



HNW
PLANNING

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The following is provided to assist you in reading of the “HNW Fixed Income Model Portfolio”

Yield to call	The yield of a bond or note if you were to buy and hold the security until the call date, but this yield is valid only if the security is called prior to maturity. The calculation of yield to call is based on the coupon rate, the length of time to the call date and the market price.
Trading Margin	The additional yield you earn per annum versus a government bond to the same maturity, or reference floating rate in the case of floating rate securities. e.g. If a 5 year bond was trading at a yield to call of 5% and the equivalent government bond was trading at a yield to call 1.9%, the trading margin would be 3.10% [5% - 1.9% = 3.1%]
Running yield	The annual income on an investment divided by its current market value.
Term to Call / maturity	The weighted average expected remaining life of the portfolio in years.
Expected next quarterly distribution	The aggregate of the expected bond cash flows in the portfolio for the next quarter.
NAV	The Net Asset Value.