



# Student Investment Advisory Service (SIAS)

*One of the largest student-run investment funds in North America*

**Q1 2023 Presentation**

**Thursday, May 18, 2023**

# Agenda

1. SIAS Fund Performance
2. Compliance / Operations
3. Macro outlook, Fund Strategy
4. Global Equity
5. Canadian Equity
6. Canadian Fixed Income
7. ESG
8. Risk
9. Q & A



# SIAS Fund Performance & Compliance

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# Q1 2023: SIAS Outperformed the benchmark by 118 bps

<b>SIAS Total Portfolio</b> Begin Value: \$22,116,436 End Value: \$23,468,794	
<b>Portfolio</b> <b>Return: 6.68%</b>	<b>Benchmark</b> <b>Return: 5.51%</b>
Active Return: 1.18% Active Risk*: 2.09%	

<b>Global Equity</b> Begin Value: \$11,371,043 End Value: \$11,617,651	
<b>Portfolio</b> Return: 9.02%	<b>Benchmark</b> Return: 7.24%
Active Return: 1.78% Active Risk: 2.81%	

<b>Canadian Equity</b> Begin Value: \$4,737,732 End Value: \$4,912,723	
<b>Portfolio</b> Return: 5.17%	<b>Benchmark</b> Return: 4.55%
Active Return: 0.62% Active Risk: 5.36%	

<b>Canadian Fixed Income</b> Begin Value: \$4,440,500 End Value: \$5,838,696	
<b>Portfolio</b> Return: 3.41% OAD: 7.46	<b>Benchmark</b> Return: 3.10% OAD: 7.32
Active Return: 0.31% Active Risk: 0.33%	

- Active risk is annualized
- Cash changed from \$1,567,160 to \$1,099,723

# Q1 2023 – Asset Allocation

Asset Class	Benchmark Weight	Portfolio Weight (31-Dec-22)	Portfolio Weight (31-Mar-23)	Q1 Allocation changes	Portfolio - Benchmark Allocation
Canadian Equity	20.00%	21.42%	20.93%	-0.49%	<b>0.93%</b>
Global Equity	50.00%	51.41%	49.50%	-1.91%	<b>-0.50%</b>
Fixed Income	28.00%	20.08%	24.88%	<b>4.80%</b>	<b>-3.12%</b>
Cash	2.00%	7.09%	4.69%	<b>-2.40%</b>	<b>2.69%</b>

- Decreased the underweight of fixed income
- Decreased the overweight of Cash
  - Cash as of Dec 31: 5.76% CAD, 1.33% USD
  - Cash as of March 31: 0.57% CAD, 4.12% USD

# Compliance Updates: One breach in Q1 (region constraints)

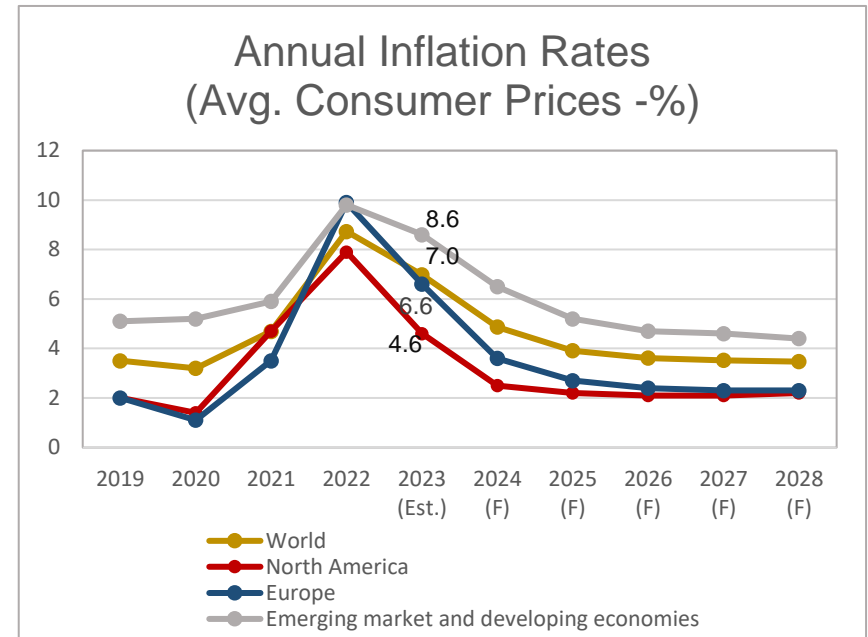
IPS Requirements	IPS Constraints	SIAS Portfolio	In Compliance
<b>Canadian Equity</b>			
Asset Allocation Range	15% - 25%	20.93%	✓
No. of Holdings	20 - 40	38	✓
Single Security Active Weight	<5%	TRI CN 4.35% ENB CN -3.37%	✓
Region Constraint	All Non-ETF Holdings in BM	Yes	✓
Sectors	Min. 7 Sectors with 50% Weight Relative to the BM	Yes, 9 sectors	✓
<b>Global Equity</b>			
Asset Allocation Range	45% - 55%	49.5%	✓
No. of Holdings	20 - 40	40	✓
Single Security Active Weight	<4%	NSRGY US 3.40%	✓
Region Constraints	All Non-ETF Holdings in BM	Yes	✓
Americas	Active Weight <5%	1.41%	✓
Europe and the Middle East	Active Weight <5%	-0.96%	✓
Pacific	Active Weight <5%	-0.02%	✓
Emerging Markets	Active Weight <5%	-0.05%	✓
Sectors	For US: Min. 7 Sectors with 50% Weight Relative to the BM	Yes, 9 sectors	✓
<b>Fixed income</b>			
Asset Allocation Range	20% - 40%	24.88%	✓
No. of Holdings	Min. 20	44	✓
Region Constraints	Qualifies for Inclusion in BM	Yes	✓
Rated A or Above	>50%	90.24%	✓
Rated BBB or BBB -	Active Weight Max. 5%	-4.01%	✓
Non-Federal / Provincial Single Issuer	Max. 10%	3.26%	✓
Modified Duration	±1 Year of BM	0.12	✓
Cash Balance	Positive in both accounts	Yes	✓

- Portfolio Compliance report as of March 31, 2023

# Macro Outlook & Fund Strategy

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# Global Equity – Macro Outlook



Source: IMF

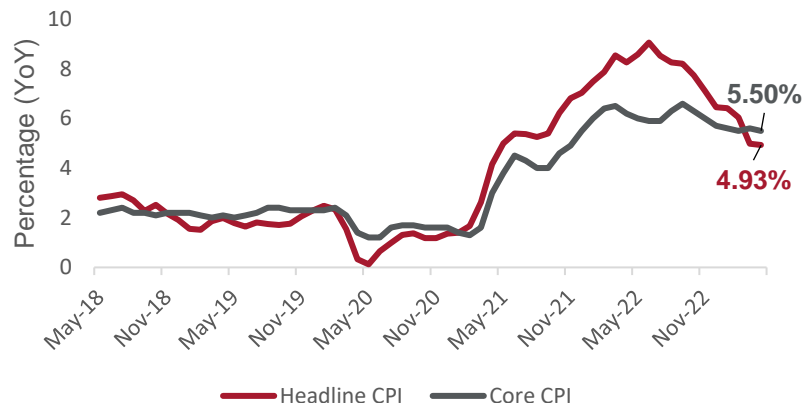
Source: IMF

- Global inflation to fall on the back of lower commodity prices, but **underlying inflation to decline slowly**. Inflation's return to **target unlikely before 2025**.
- The effects of earlier cost shocks and historically tight labour markets are also translating into more **persistent underlying price pressures and stickier inflation**.
- The crisis of Credit Suisse and SVB has roiled the financial markets, **bank stocks have declined** on the industry's travails, which **have raised the cost of funding of banks**. Financial conditions have tightened, which is likely to entail **lower lending growth**.
- **Supply chain-related issues will persist into 2023**. The **largest disruptions will be increased costs and geopolitical uncertainties**.



# US – Mixed Rate Pause Signals

## Core CPI suppressed Headline CPI in April



## Where are we now?

Policy Rate	5.00 % - 5.25%
Headline inflation (YoY)	4.9%
Target Inflation	2.0%
Money Supply (M1) (YoY)	(9.2%)
Money Supply (M3) (YoY)	(4.1%)
Output Gap	0.3%

## What's our view

- The collapse of 2 major banks Silicon Valley on March 10 and Signature Bank on March 12 may have sparked fears in the market – Less to FOMC.
- Tightening of credit due to the banking crisis was less severe than expected - a rotation of deposit from regional banks to large banks but not a systematic meltdown.
- Fed's interest rate decision is still dependent on the coming inflation, employment and wage data, we are seeing mixed signals on rate pause.

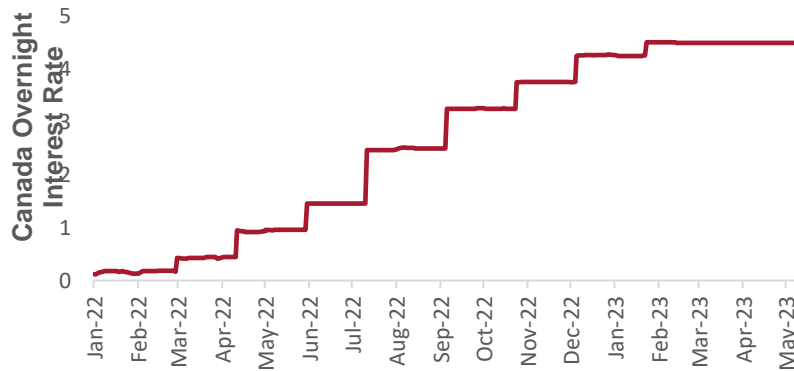
## PPI continued to ease



# Canadian Economy – Rate likely to hold steady in 2Q23

- We will monitor upcoming economic data release to gauge rate hike probability in the third quarter.

