

**7.0% YIELD\***
**monthly  
distributions**

## TSX:MPY

### DISTRIBUTION INFO

Distribution Yield*	7.0%
Distribution Frequency	Monthly
Distribution Amount	\$0.05417/Month

### FUND CODES

ETF Ticker	MPY
Class F	MCM 103
Class A	MCM 101
Class I (Offering Memorandum)	MCM 105

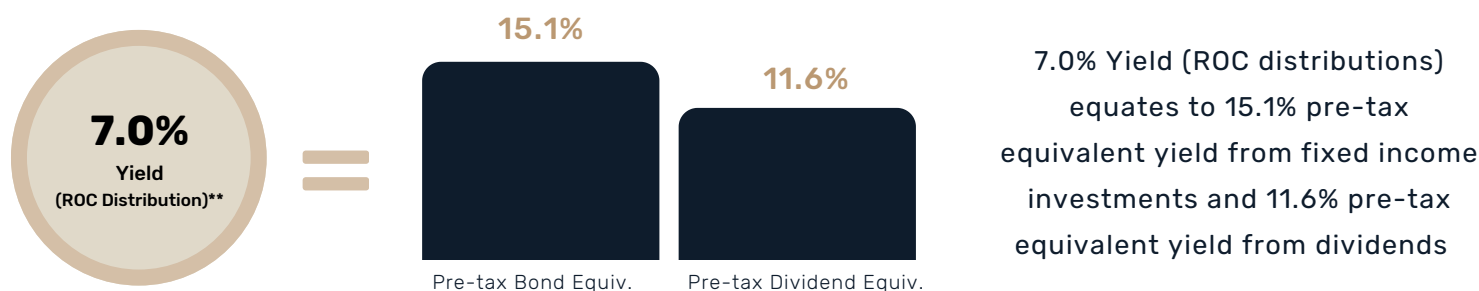
## Portfolio Update

In April, the S&P/TSX Composite index declined 1.8%, while Canadian Bonds, as indicated by the Bloomberg Canada Aggregate Bond Index, decreased -2.1%.

In our Q1 commentary, we emphasized the ongoing bullish outlook for equities, albeit with short-term sentiment indicators leaning towards caution. The markets responded accordingly, relinquishing some of the year-to-date gains as the S&P 500 saw a 4.1% decline in April. Despite this performance, the narrative remains unchanged. We interpret the April pullback as a routine, orderly drawdown typical in bull markets, especially considering that the S&P 500 is currently within 5% of its all-time highs. Notably, the major development in April was the controversial decision by the Liberal government to increase the Capital Gains inclusion rate from 50% to 66%. This move, in our assessment, carries long-term negative implications for investment in Canada and reflects short-term desperation on the part of Trudeau's administration. However, it does spotlight the importance of tax-efficient investment solutions like MPY for investors. By our analysis, the higher capital gains rate enhances the value of the capital loss pool within MPY. For those seeking further information, we have attached a summary outlining the benefits of ROC distributions. ([link here](#)).

The Mulvihill Premium Yield Fund (MPY) returned -3.5% in April with a current yield standing at 7.0%. Year-to-date, MPY has achieved a return of 5.3%, outperforming both the S&P/TSX Dividend Aristocrats Index, which returned 1.2%, and the Bloomberg Canada Aggregate Bond Index, which experienced a decline of -3.4%. MPY paid its fifth consecutive monthly distribution at an increased rate of \$0.05417. Notably, all distributions since inception have been tax-efficient return-of-capital. Teck Resources Ltd. emerged as the top-performing stock in the portfolio for the month, surging by 9.2%. Conversely, Home Depot inc. witnessed a decline of -12.9%, making it the worst performer in the portfolio.

## Earn tax-efficient Return of Capital "ROC" distributions



\*Distribution Yield based on most recently declared distribution annualized, as a percentage of the ETF Class net asset value as of April 30, 2024

Actual yield changes daily based on market conditions

\*\*ROC distribution require an ACB adjustment and unitholders pay capital gains tax when units sold

