

The Robert Leon Team

ETF GROWTH STRATEGY

September 30, 2024

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

And so the flight continues ... without a hard landing, without even a soft landing , in fact so far with no landing at all! But ultimately there is a cost.

Are higher bond yields an opportunity for investment or a forewarning?

Most of the largest nations in the world will likely share notoriety for achieving one record economic statistic this year: their largest budget deficit in history. Oddly as it may seem, that could keep the markets in a goldilocks condition a little longer than expected due to the way governments tend to behave when faced with dealing with very large deficits:

One way for example is as the famous investor Paul Tudor Jones recently said on CNBC regarding government deficits: "inflation is forever" and he alluded to historic common modes of governments' operating is to target interest rates below the rate of inflation and to target growth above the rate of inflation. Global markets have arrived there now and continue to be headed further in that general direction – with growth not too hot...not too cold - just right, better known as "goldilocks". The not so subtle goal of governments appears in place to inflate away the debt over the long term! The yield on the ten year US Federal Treasury bonds ended Q2 at 4.39% having hit a recent peak on July 1 @ 4.47% and ended the third quarter @ 3.78%. but have since risen to 4.30% on news of economic strength.

The FTSE Canada Universe Bond Index rose 4.66% during Q3 2024. Also for Q3 2024 (all measured in CAD unless specified otherwise) the Total Returns, including reinvested dividends, for the major indexes were: S&P/TSX Composite 10.54%; S&P 500 Index 4.54%; S&P 500 Index USD 5.89%; MSCI WORLD INDEX was up 21.31%; MSCI WORLD INDEX USD +22.35%. The CAD was up 1.29% vs the US dollar.

During Q3 the S&P/TSX Composite Real Estate Index (CAD) 22.96% was the best performing Canadian Sector while the S&P/TSX Composite Energy Index (CAD) 1.97% was the poorest performing sector.

The top 3 performers in the portfolio were: BMO NASDAQ 100 EQ IDX CAD UT (+9.75%), BMO MSCI USA HIGH QUALITY IDX UTS (+9.75%) and the BMO EQUAL WEIGHT GLOBAL GOLD IDX (+8.83%). The worst performers were: ISHR JAPAN FDMNTL IDX HEDGED UT (-11.47%), Cash CDN (+0.00%) and PURPOSE HIGH INT SAVINGS UT (+0.86%).

The following position was bought: BMO EQUAL WEIGHT GLOBAL GOLD IDX (+8.83%)

The following position was sold: ISHR JAPAN FDMNTL IDX HEDGED UT (-11.47%)

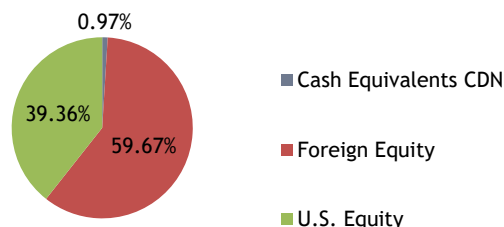
ETF SELECTION PROCESS

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	0.97%
Cash Total	0.97%
BMO INTL DIV HEDGED TO CAD UT	17.51%
ISHR INTL FDMNTL IDX UT COM	17.37%
BMO EQUAL WEIGHT GLBL GOLD IDX	24.79%
Foreign Equity Total	59.67%
BMO NASDAQ 100 EQ IDX CAD UT	20.75%
BMO MSCI USA HIGH QUALITY IDX UTS	18.61%
U.S. Equity Total	39.36%
Total	100.00%

PERFORMANCE RETURNS

Performance (%)	3 Mo	6 Mo	YTD	1Yr	3Yr	5Yr	SI inception
Composite	0.57%	4.87%	18.93%	22.32%	8.14%	7.60%	7.71%
Benchmark	3.98%	6.88%	13.87%	20.06%	7.06%	8.57%	8.27%
Diff +/-	-3.41%	-2.01%	5.06%	2.26%	1.08%	-0.97%	-0.56%

*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.