## Canada Overnight Interest Rate

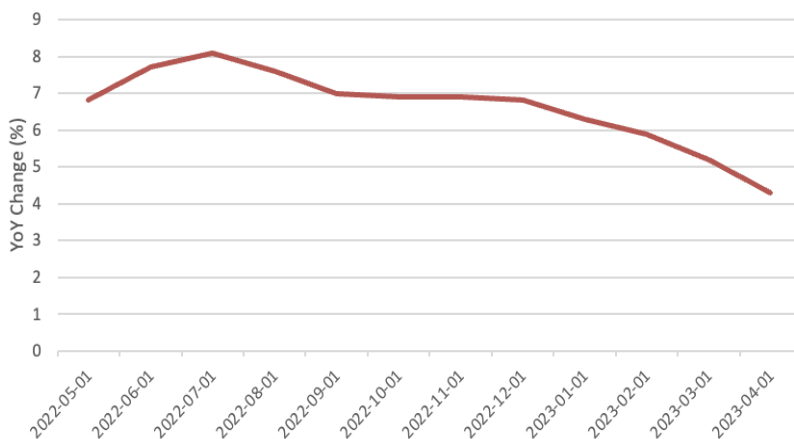


## Bank of Canada's Monetary Policy Report

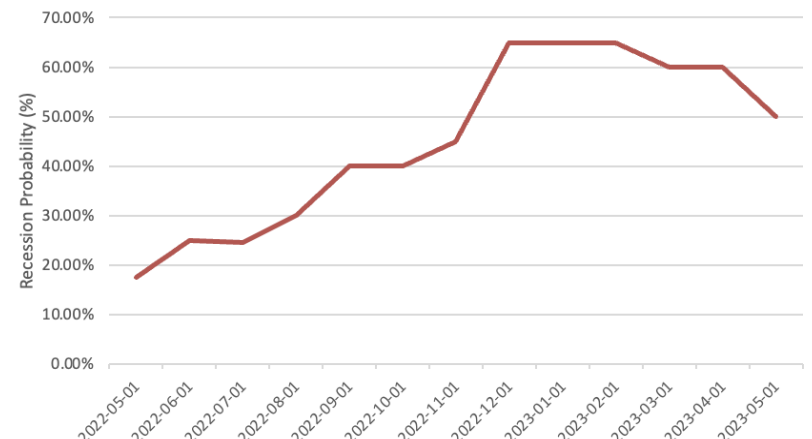
- In March and April, the Bank of Canada (BoC) has maintained its overnight rate at 4.5%.
- If economic projections hold steady, the central bank will signal a pause at its current rate, while it assesses the full impact of its hikes on the economy.
- BoC is unlikely to increase the policy rate further.

- Canada's inflation shows signs of a slowdown, but the employment market is still tight. High interest rate and inflation raise the chance of recession. BoC expects GDP to grow by about 1% in 2023 and 2% in 2024.

## CPI Trend of Canada

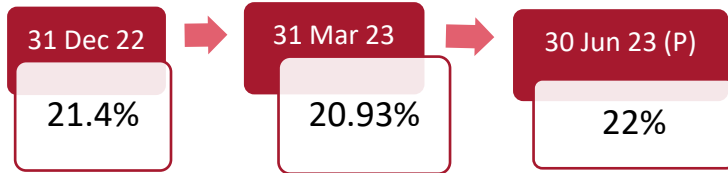


## Recession Probability from Bloomberg surveys

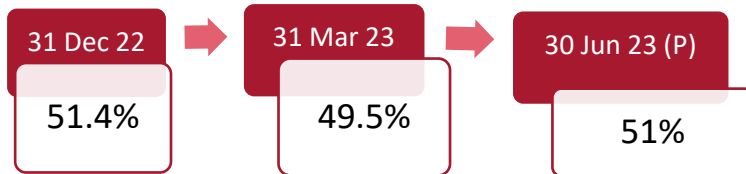


# Strategy for 2Q23 – 73/26/1 equity/bond/cash mix proposed

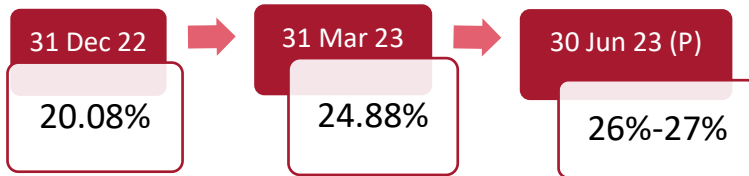
## Canadian Equity: IPS: 15-25%



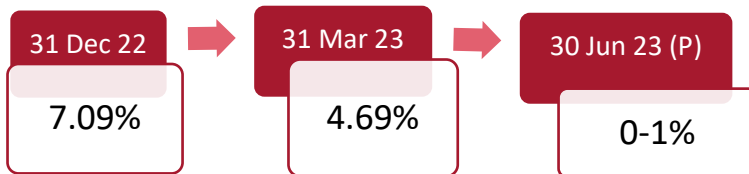
## Global Equity: IPS: 45-55%



## Fixed Income: IPS: 20-40%



## Cash: 2%



100%

- Previously, we proposed to hold 27% in Fixed Income. We are revising this to 26-27% considering that BoC is now maintaining the policy rate for last two announcements.
- Recession in major economies are expected to be mild and stock markets have rebounded this year especially in the Global Equity asset class. We will hold CE at 22% instead of earlier proposed 20%.
- Our main focus will be how to rebalance the GE portfolio to increase the exposure in existing stocks and find replacements for the ETFs while managing it within our active risk budget of 3% only.

# Global Equity Update

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# Global Equity - Overperformed in Q1 2023

Ending Value<sup>(1)</sup>

\$ 11,617,651

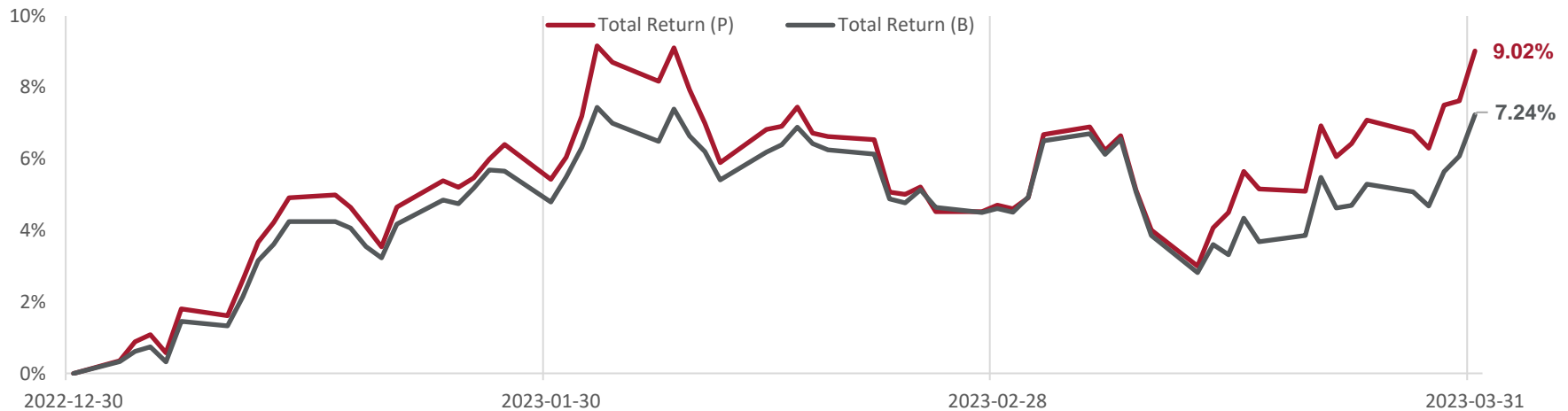
Active Return

1.78%

Tracking error

3.36%

Portfolio vs. Benchmark Total Return <sup>(1)</sup>



Return summary	
Portfolio return	9.02%
Benchmark return	7.24%
Attribution summary	
Allocation	0.59%
Selection	1.33%

Characteristics (%)	Portfolio	Benchmark
Dividend Yield	2.76	2.59
P/E Ratio	17.97	18.14
P/B Ratio	3.02	2.60
Total D/E Ratio	122.26	130.91
Return on Equity	14.86	12.92
# of Holdings	40	2,769

