliance Fund - Gross returns

Returns before deduction of management and administration fees.

### Compound returns

As at December 31, 2011 / YTD	1 month	3 months	6 months	1 year	2 years	3 years	5 years	7 years	10 years
Fund	14.1	4.2	5.7	11.2	14.1	13.7	12.9*	9.3*	-
Reference Index <sup>1</sup>	18.1	3.7	4.9	15.3	18.1	15.3	11.9	8.3	-

### Annual returns

As at December 31	11	10	09	08	07	06	05	04	03	02
Fund	14.1	13.3	11.2*	3.6*	4.6*	-	-	-	-	-
Reference Index <sup>1</sup>	18.1	12.5	5.5	2.7	3.4	-	-	-	-	-

<sup>1</sup> DEX Long Term Bond Index.

\* Simulation of past returns as if the Fund had been in effect for these periods.

Past performance is not a guarantee of future returns.