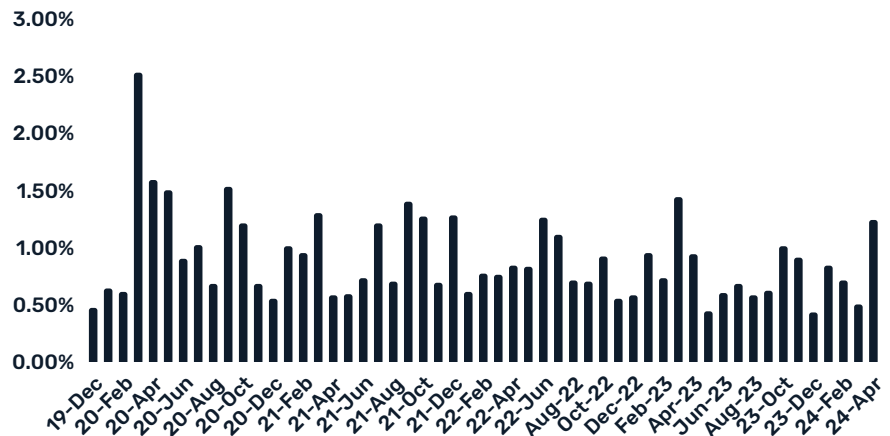
Using highest marginal tax rates in Ontario

source: Bloomberg, Mulvihill Capital Inc.

## Options Update

Over the course of the month, the VIX experienced an uptick, fluctuating between 13.7 and 19.2 as investors contended with resurfacing concerns regarding inflation, monetary policy, and persistent geopolitical uncertainties. This heightened volatility provided ample opportunities for our option writing strategies. Our strategy remains centered on writing out-of-the-money put options, which not only yields attractive premiums but also offers a favorable equilibrium between income generation and safeguarding against downturns. On average, MPY allocated 21% of the portfolio to option trading during the month, with 17% dedicated to written put options and 4% to written call options. The total option premiums generated during this period amounted to 1.24%.

Monthly Option Premiums Generated  
(Since inception 12/01/2019)



Source: Mulvihill Capital Management Inc.  
\*since inception (of Class F & A) on 12/01/2019

## Why invest in MPY?

MPY offers a compelling solution for investors seeking a balance between income and growth. Its combination of high tax-efficient distributions, lower risk, and capital appreciation potential make it a unique offering in the income-generating space. With its experienced management and strong track record, MPY can be a valuable addition to any investment portfolio seeking monthly income consistent returns and reduced volatility

### Actively managed portfolio:

- Invests in large-cap North American equities and uses option writing strategies

### Enhanced tax-efficient distributions:

- 7.0% current yield
- Aims to generate income through dividends and option premiums
- ROC distributions, paid monthly

### Potential for capital appreciation:

- While income-focused, the fund also seeks to deliver capital appreciation over time

### Reduced Volatility:

- The fund aims to provide lower downside risk compared to traditional buy-and-hold strategies through its active management and option strategies

### Experienced Management:

- 27+ year track-record managing option-based strategies
- Proven track record of success in income-generating strategies
- Investment team has combined 258 years Investment experience



## MPY Tax-Efficient Yield Methodology

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### Generate income through writing options

- Write covered call & cash covered put options
- Option premiums treated as capital gains (not income) from tax perspective



### Capital-loss carry forward

- MPY has capital loss carry forwards, in excess of \$90 Million\*
- Losses shelter capital gains generated (including option premiums)



### ROC distributions

- ROC distributions paid to unitholders
- Distributions paid monthly
- 7.0% current yield



\*as of December 31,2023

For illustrative purposes only



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#### FUND DETAILS

NAV (3/31/2024)	\$9.26
TSX Ticker	MPY
Management Fee	0.65%
Fund Launch	November 1st, 2022
Offering Document	Prospectus
Fund Structure	Mutual Fund Trust
Risk Rating	Low to Medium
Eligible for Registered Plans	Yes
Manager	Mulvihill Capital Management Inc.
CUSIP	62580Q100

## MULVIHILL ETFS

Returns are for the periods ended 4/30/2024 and are unaudited. Inception date for Class I, F and A is 11/29/2019 and 11/01/2022 for ETF class. The table shows the past performance of the Fund. Past performance does not necessarily indicate how the Fund will perform in the future. The information shown is based on the Net Asset Value per unit, and assumes that distributions made by the Fund were reinvested (at net asset value per unit) in additional units of the Fund.

Performance	1 Yr	3 Yr	SI
Class I	3.4%	3.0%	5.0%
Class F	3.5%	3.1%	5.0%
Class A	2.4%	2.0%	3.8%
Mulvihill Premium Yield ETF	2.8%	-	1.0%

## Disclosures

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The information contained herein is for general information purposes and should not be construed as an offer to purchase fund units or advice on the suitability of the fund for your specific investment needs. Important information regarding the Fund including its risks, costs/fees and tax treatment are set out in the fund's offering memorandum or simplified prospectus which should be reviewed with your financial advisor before investment.

Commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rate of return is 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.

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