(1) Global equity benchmark: iShares MSCI ACWI ETF

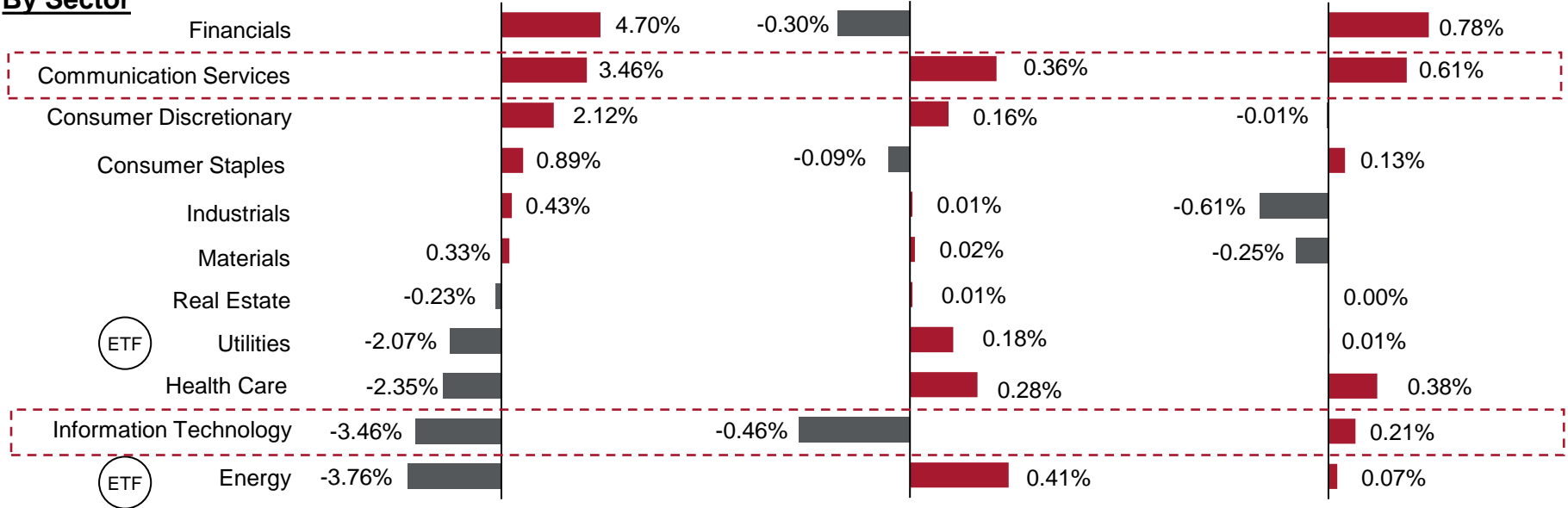
# Communication Services - Largest Contributor by Sector

## Active Weights Difference

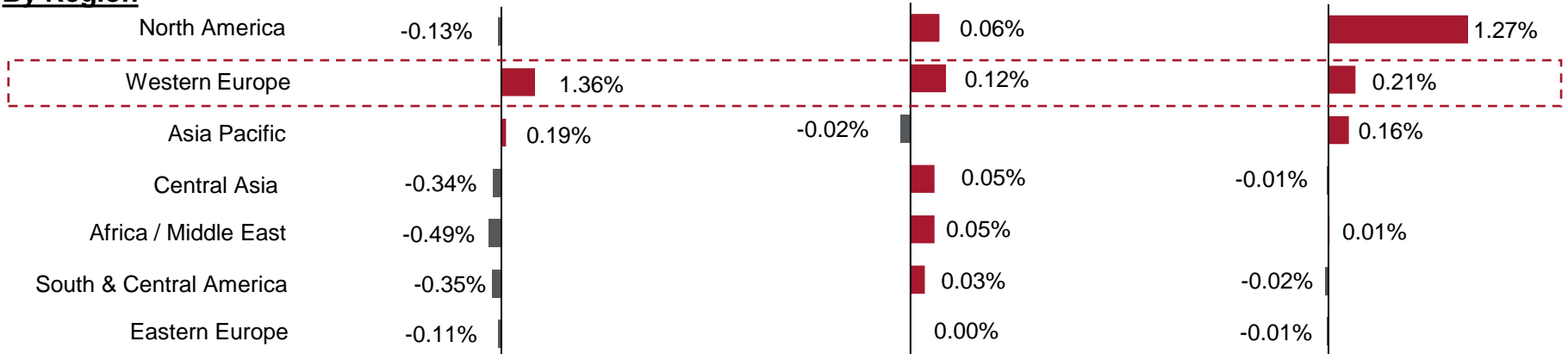
## Allocation Attribution

## Selection Attribution

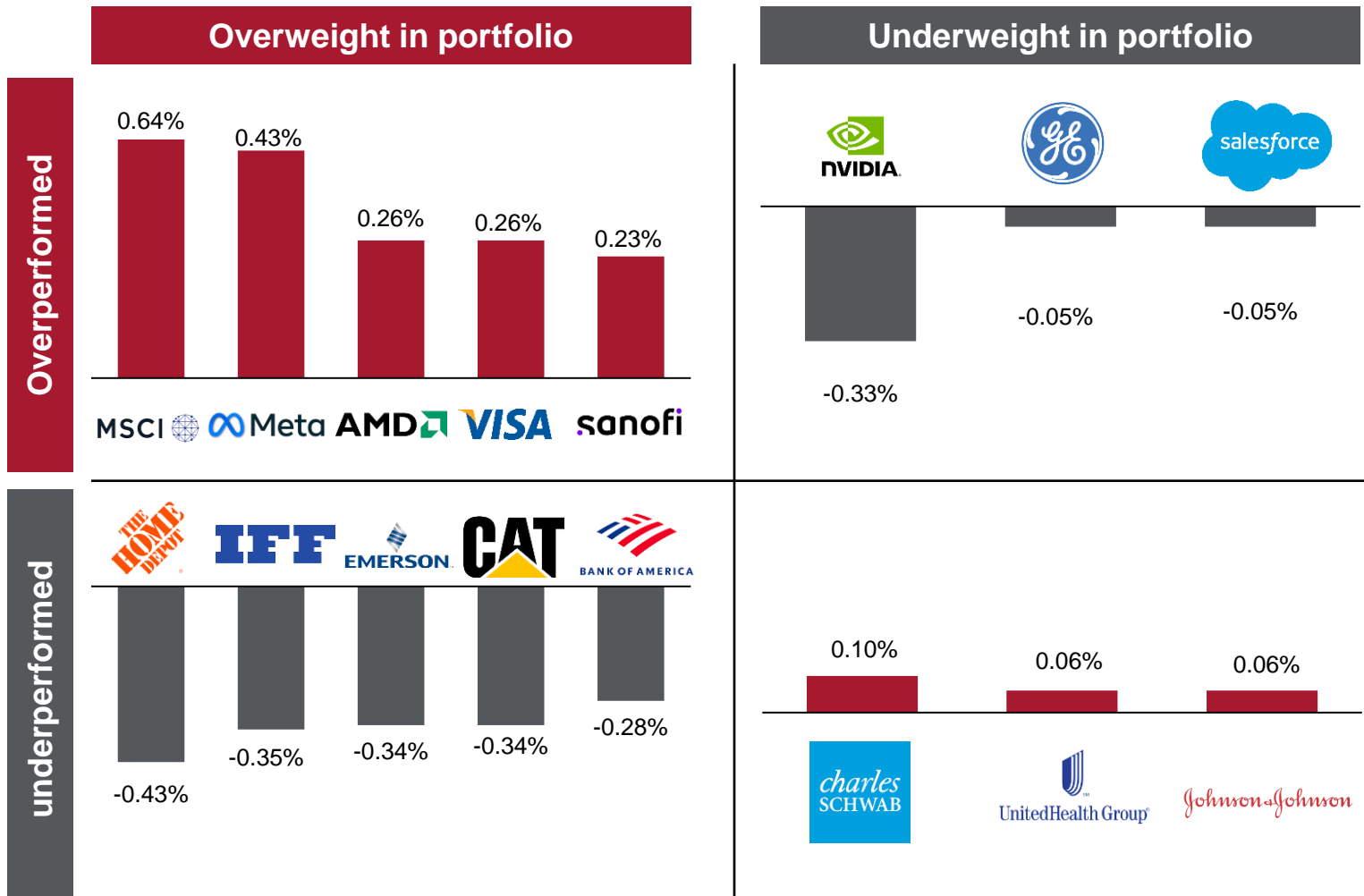
### By Sector



### By Region



# MSCI and Meta – Top 2 Performing Stocks



# Q2 Plan – 1) Sector Rotation 2) ETF Divestment

Industry	Outlook	Q1 Decisions	Q2 Progress/Plan
Communication Services	Positive	-	Review / Sell Disney
Consumer Discretionary	Neutral	-	Hold the position
Consumer Staples	Positive	Bought Nestle	Reduce sector exposure due to high valuation
Financials	Negative	Sold Intercontinental Exchange	Rebalance after GICS reclassification
Health Care	Neutral	Bought Sanofi	Review / Sell GSK, AbbVie
Industrials	Neutral	Sold Caterpillar Bought 3M	Hold the position
Information Technology	Neutral	Bought Infosys	Rebalance after GICS reclassification
Materials	Neutral	Bought Glencore	Review / Sell IFF
Real Estate	Negative	-	Hold the position
Utilities	Positive	-	Review / Buy Brookfield Renewable Increase sector exposure
ETFs	Neutral/Negative	Sold: 1) iShares Europe 2) iShares MSCI Singapore 3) iShares MSCI Germany	Consider to sell: 1) iShares ESG MSCI EM Leaders

In order to maintain appropriate diversification after the divestment of ETF, we propose to increase the limit of holdings in Global Equity Portfolio from 40 to 50 as stipulated in IPS.



