

Leith Wheeler Corporate Advantage Fund Series F

Summary of Investment Portfolio as of July 31, 2017

Fund Objective:

To provide a relatively stable source of monthly income. The Fund will invest in fixed income securities (including corporate bonds, preferred shares, high yield debt, loans, convertible debt and guaranteed mortgages).

Investment Style:

We take a conservative, disciplined approach to managing our Corporate Advantage Fund. To manage risk, we set targets for duration, sector and credit quality factors which align with our interest rate outlook, industry sector and credit views. We aim to add value in the Corporate Advantage Fund by generating yield using a relative valuation approach and investing in investment grade corporate bonds, high yield bonds, preferred shares, and other fixed income securities. Safety and liquidity are the focus of our approach to fixed income investing.

Fund Details:

Asset Class	Fixed Income	Minimum Investment	\$5,000; \$1,000 for additional purchases
Fund Size	\$104.5 million	RRSP/RRIF Eligible	Yes
Fund Inception Date	May 29, 2014	Distribution Frequency	Monthly
Series Inception Date	September 11, 2015	MER	0.50% + taxes
Effective Yield	2.99% (before fees)	Fund Code	LWF032
Number of Holdings	217	Modified Duration	4.4 Years
Average Quality	A	Average Term	5.2 Years

Performance History of F Series (Annualized over 1 Year):

	1 Month	3 Months	YTD	1 Year	Since Inception (Sept. 11, 2015)
Corporate Advantage Fund	-0.4%	-1.1%	2.1%	3.1%	3.8%

Distribution History of F Series:

	Dist./Unit	Per \$10,000		Dist./Unit	Per \$10,000
Feb-17	\$0.0182	\$18.55	May-17	\$0.0290	\$29.30
Mar-17	\$0.0152	\$15.44	Jun-17	\$0.0487	\$49.79
Apr-17	\$0.0245	\$24.66	Jul-17	\$0.0217	\$22.36

Top 10 Holdings (% of Net Asset Value):

LW High Yield Bond Fund Series A (CAD Hedged)	7.1%
Royal Bank of Canada FF 3.31% January 20, 2026	2.5%
Enbridge Pipelines Inc 3.45% September 29, 2025	2.0%
Bank of Montreal 1.88% March 31, 2021	2.0%
Royal Bank of Canada 1.97% March 2, 2022	1.8%
Toronto-Dominion Bank 2.04% March 23, 2022	1.8%
Bank of Nova Scotia 1.90% December 2, 2021	1.5%
Enbridge Inc Preferred B	1.4%
First Nations Financial Auth 3.40% June 26, 2024	1.3%
Bank of Montreal 1.61% October 28, 2021	1.3%

Sector Mix (% of Net Asset Value):

Investment Grade Corporates	78.0%
Preferred Shares	11.0%
High Yield	7.1%
Federals/Municipals	3.5%
Cash & Cash Equivalents [†]	0.4%

Credit Rating (% of Net Asset Value):

AAA	6.9%
AA	14.4%
A	34.8%
BBB	37.2%
BB	1.8%
B	4.8%
CCC	0.1%

Monthly Commentary:

The Leith Wheeler Corporate Advantage Fund fell by 0.4% in July, after fees and expenses. Also in July, preferred shares in the Fund rose by 2.0%, high yield bonds by 0.9%, and investment grade bonds declined by 0.8%. We reallocated some of the gains from preferred shares into investment grade fixed income over the month.

In July, the Bank of Canada hiked its benchmark interest rate from 0.50% to 0.75%, the first increase in seven years. As a result of the hike, the investment grade bonds in the Fund declined, although by less than half of the broad universe index due to its shorter duration and concentration in high quality corporate bonds. A rising interest rate environment typically signals a strengthening economy, which would benefit a Fund overweight in corporate bonds as the movement in credit spreads can offset some of the rate impact. We remain focused on looking for high quality companies trading at relatively attractive valuations.

We maintain our tactical overweight position in preferred shares as we still find them to be attractive on a spread basis. The majority of the preferred shares we own are 'rate resets', which act as a hedge in a rising rate environment.

The high yield market realized positive returns, primarily benefiting from the higher coupon income associated with the asset class. Within high yield, metal and mining names were among the top performers in July, with **Teck Resources** and **First Quantum** leading the pack. Some of the detractors from performance included **Diebold Nixdorf** and **Seagate Technology**. **Diebold Nixdorf** reported weak second quarter results and reduced their FY2017 guidance, although we understand this is a transitional year as the company integrates its acquisitions. We tactically added to our position on this weakness. **Seagate Technology** reported weak quarterly results with lower than expected revenue and margins. The current industry climate is still strong and we continue to view their bonds as favourably mispriced. The company has investment grade level metrics and the bond remains cheap relative to comparable BB technology names.

We are maintaining our cautious approach, while there is still room to add risk to the portfolio, currently we see no short term catalysts which will adjust prices to more favourable levels and are patiently waiting for opportunities.

† Cash and cash equivalents includes other assets and liabilities

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The indicated rates of return are the historical annual compounded total returns 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 securityholder that would have reduced returns. Mutual funds are not guaranteed or covered by the Canada Deposit Insurance Corporation, Leith Wheeler, or any other deposit insurer. Fund values change frequently and past performances may not be repeated. Just as performance can move up and down, so too can distributions; distribution history should not be used to predict future distributions. The summary of the investment fund's portfolio may change due to ongoing portfolio transactions.

The forward looking information contained in this summary is based on our current expectations about future events. Forward-looking statements are not guarantees of future performance, the assumptions upon which they are based may not prove to be accurate. Actual results could differ materially from those expressed. Do not place undue reliance on forward-looking statements.

Additional information about the Leith Wheeler Funds is available in the Funds' Annual Information Form, Fund Facts, Management Report of Fund Performance and financial statements. You can get a copy of the Simplified Prospectus, and the other documents, at no cost by calling 1-866-292-1122, on our website at www.leithwheeler.com or by contacting your dealer. These documents and other information about the Funds, such as information circulars and material contracts, are available at www.sedar.com.

This summary is not intended to provide advice, recommendations or offers to buy or sell any product or service. The information provided is compiled from our own research that we believe to be reasonable and accurate at the time of writing, but is subject to change without notice.

How to reach us:

Leith Wheeler Investment Funds Ltd.
1500 - 400 Burrard Street
Vancouver, BC V6C 3A6

Phone: 604.683.3391
Toll-Free: 1.888.292.1122
Fax: 604.683.0323
Email: info@leithwheeler.com
Website: www.leithwheeler.com