

HPYT

Harvest Premium Yield Treasury ETF

As at April 30, 2024

US Treasury Income, Monthly Cash Distributions with Covered Calls

Key Details

TSX Ticker:	HPYT HPYT.U
Management Style:	Active Covered Calls
Eligible:	RRSP RRIF RESP TFSA FHSA
Asset Class:	Fixed Income
Inception Date:	2023/09/28
Currency:	CAD Hedged
Distribution Frequency:	Monthly
Distribution Method:	Cash or DRIP
Management Fee:	0.45%
Risk Rating:	Low to Medium

Portfolio Metrics

Monthly Cash Distribution per Unit:	\$0.1500
Average Credit Rating:	AA+
Modified Duration ¹ :	16.2
Weighted Maturity ¹ :	24.9 Years
Treasury Bond ETF Holdings:	6
Average Market Capitalization ¹ :	CA\$46B

Investment Goal

Harvest Premium Yield Treasury ETF seeks to provide monthly cash distributions to unitholders by investing, on a non-levered basis, in a portfolio of exchange traded funds, selected by the Manager, that provide exposure primarily to longer-dated U.S. treasury bonds and are listed on a regulated stock exchange in North America. HPYT will generally write covered call options on up to 100% of the portfolio securities. The level of covered call option writing may vary based on market volatility and other factors.

Benefits of Investing in HPYT

- Exposure to high quality US Treasury Bonds through US listed ETFs
- Covered call strategy increases yields and lowers volatility on underlying holdings
- Experienced active covered call specialists at Harvest ETFs
- Currency hedged with attractive tax efficient income
- Competitive management fee 0.45%

Key Benefits



Tax Efficient Income

Tax efficient income above bond yields generated from covered calls.



Downside Protection

Higher income can cushion returns during bond price weakness.



Single Ticket Solution

Access multiple ETFs with issuer diversification for optimal option price targeting.



Portfolio Diversification

Low correlation with equities—a portfolio exposed to longer dated treasuries & generates high income.

Fixed Income Investment Process

1	Portfolio: US Treasury ETFs	US listed Treasury ETFs selected for liquidity, options and long duration
2	Active Covered Calls	Using Harvest's covered call strategy, target a 75% baseline write level and adjusting to market conditions for set distributions
3	Ongoing Monitoring	Constantly assess premium capture, early cover chances, and rate-driven upside, while stress-testing distribution for sustainability metrics.
4	Monthly Income	Tax efficient distributions paid monthly.

Holdings

Tickers	ETF Names	Weight
TLT US	iShares 20+ Year Treasury Bond ETF	68.3%
VGLT US	Vanguard Long-Term Treasury ETF	16.9%
SPTL US	SPDR Portfolio Long Term Treasury ETF	7.8%
EDV US	Vanguard Extended Duration Treasury ETF	5.0%
TLH US	iShares 10-20 Year Treasury Bond ETF	3.4%
TBIL CN	Harvest Canadian T-Bill ETF	0.3%
	Market value of options	(0.3)%
	Foreign currency forwards	(0.5)%
	Cash and other assets and liabilities	(0.9)%

Disclaimer: Commissions, management fees and expenses all may be associated with investing in HARVEST Exchange Traded Funds managed by Harvest Portfolios Group Inc. (the "Funds" or a "Fund"). Please read the relevant prospectus before investing. The Funds' returns are not guaranteed, their values change frequently, and past performance may not be repeated. Tax investment and all other decisions should be made with guidance from a qualified professional.

Distributions on the units, if any, may consist of income, including foreign source income and dividends from taxable Canadian corporations, and capital gains, less the expenses and may include returns of capital.

Distributions are paid to you in cash unless you request, pursuant to your participation in a distribution reinvestment plan, that they be reinvested into Class A and Class U units of the Fund. If a Fund earns less than the amounts distributed, the difference is a return of capital.

1 Based on weighted average portfolio of underlying US Treasury Bond ETF holdings. Generally, modified duration can be defined as a measure that assesses a bond's interest rate sensitivity. It is a time-weighted measure that estimates the percentage change in a bond's price for a 1% change in yield. Average credit rating source Bloomberg, based on weighted average credit ratings of underlying bonds as at December 29, 2023.