# Canadian Equity Update

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# Canadian Equity – Outperformed benchmark in Q1 2023

**Ending Value<sup>(1)</sup>**

\$ 4,912,723

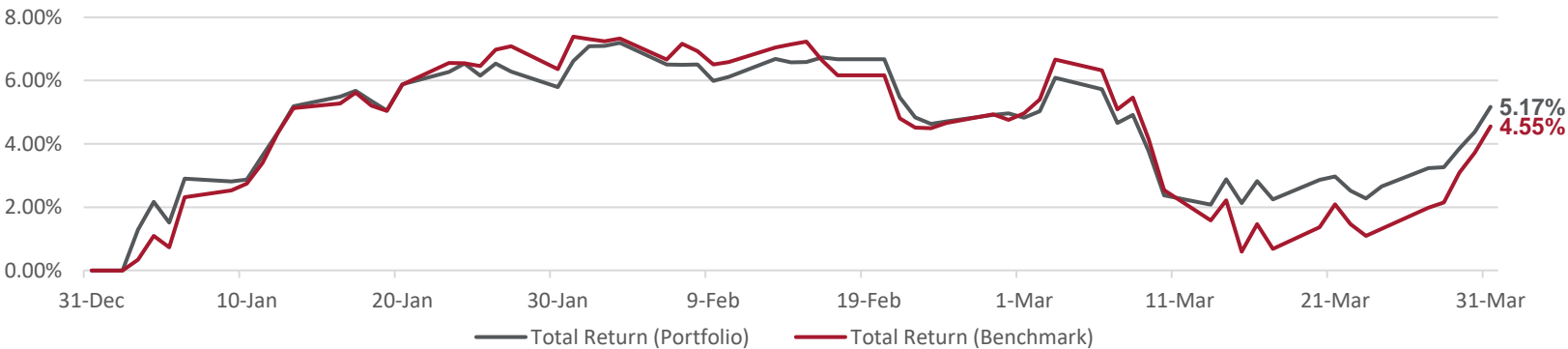
**Active Return**

0.62%

**Tracking Error**

4.65%

**Portfolio vs. Benchmark Total Return<sup>(2)(3)</sup>**



Return Summary (%)	
Portfolio Return	5.17%
Benchmark Return	4.55%
Active Return	0.62% (0.77% w/o FF)
Active Risk	4.65% (3.13% w/o FF)

Active Return Attribution Summary (%)	
Active Return	0.62%
Allocation	1.26%
Selection	-0.64%

Portfolio Characteristics	Portfolio	Benchmark
Dividend Yield	3.36%	3.44%
Price/Book	1.89x	1.84x
Price/Earnings (trailing)	11.78x	12.91x
Debt/Equity	148.27%	149.08%
Return on Equity	13.36%	12.43%
# of Holdings	38	235

(1) Ending Value as of Mar. 31, 2023  
 (2) Performance Benchmark: iShares Core S&P/TSX Capped Composite Index ETF  
 (3) Performance Period: Dec 31, 2022 to Mar 31, 2023

# Canadian Equity – Benefitted from Energy Divestment

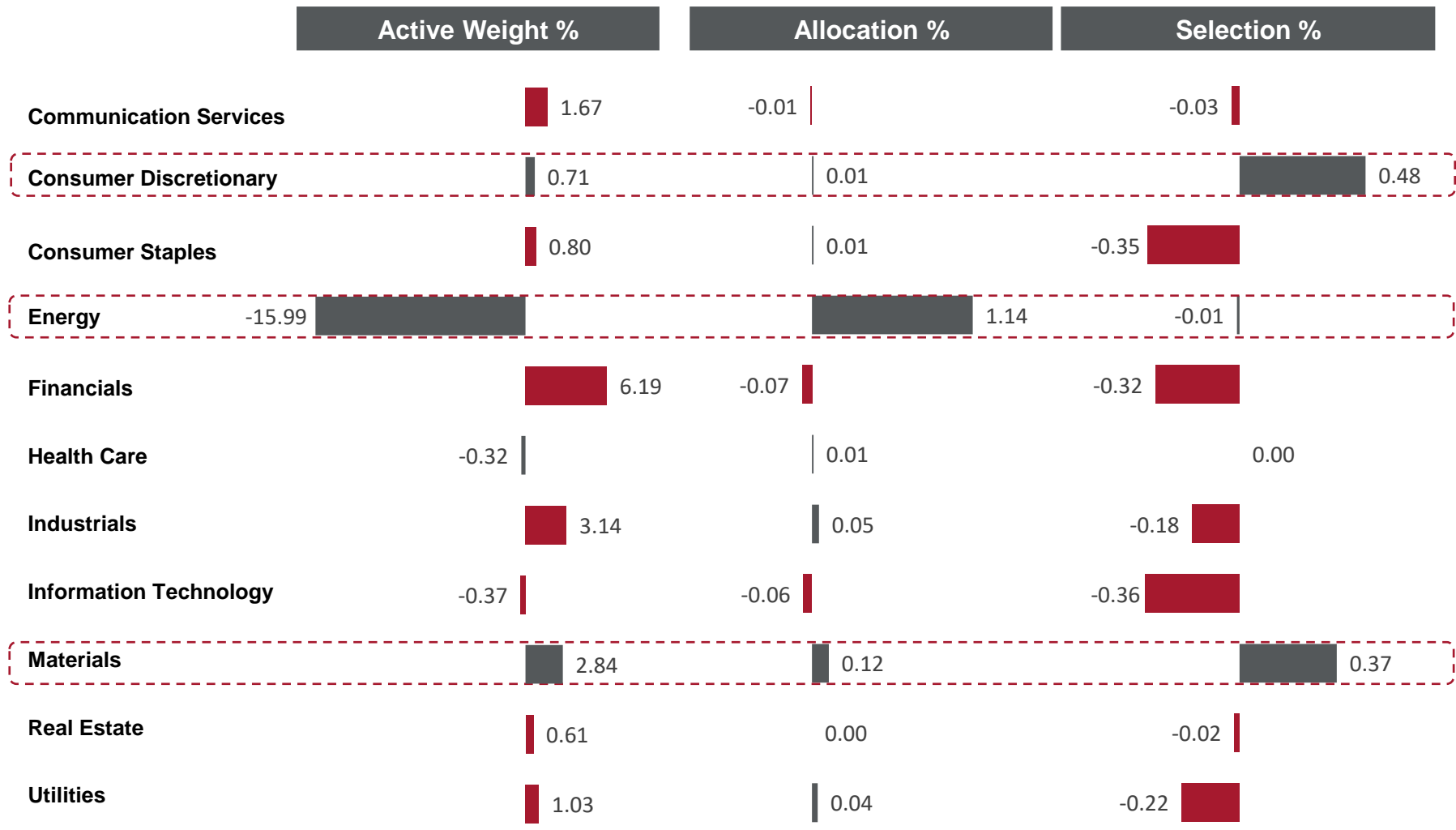


Figure is for the period Dec 31, 2022 to Mar. 31, 2023  
 Benchmark: iShares Core S&P/TSX Capped Composite Index ETF

# Canadian Equity – Selection Breakdown

	Overweight	Underweight
Outperformed	<p><b>Wheaton Precious Metals (+78 bps)</b>                      Canadian Tire (+58bps)                      Thomson Reuters (+58bps)                      GoEasy Ltd (+31bps)                      Sandstorm Gold (+28bps)</p>	<p><b>Shopify Inc* (-63bps)</b>                      Alimentation Couche-Tard Inc* (-23bps)</p> <p><i>*held through ETF</i></p>
Underperformed	<p><b>Northland Power Inc (-8bps)</b>                      Canadian National Railway (-1bps)                      Metro Inc (-1bps)</p>	<p><b>Magna International Inc* (2bps)</b>                      Capital Power Corp* (1bps)</p> <p><i>*held through ETF</i></p>

The value shown in square brackets is the contribution to active return of the stock for the period covering Dec 31,2023 to Mar 31, 2023

# 2023 Investment Strategy vs Q1 Decisions & Q2 Progress/Plan

Industry	Outlook	Q1 Decisions	Q2 Progress/Plan
Communication Services	Positive	Bought more Telus Corporation.	Hold positions.
Consumer Discretionary	Neutral	-	Review existing holding; Look for undervalued stock.
Consumer Staples	Positive	-	Bought Premium Brand Holdings.
Financials	Negative	Sold goEasy Ltd.	Bought Great West Lifeco Insurance.
Industrials	Neutral	-	Buy Waste Connections or GFL Environmental.
Information Technology	Neutral	-	Continue looking for a potential stock.
Materials	Neutral	Bought more CCL Industries.	Review our Gold stocks.
Real Estate	Negative	-	Sell one underperforming REIT.
Utilities	Positive	Bought more Northland Power Inc.	Hold positions.
ETFs	Neutral/Negative		Sold: 1) iShares S&P/TSX Capped IT 2) iShares S&P/TSX Completion  Sell iShares Core S&P/TSX Capped.

With 16% underweight on Energy, we plan to continue keeping similar exposure even for sectors with a negative outlook to remain within the risk budget.

