

The Robert Leon Team

ETF GROWTH STRATEGY

September 30, 2023

INVESTMENT OBJECTIVE

To generate above-average total return with reduced volatility over the long term. The primary focus is to invest in various ETFs/ETNs in both Canadian and Global markets across all asset classes to maximize portfolio diversification and capitalize on market opportunities.

MANAGER COMMENTARY

This quarter has seen more negative effects of the recent accelerated increases in bond yields pressure stock prices of all dividend income sectors such as financials, utilities, telcos and pipelines which are often in direct competition with bonds for investors seeking income.

According to CIBC Economics the US Q3 GDP continued to grow materially faster than Canada. U.S. Real gross domestic product (GDP) increased at an annual rate of 4.9 percent in the third quarter of 2023, compared to Canada at 0.4%. Canada's economy has seen virtually no growth in the middle two quarters of the year, while Europe's largest economies are seeing enough pain for the ECB to keep rates on hold even with inflation miles above target. Western relations with China remain strained, with the US restricting some exports to the Middle Kingdom as a result.

Canada's lack of business investment and related low to nil productivity enhancements in the past decade may go some way to explaining our relatively weaker GDP growth and falling CAD currency value.

Chances seem reasonable for at least one more rate hike in the US during the next one to three months and no likely cuts before next summer (barring any "Black Swan" events). In this ensuing period of time there exist opportunities to increase long term income exposure through upgrading quality holdings in portfolios.

The FTSE Canada Universe Bond Index lost 3.87% during Q3. Also, for Q3 2023 (all measured in CAD unless specified otherwise) the Total Returns including reinvested dividends for the major indexes were: S&P/TSX Composite -2.20%; S&P 500 Index -1.29%; S&P 500 Index USD -3.27%; MSCI WORLD INDEX -1.26%; MSCI WORLD INDEX USD -4.05%. The CAD dollar fell -2.13% vs the US. The S&P/TSX Composite Health Care Index (CAD) +14.48% was the best performing Canadian index while the S&P/TSX Composite Communications Services Index (CAD) -12.55% was the poorest performer.

During Q3 the following position was added: BMO NASDAQ 100 EQ IDX CAD UT (-4.11%).

The best performers were: ISHT JAPAN FDMNTL IDX CAD HEDGED UT (+6.08%), Cash CDN (+0.0%) and PURPOSE HIGH INT SAVINGS UT (+0.00). The worst performers were: BMO NASDAQ 100 EQ IDX CAD UT (-4.41), BMO INTL DIV HEDGED TO CAD UT (-0.73%) and ISHR INTL FDMNTL IDX UT COM (-0.28%)

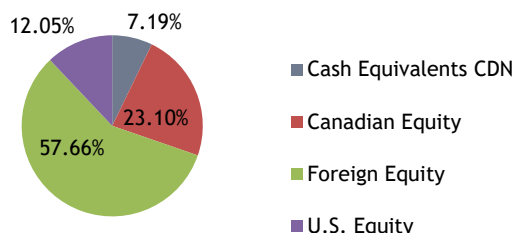
ETF SELECTION PROCESS

A universe of qualified ETFs is carefully selected, and their relative strengths are monitored using various technical research sources.

The top-down selection approach of asset classes begins with market cash flow analysis, measured by the relative strength of North American stock exchange listings, as compared to ETFs of other asset classes.

Asset allocation is based mainly on the purchase of sectors which are outperforming, and the sale of sectors which are underperforming on a week-to-week basis, within the overall matrix of qualified ETFs.

ASSET MIX



SECURITY DESCRIPTION	% Held
CASH AND CASH EQUIVALENTS CDN	1.09%
PURPOSE HIGH INT SAVINGS UT	6.10%
Cash Total	7.19%
BMO INTL DIV HEDGED TO CAD UT	15.95%
ISHR INTL FDMNTL IDX UT COM	15.21%
ISHT JAPAN FDMNTL IDX CAD HEDGED UT	26.50%
Foreign Equity Total	57.66%
ISHR S&P/TSX CAPPED INFORMATION TECH IDX	23.10%
Canadian Equity Total	23.10%
BMO NASDAQ 100 EQ IDX CAD UT	12.05%
U.S. Equity Total	12.05%
Total	100.00%

PERFORMANCE RETURNS

Performance (%)	3 Mo	6 Mo	YTD	1Yr	3Yr	5Yr	SI inception
Composite	-0.35%	4.58%	6.62%	2.74%	5.55%	4.62%	6.54%
Benchmark	-0.34%	0.61%	4.60%	9.70%	5.40%	5.71%	7.31%
Diff +/-	-0.01%	3.97%	2.02%	-6.96%	0.15%	-1.09%	-0.77%

*Performance results in this document are based on a composite of CIBC Wood Gundy Advisor Managed Account (“AMA”) retail accounts with more than \$75,000 invested in the “ETF Growth strategy”. The composite includes open fee-paying discretionary managed accounts where the Strategy has been held for at least two months, through a purchase or a switch from another investment or a different AMA strategy. Also included in the composite are closed accounts that held the Strategy, up to the last full month the Strategy was held. The composite was created in December 2011 and includes AMA performance data from February 2012, two months after the Strategy’s inception in the AMA program.

Composite performance returns are geometrically linked and calculated by weighting each account’s monthly performance, including changes in securities’ values, and accrued income (i.e., dividends and interest), against its market value at the beginning of each month, as represented by the market value at the opening of the first business day of each month. This Strategy can be purchased either in U.S. or Canadian dollars.

Performance returns in this document are expressed in Canadian dollars and are calculated by converting U.S. dollar accounts into Canadian dollars using the month-end Bank of Canada noon rate. Performance returns are gross of AMA investment management fees, and other expenses, if any. Each individual account’s performance returns will be reduced by these fees and expenses.

Individual Advisor Managed Account performance results may materially differ from those in this document due to the above and other factors such as an account’s size, the length of time an AMA Strategy has been held, cash flows in and out of the individual account, trade execution timing, market conditions and movements, trading prices, foreign exchange rates, specific client constraints, and constraints against purchasing securities of related and connected issuers to CIBC Wood Gundy.

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There are ongoing fees and expenses associated with owning units of an Exchange-Traded Fund (ETF). An ETF must prepare disclosure documents that contain key information about the fund. You can find more detailed information about the fund in these documents. The indicated rate[s] of return is [are] the historical annual compounded total return[s] including changes in unit value and reinvestment of all distributions and does not take into account certain fees such as redemption fees or optional charges or income taxes payable by any securityholder that would have reduced returns. ETFs are not guaranteed, their values change frequently, and past performance may not be repeated.

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*Top holdings in model. Individual account holdings may differ.