

# HDIF

# Harvest Diversified Monthly Income ETF

As at October 31, 2022

Current Yield  
**10.53%**

**Reliable income – diverse growth opportunities**

## Fund Facts

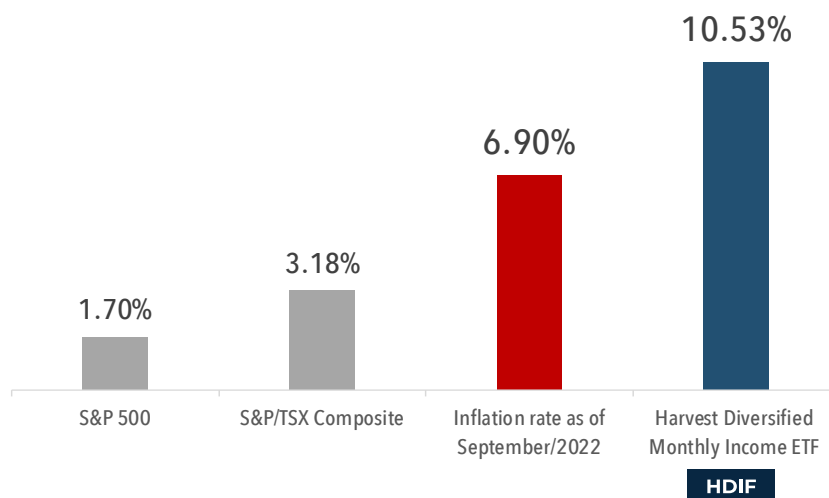
TSX Ticker:	HDIF
Management Style*:	Active with Covered Calls
Eligible:	RRSP   RRIF   RESP   TFSA
Management Fee:	0.00%
<small>(ETF is subject to fees of the underlying ETFs in the portfolio)</small>	
Risk Rating:	Medium
Holdings:	6 ETFs
Cash Distribution Per Unit:	\$0.0708
Current Yield:	10.53%
Cash Distribution Frequency:	Monthly
Distribution Method:	Cash or DRIP

## Investment Highlights

- A one stop diversified core monthly income solution
- Exposure to leading large capitalization companies across sectors
- Attractive monthly income with opportunity for capital appreciation
- Modest leverage anticipated to be 1.25 to enhance income
- ETF Facts rated medium risk
- Covered call strategy used to enhance portfolio income potential and lower portfolio volatility
- Zero management fee (ETF is subject to fees of the underlying ETFs in the portfolio)

**Harvest Diversified Monthly Income ETF** offers a portfolio of equally weighted Harvest ETFs positioned to deliver steady monthly income. The multi-sector portfolio is comprised of over 90 large global companies diversified across the: Healthcare, Technology, Global Brands, Utilities, and US Banks sectors. The ETF is designed to provide a consistent monthly income stream with an opportunity for growth. To generate an enhanced monthly distribution yield, an active covered call strategy is applied on up to 33% in each equity securities held in each ETF in the portfolio. Leverage will be utilized to further enhance income for HDIF.

## Traditional income yields are still below inflation



Sources: Bloomberg, Harvest Portfolios Group Inc.; Inflation based on StatsCan year over year CPI as at October 31, 2022  
HDIF yield is current yield (annual yield based on current distribution and price)

## Sub-Sector Allocation



- Financials - 31.6%
- Health Care - 23.5%
- Information Technology - 21.6%
- Communication Services - 14.7%
- Utilities - 11.9%
- Energy - 8.0%
- Consumer Discretionary - 3.4%
- Industrials - 2.1%
- Consumer Staples - 2.0%
- Materials - 1.5%
- Real Estate - 0.7%
- Foreign Currency Forwards - 0.1%
- Cash and other assets and liabilities - (20.9)%

## Equal Weight Allocation to Harvest Equity Income ETFs

<div style="background-color: white; color: #1a3d4d; padding: 5px; font-weight: bold; margin-bottom: 10px;">HHL</div> <p><b>Healthcare</b></p> <p>Growing demand from an aging developed world and richer developing world plus regular innovation from large-cap companies like Johnson &amp; Johnson.</p>	<div style="background-color: white; color: #1a3d4d; padding: 5px; font-weight: bold; margin-bottom: 10px;">HTA</div> <p><b>Technology</b></p> <p>Huge scale, growth drivers for a decade, companies like Microsoft that are essential to our current world and will be crucial to new wave tech like the cloud, 5G, Blockchain and the Metaverse.</p>	<div style="background-color: white; color: #1a3d4d; padding: 5px; font-weight: bold; margin-bottom: 10px;">HLIF</div> <p><b>Canadian Leaders</b></p> <p>Canada is home to some of the most dominant companies in the world. In industries like banking, telecommunications, energy, and utilities a few key players have huge market shares, significant financial reserves, and long histories of dividend payment.</p>	<div style="background-color: white; color: #1a3d4d; padding: 5px; font-weight: bold; margin-bottom: 10px;">HBF</div> <p><b>Global Brands</b></p> <p>Leaders with large market share, diversified and meeting strict financial criteria. The resilience and global recognition of McDonalds, Nike, and Apple.</p>	<div style="background-color: white; color: #1a3d4d; padding: 5px; font-weight: bold; margin-bottom: 10px;">HUBL</div> <p><b>US Banks</b></p> <p>Financial titans at the heart of the US economy. Companies like Bank of America or JPMorgan that power growth in the world's richest country.</p>	<div style="background-color: white; color: #1a3d4d; padding: 5px; font-weight: bold; margin-bottom: 10px;">HUTL</div> <p><b>Utilities</b></p> <p>Diversified globally across developed European and North American markets in dominant companies that have scale in a sector where scale is everything.</p>
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**Each ETF built "The Harvest way": Portfolios of large-cap, high-quality equities that meet strict financial criteria combined with a covered call option to maximize yield.**

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