# Canadian Fixed Income

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# Canadian Fixed Income Overperformed by 31 bps

Ending Value<sup>(1)</sup>

\$ 5,838,696

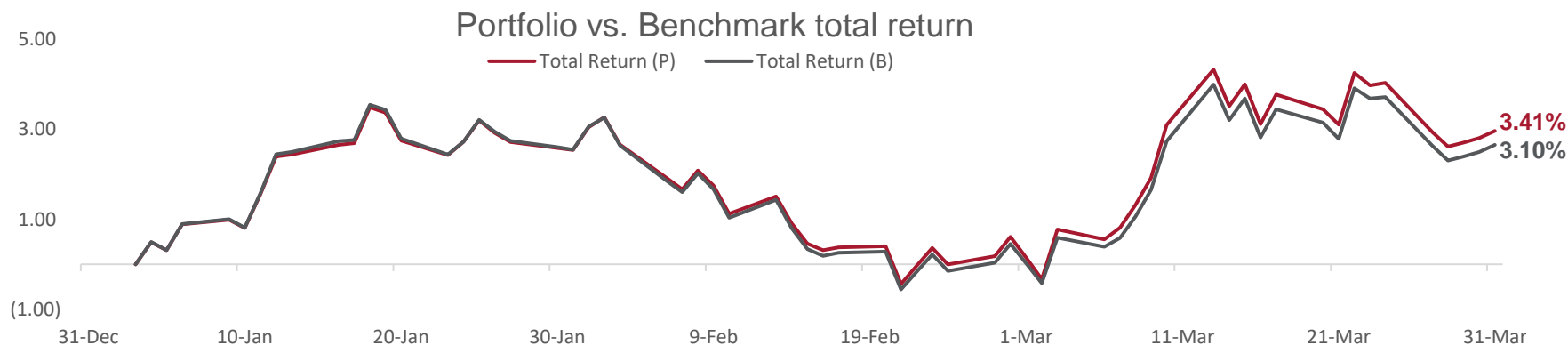
Active Return

0.31%

Tracking Error

0.33%

## Portfolio vs. Benchmark Total Return<sup>(2)</sup>



## Active Return Attribution Summary (%)

	Portfolio	Benchmark	Return
Income	0.78	0.74	0.04
Yield curve	4.81	4.86	(0.04)
Spread	(2.46)	(2.50)	0.04
Selection	0.28	-	0.28
<b>Total</b>	<b>3.41</b>	<b>3.10</b>	<b>0.31</b>

(1) Performance Period: Dec 31, 2022 to Mar 31, 2023

# From underweight duration to overweight duration

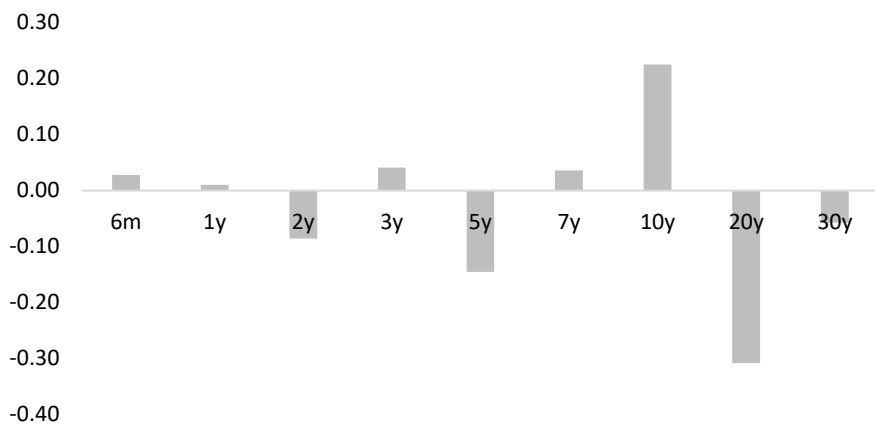
## Portfolio Positioning:

- Overweight in overall duration
- Overweight Credit
  - Overweigh Treasury duration
  - Underweight Corporate and Provincials duration

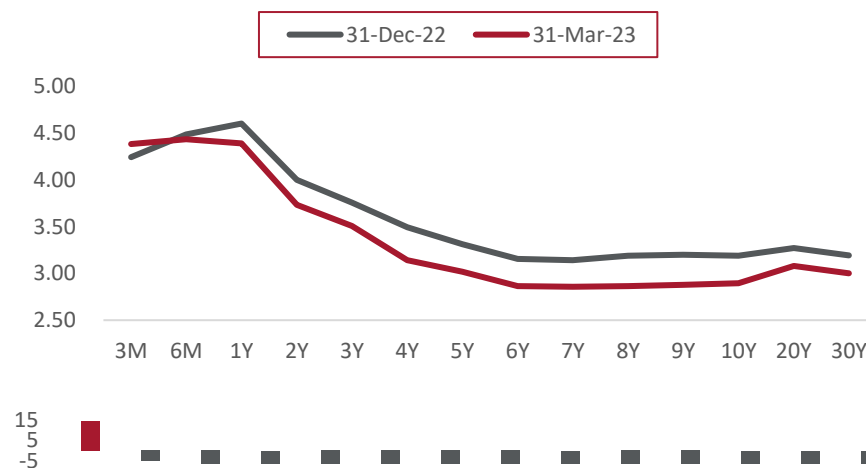
## Duration

	31-Dec-2022	31-Mar-2023
Portfolio	7.06	7.46
Benchmark	7.30	7.32
<b>Difference</b>	<b>(0.24)</b>	<b>0.14</b>

## Key Rate Duration (Portfolio–Benchmark)



## Yield Curve Change





## Portfolio Strategy

- Decrease the underweight of fixed income
- Maintain overweight in Duration
- Maintain overweight in Credit



## Speculations

- Canada's inflation shows signs of a slowdown, but the employment market is still tight.
- BoC is unlikely to increase the policy rate further.
- High-interest rates and inflation raise the chance of recession.

# ESG Update

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# Fossil-Free Goal: Exposure Cut via Five ETF Sales

## Global Equities

A

**Portfolio**  
6.86

- Through the strategic sale of three ETFs, we have effectively reduced our **exposure to fossil fuels from 1.82%** at the close of December 2022 **to 1.04%**.

A

**Benchmark**  
6.81

- Total carbon emissions (Scope 1 and 2) have remained constant at 48.1, the same level as at the end of Q1 2022.

## Canadian Equities

AA

**Portfolio**  
7.27

- By selling two ETFs, we managed to decrease our **fossil fuel exposure from 1.35%** as of the end of December 2022 **to 0.95%**.

AA

**Benchmark**  
7.18

- Total **carbon emissions**, covering both Scope 1 and Scope 2, have seen a significant decrease, **falling from 116.2** at the end of Q1 2022 **to 63** at the end of Q1 2023.

Source: MSCI ESG Manager

# Proxy Votes: Championing Equity and Fair Pay

In the first quarter of 2023, we cast our votes on nine different companies

Company Name	Asset Class	Industry	Vote Deadline
Costco Wholesale Corp	US	Consumer Staples	January 18
Metro Inc	Canadian	Consumer Staples	January 19
CGI Inc	Canadian	Information Technology	January 30
Emerson Electric Co	US	Industrials	February 6
Apple Inc	US	Information Technology	March 9
Bank of Nova Scotia	Canadian	Financials	March 30
Royal Bank of Canada	Canadian	Financials	March 31
Canadian Imperial Bank of Commerce	Canadian	Financials	March 31
Walt Disney	US	Communication Services	March 31

## Selected proxy votes

Proposal	Vote	Rationale	Company
Publicly disclose the CEO compensation to median worker pay ratio on an annual basis	FOR	This disclosure implementation is anticipated to enhance corporate transparency and accountability in compensation practices	Canadian Imperial Bank of Commerce
Preparation of a report to address racial disparities and equity issues	FOR	CGI should heighten transparency around its diversity, equity, and inclusion (DEI) initiatives, enabling investors to appraise effectiveness and ensure accountability.	CGI Inc
Reporting of racial and gender pay gaps	FOR	Persistent pay disparities across race and gender present significant risks. Reporting median pay gaps can reveal how Apple values employees, providing a comprehensible, comparable measure of progress over time.	Apple Inc

Source: MSCI ESG Manager

# Tailoring ESG Factors: An Industry-Specific Approach

- **Initiative:** The ESG team has identified the major ESG risks affecting each industry and sought potential ESG factors from the MSCI ESG Manager.
- **Purpose:** This is to establish more appropriate ESG factors that accurately reflect the major ESG risks specific to each industry.
- **Limitation:** While we identified many beneficial factors suited for specific industries, missing score data for numerous companies in our Canadian and Global equity benchmark portfolios posed a challenge, often necessitating alternative ESG factors.

Original ESG factors used

Factor	Environment		Social	Governance
	Carbon Emissions	Carbon Intensity	% of Women on Board	Independent Directors

Revised ESG factors

	Environment				Social							Governance		
	Opportunities in Green Building	Opportunities in Renewable Energy	Carbon Emissions	Toxic Emission Waste	Health and Safety	Privacy Data Security	Human Capital Development	Toxic emissions and waste	Opportunities in Nutrition and Health	Privacy of Data	Labor management	Governance Pillar Score	Business Ethics	Anti-competitive Practices
Financials						✓	✓					✓		
Real Estate	✓						✓					✓		
Telecommunications						✓							✓	
IT											✓		✓	
Energy			✓					✓						
Consumer Staples			✓						✓	✓				✓
Consumer Discretionary			✓				✓			✓	✓		✓	
Healthcare			✓				✓			✓	✓		✓	
Utilities		✓		✓			✓					✓		
Mining				✓	✓							✓		
Industrials			✓								✓	✓		

# Initiatives for Advancement in Q2

- **Updating of Proxy Voting Guidelines**

This initiative will be launched this quarter in cooperation with BEAM

- **Exploring Methods for Improved ESG Integration into our Investment Process**

The team will engage with other professionals in the ESG field to understand how they incorporate ESG considerations into their investment processes. From these insights, we aim to discern the most effective methods of integrating these strategies into our fund.

