

Know Your Portfolio Manager: **J. Zechner Associates Inc.**



Jeff Herold, B.Comm., CFA
 Lead Fixed Income Manager,
 J. Zechner Associates Inc.



History and Background

Jeff Herold is the Chief Executive Officer at J. Zechner Associates Inc. where he has been the lead fixed income manager for 19 years.

He began his investment career in 1978 and has experience managing institutional, pension, and mutual fund investments. He joined J. Zechner Associates as a Partner in 1997.

His responsibilities have included all fixed income portfolio management as well as asset mix strategy for balanced portfolios. Jeff has his B.Comm. from the University of Toronto and his CFA designation.

Jeff Herold's Approach to Bond Portfolio Management

Jeff's multi-strategy approach allows him to add value throughout all stages of the market cycle. His investment approach incorporates both micro analysis through security selection and sector valuation and macro analysis through yield curve and interest rate anticipation. An important aspect of his interest rate anticipation strategy, is to balance a thorough economic and monetary analysis with a strong understanding of market sentiment.

By not relying on any single strategy, Jeff endeavours to add value to his portfolios without adding additional risk. Distinguishing features of his fixed income process also include rigorous credit analysis and willingness to underweight any sector that has become over-valued. Jeff's strategy is to be very selective about credit quality and then obtain positions that will have a meaningful impact on portfolio results. Liquidity is also a consideration in security selection. In addition, he will use significant holdings of short term securities when necessary to preserve capital values.

Jeff Herold's Approach to Preferred Share Portfolio Management

Jeff Herold manages NexGen Canadian Preferred Share Fund. He believes that, the Canadian preferred share market is inefficient and the keys to superior performance are active management and selectivity. Accordingly, the Fund may look very different from the index, particularly with regard to sector weightings.

Jeff employs a disciplined approach to diversification, rarely holding more than 5% of the Fund in a single name. Credit quality is also an important consideration in security selection.

FUNDS MANAGED BY JEFF HEROLD:

- NexGen Canadian Cash Funds
- NexGen Canadian Bond Funds
- NexGen Canadian Preferred Share Funds
- NexGen Intrinsic Balanced Funds *

* Fixed Income component

Approach to Investment Management:

- Make meaningful decisions that will have a significant improvement to the portfolio
- Active management
- Fundamental, diversified, low risk approach
- Utilizes all segments of Canadian bond universe (fixed income portion)

Value Added Investment Process:

- Interest Rate Anticipation
- Yield Curve Analysis
- Security & Sector Analysis
- Credit Analysis
- Risk Management



For more information about the Funds, please contact your financial advisor.

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.