

January 2019

Dear Fellow Investor,

We would like to thank you for investing with Pender.

After years of gains, the longest running bull market of all time took an inevitable downturn. It was not easy to watch but we were prepared to take advantage of the opportunities that the volatility provided.

On the equity side this downturn meant that companies with the business fundamentals we look for went on sale, and we deployed the high levels of cash we had built up in our portfolios into these “best ideas”. While performance has been down, we believe we have made investments that will drive returns in the longer term.

On the fixed income side, a dependable investment process allowed Geoff to navigate credit markets with confidence for a year of consistent performance. Geoff Castle marked his three-year anniversary managing the Pender Corporate Bond Fund which won a Thomson Reuters Lipper Fund Award in recognition of three-year performance in its category. This is Pender’s fourth consecutive Thomson Reuters Lipper Fund Award. The Pender Small Cap Opportunities Fund won its sixth FundGrade A+ Award and the Pender Value Fund won in its first year of eligibility.

We are excited to look out to 2019 as June will see us mark ten years since we launched our investment funds with the inception of the Pender Corporate Bond Fund and Pender Small Cap Opportunities Fund in June 2009.

If you would like more information on Pender and the funds we offer, please contact your financial advisor or visit our website, [www.penderfund.com](http://www.penderfund.com), where you can sign up for regular updates or subscribe to our blog. We also invite you to follow us on Twitter or Instagram (@penderfund) or LinkedIn (PenderFund Capital Management).

Thank you for your investment in Pender.



David Barr, CFA  
President and Chief Executive Officer  
PenderFund Capital Management Ltd.

**PENDER**

Forward thinking. Finding value.

---

*Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. This commentary is intended for information purposes only and does not constitute an offer to buy or sell our products or services nor is it intended as investment and/or financial advice on any subject matter and is provided for your information only. Every effort has been made to ensure the accuracy of its contents.*