Source: MSCI ESG Manager

# Risk Management

**Zhili Wang**

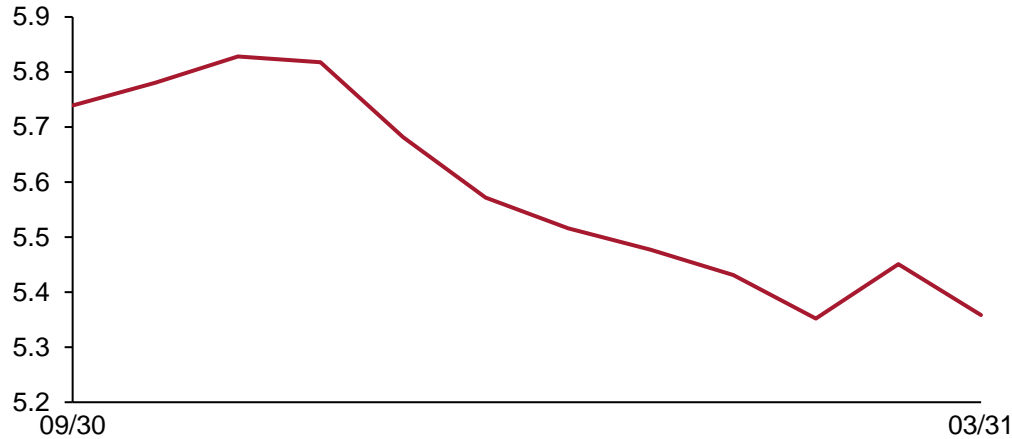
Zhili\_wang\_2 @sfu.ca

**Cedric Ho**

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# Canadian Equity: Active risk decreased from 5.57 to 5.36 in 2023 Q1, with 61% of active risk came from Energy Sector

## Active Risk 2022 Q4 – 2023 Q1



## 95% Weekly VaR

	VaR
Portfolio	2.87%
Benchmark	3.38%

## Top 3 Contribution to Active Risk

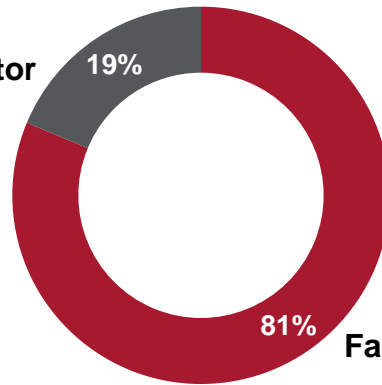
	Active Risk	Contribution %	Sortino Ratio
Energy	4.18	60.93	0.18
Information Technology	1.79	19.19	0.46
Materials	1.48	11.06	0.13

## MAC 3 Model Risk Decomposition

### Top 5 Contribution to Active Risk

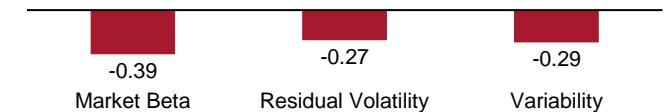


Non-Factor

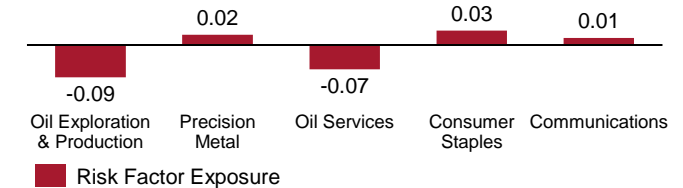


Factor

### Style Factor Contribution: 54.48%



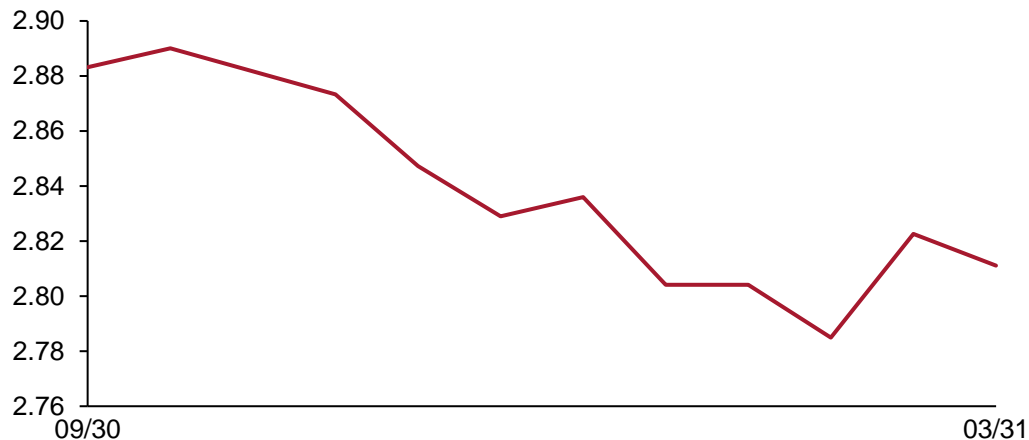
### Industry Factor Contribution: 27.34%





# Global Equity: After selling out three ETFs, active risk remained fluctuating around 2.80 in 2023 Q1

## Active Risk 2022 Q4 – 2023 Q1



## 95% Weekly VaR

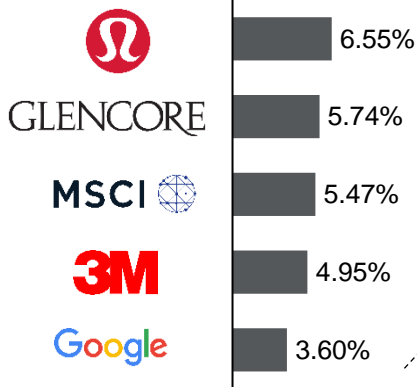
	VaR
Portfolio	3.38%
Benchmark	3.27%

## Top 3 Contribution to Active Risk

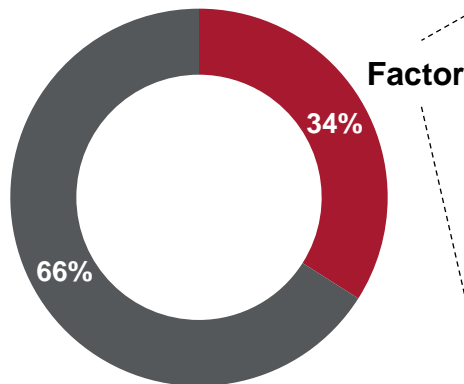
	Active Risk	Contribution %	Sortino Ratio
Consumer Discretionary	1.16	20.30	-0.10
Financials	1.26	19.64	0.01
Communication Services	1.22	17.11	-0.41

## MAC 3 Model Risk Decomposition

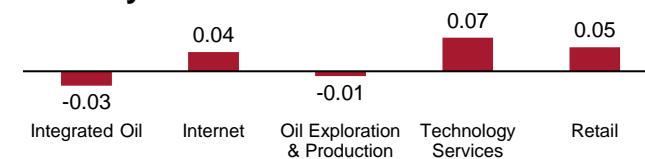
### Top 5 Contribution to Active Risk



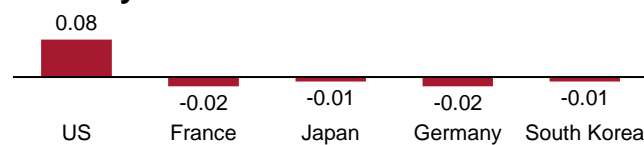
Non-Factor



### Industry Factor Contribution: 16.41%



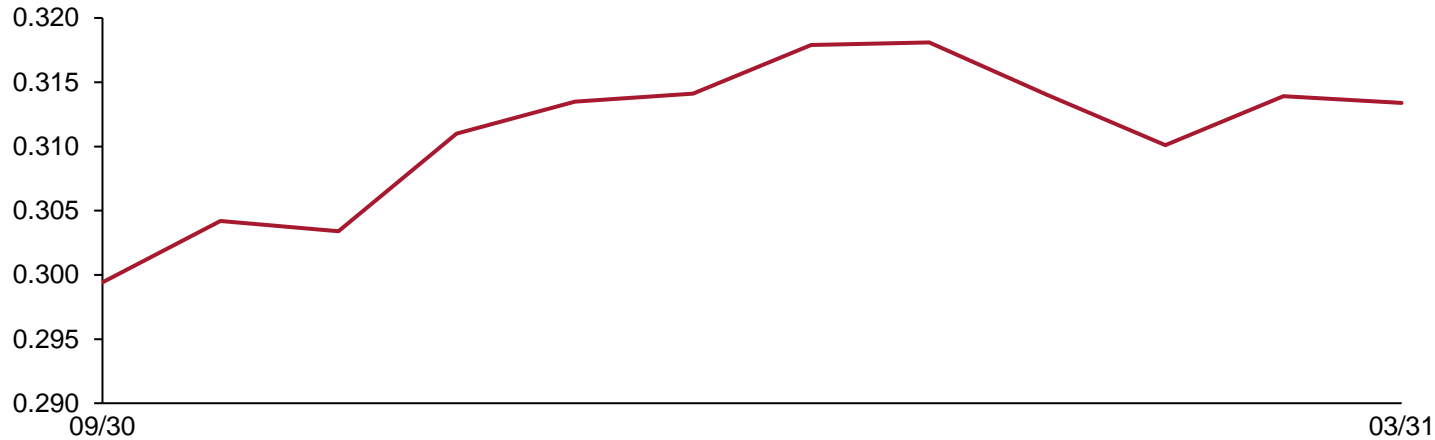
### Country Factor Contribution: 7.54%



Risk Factor Exposure

# Fixed Income: The portfolio has higher interest rate risk than the benchmark

## Active Risk 2022 Q4 – 2023 Q1



### 95% Weekly VaR:

	VaR
Portfolio	1.71%
Benchmark	1.68%

### Option-Adjusted Duration:

	OAD
Portfolio	7.46
Benchmark	7.32



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## Upcoming Performance Reviews

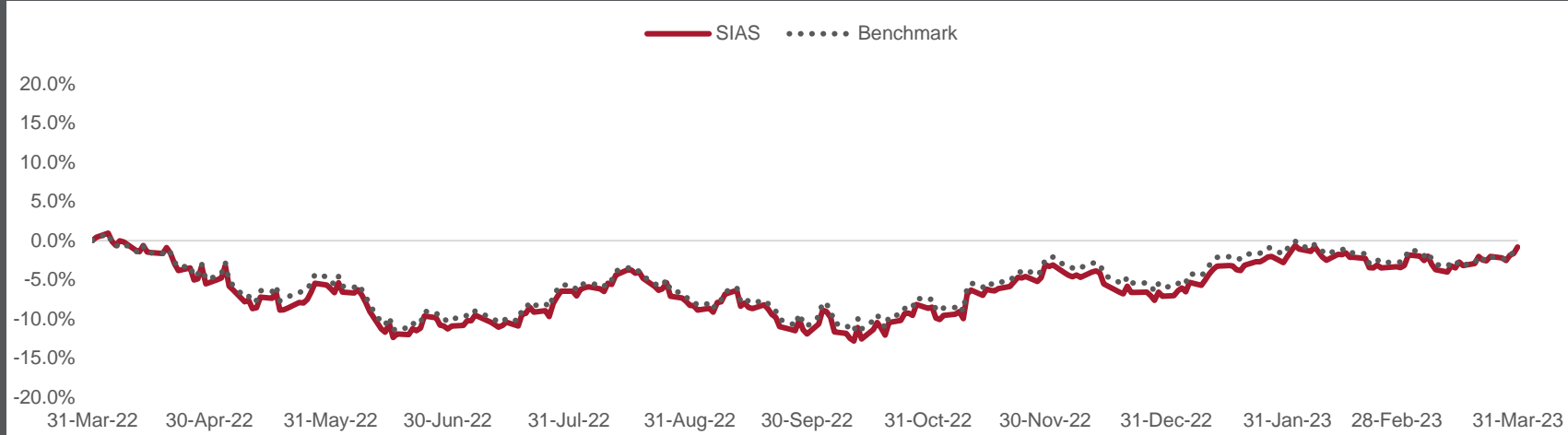
➤ Q2 2023: August 17, 2023

# Appendix: Fund Performance

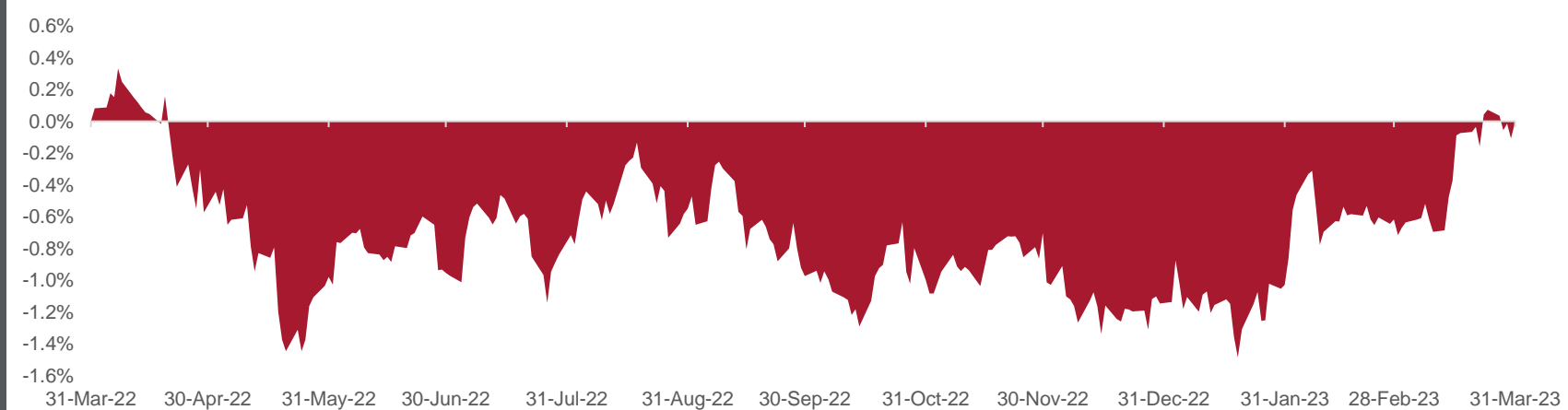
# Year To Date: SIAS Outperformed by 1.18%

Data: Year to Date Ending March 31, 2023

### SIAS Cumulative Return vs. Benchmark



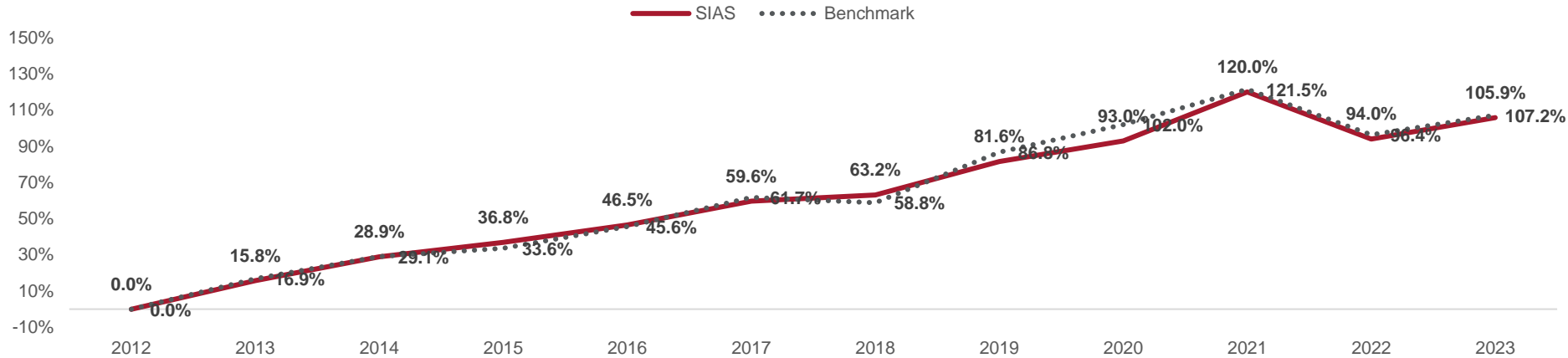
### Percentage Difference



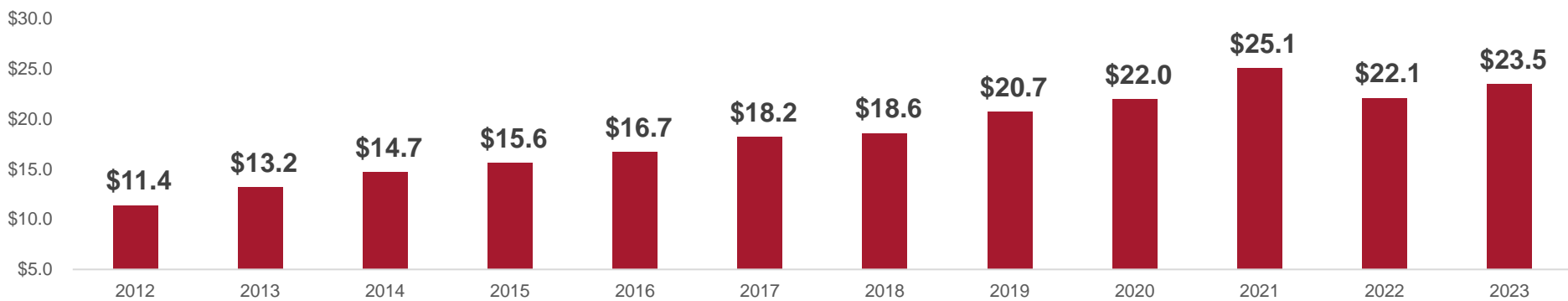
# 10-Year Cumulative: SIAS Underperformed by 1.34% (Annualized)

Based on Year-End Values

## 10-Year Cumulative Return



## Year End Market Value (in millions)



\* Units of figures presented are in \$CAD millions. 2023 data as of March 31, 2023.

# Appendix: Global Equity

# Portfolio Holdings – Global Equity (1/3)

As of March 31, 2023

Name	% of Total	Market Value (\$)	Price (\$)
<b>Communication Services</b>			
ALPHABET INC-CL A	3.97	460,507	103.73
META PLATFORMS INC-CLASS A	2.43	281,697	211.94
VERIZON COMMUNICATIONS INC	0.85	98,748	38.89
WALT DISNEY CO/THE	1.80	209,523	100.13
<b>Consumer Discretionary</b>			
AMAZON.COM INC	3.15	366,284	103.29
HOME DEPOT INC	2.51	291,994	295.12
LULULEMON ATHLETICA INC	2.36	273,577	364.19
TESLA INC	1.14	132,255	207.46
<b>Consumer Staples</b>			
	8.85	1,027,618	
COSTCO WHOLESALE CORP	2.51	291,198	496.87
NESTLE SA-SPONS ADR	3.40	395,298	121.69
PROCTER & GAMBLE CO/THE	2.94	341,122	148.69
<b>Financials</b>			
	12.86	1,492,747	
BANK OF AMERICA CORP	2.21	256,687	28.60
JPMORGAN CHASE & CO	2.90	336,170	130.31
MSCI INC	3.28	381,043	559.69
PAYPAL HOLDINGS INC	1.16	134,956	75.94
VISA INC-CLASS A SHARES	3.31	383,891	225.46



# Portfolio Holdings – Global Equity (2/3)

As of March 31, 2023

Name	% of Total	Market Value (\$)	Price (\$)
<b>Health Care</b>			
ABBVIE INC	2.23	259,496	159.37
GSK PLC-SPON ADR	2.00	232,167	35.58
PFIZER INC	0.84	97,137	40.80
SANOFI-ADR	2.92	338,824	54.42
<b>Industrials</b>			
3M CO	3.63	421,108	105.11
EMERSON ELECTRIC CO	2.20	255,349	87.14
<b>Information Technology</b>			
ADOBE INC	1.35	156,479	385.37
ADVANCED MICRO DEVICES	1.49	173,382	98.01
APPLE INC	5.47	635,205	164.90
INFOSYS LTD-SP ADR	0.61	70,815	17.44
MICROSOFT CORP	3.80	441,332	288.30
TAIWAN SEMICONDUCTOR-SP ADR	1.56	181,048	93.02

# Portfolio Holdings – Global Equity (3/3)

As of March 31, 2023

Name	% of Total	Market Value (\$)	Price (\$)
<b>Materials</b>			
GLENCORE PLC -UNSP ADR	2.67	309,681	11.44
INTL FLAVORS & FRAGRANCES	1.84	213,462	91.96
<b>Real Estate</b>			
VICI PROPERTIES INC	1.54	178,591	32.62
<b>ETFs</b>			
ISHARES ESG MSCI EM LEADERS	6.96	808,025	45.53
ISHARES MSCI AUSTRALIA ETF	4.02	467,323	22.94
ISHARES MSCI CHINA ETF	1.94	225,267	49.89
ISHARES MSCI DENMARK ETF	1.56	180,630	106.00
ISHARES MSCI JAPAN ETF	4.20	487,425	58.69
ISHARES MSCI SWEDEN ETF	1.41	163,552	35.54
ISHARES MSCI SWITZERLAND ETF	2.32	269,960	45.32
ISHARES MSCI WORLD ETF	3.54	410,589	117.67

# Appendix: Canadian Equity

# Portfolio Holdings – Canadian Equities (1/2)

As of March 31<sup>st</sup> 2023

Name	% Of Total	Market Value(\$)	Price(\$)
<b>Communication Services</b>			
BCE INC	3.97	189,732	60.54
TELUS CORP	2.58	123,418	26.83
<b>Consumer Discretionary</b>			
CANADIAN TIRE CORP-CLASS A	2.95	141,096	176.37
DOLLARAMA INC	1.35	64,616	80.77
<b>Consumer Staples</b>			
EMPIRE CO LTD 'A'	1.38	65,757	36.23
METRO INC/CN	3.34	159,682	74.34
PREMIUM BRANDS HOLDINGS CORP	1.96	93,491	99.99
<b>Financials</b>			
BANK OF MONTREAL	3.35	160,226	120.38
BANK OF NOVA SCOTIA	1.42	68,070	68.07
BROOKFIELD CORP	2.12	101,269	44.03
CAN IMPERIAL BK OF COMMERCE	1.38	65,906	57.31
CI FINANCIAL CORP	1.40	66,776	12.78
GREAT-WEST LIFE CO INC	1.30	62,148	35.82
IGM FINANCIAL INC	0.58	27,869	40.39
MANULIFE FINANCIAL CORP	3.51	167,648	24.80
ROYAL BANK OF CANADA	7.48	357,635	129.25
SUN LIFE FINANCIAL INC	4.56	217,833	80.95
TORONTO-DOMINION BANK	6.04	288,587	80.95
<b>Industrials</b>			
CANADIAN NATL RAILWAY CO	6.67	318,940	159.47
CANADIAN PACIFIC KANSAS CITY	3.73	178,168	104.07
THOMSON REUTERS CORP	5.24	250,572	175.84
<b>Information Technology</b>			
CGI INC	3.13	149,788	130.25
OPEN TEXT CORP	1.40	66,987	52.13

# Portfolio Holdings – Canadian Equities (1/2)

As of Mar 31<sup>st</sup> 2023

Name	% Of Total	Market Value(\$)	Price(\$)
<b>Materials</b>			
AGNICO EAGLE MINES LTD	1.92	91,637	68.90
BARRICK GOLD CORP	0.89	42,653	25.09
CCL INDUSTRIES INC - CL B	2.79	133,273	67.14
NUTRIEN LTD	1.41	67,472	99.81
SANDSTORM GOLD LTD	2.48	118,694	7.86
TECK RESOURCES LTD-CLS B	1.19	56,752	49.35
WHEATON PRECIOUS METALS CORP	4.63	221,306	65.09
<b>Real Estate</b>			
CHOICE PROPERTIES REIT	1.40	66,792	14.52
GRANITE REAL ESTATE INVESTME	0.79	37,660	83.69
SMARTCENTRES REAL ESTATE INV	0.67	31,884	26.57
<b>Utilities</b>			
BORALEX INC -A	1.38	65,881	41.15
EMERA INC	2.40	114,926	55.52
NORTHLAND POWER INC	1.52	72,842	33.88
<b>ETF</b>			
ISHARES CORE S&P/TSX CAPPED	5.68	271,405	31.93

# Annex A: Canadian Equity Trades Q1 2023

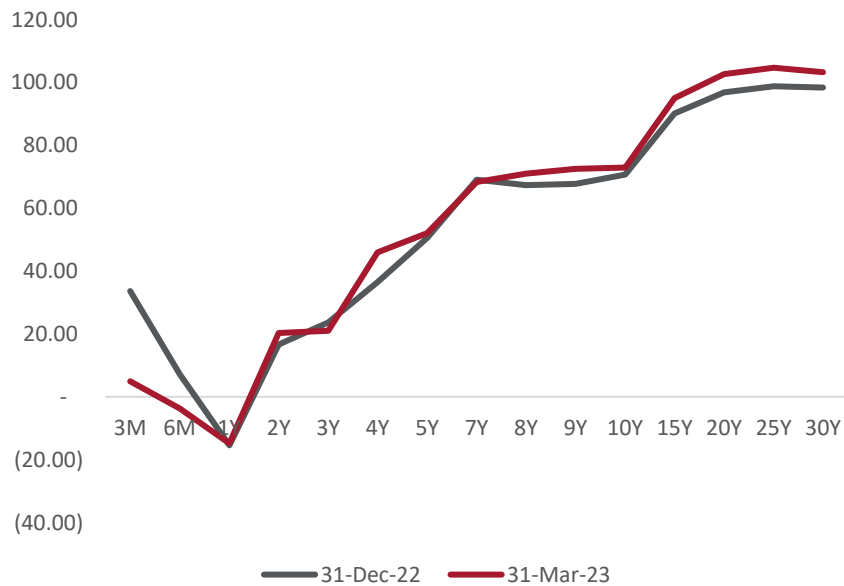
Type	Trade Date	Security Description	Quantity	Amount (C\$)	Reason
Buy	02/01/2023	TELUS CORP	2,300	65,999	Rebalance
Sell	03/06/2023	GOEASY LTD	870	107,532	Poor outlook
Buy	03/06/2023	NORTHLAND PWR INC	425	14,281	Good outlook
Buy	03/28/2023	CCL INDS INC	662	43,339	Good outlook
Buy	03/30/2022	PREMIUM BRANDS HLDGS CORP	935	91,867	New; Good outlook
Buy	03/30/2023	GREAT WEST LIFE CO INC NPV	1,735	61,314	New; Rebalance
Sell	03/30/2023	ISHARES S&P/TSX COMPLETION	2,880	87,333	FFF
Sell	03/30/2023	ISHARES S&P/TSX CAPPED INFORMATION	1,475	58,854	Better opportunity in active positions

# Appendix: Canadian Fixed Income

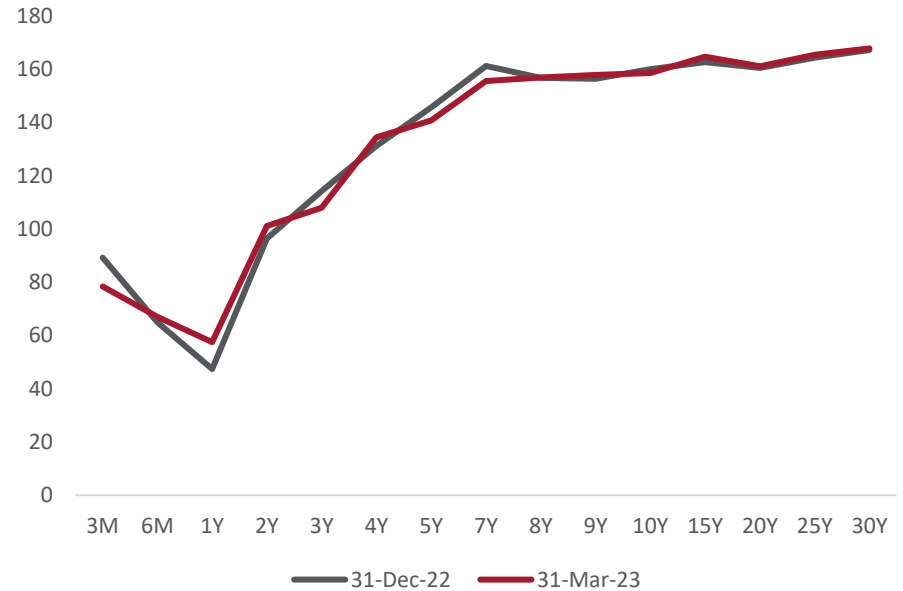
## Contribution to Active Spread Duration

	31-Dec-22	31-Mar-23
Provincial	(1.69)	(0.7)
Corporate	5.66	(5.7)

### G-spread Provincials AA- AA AA+



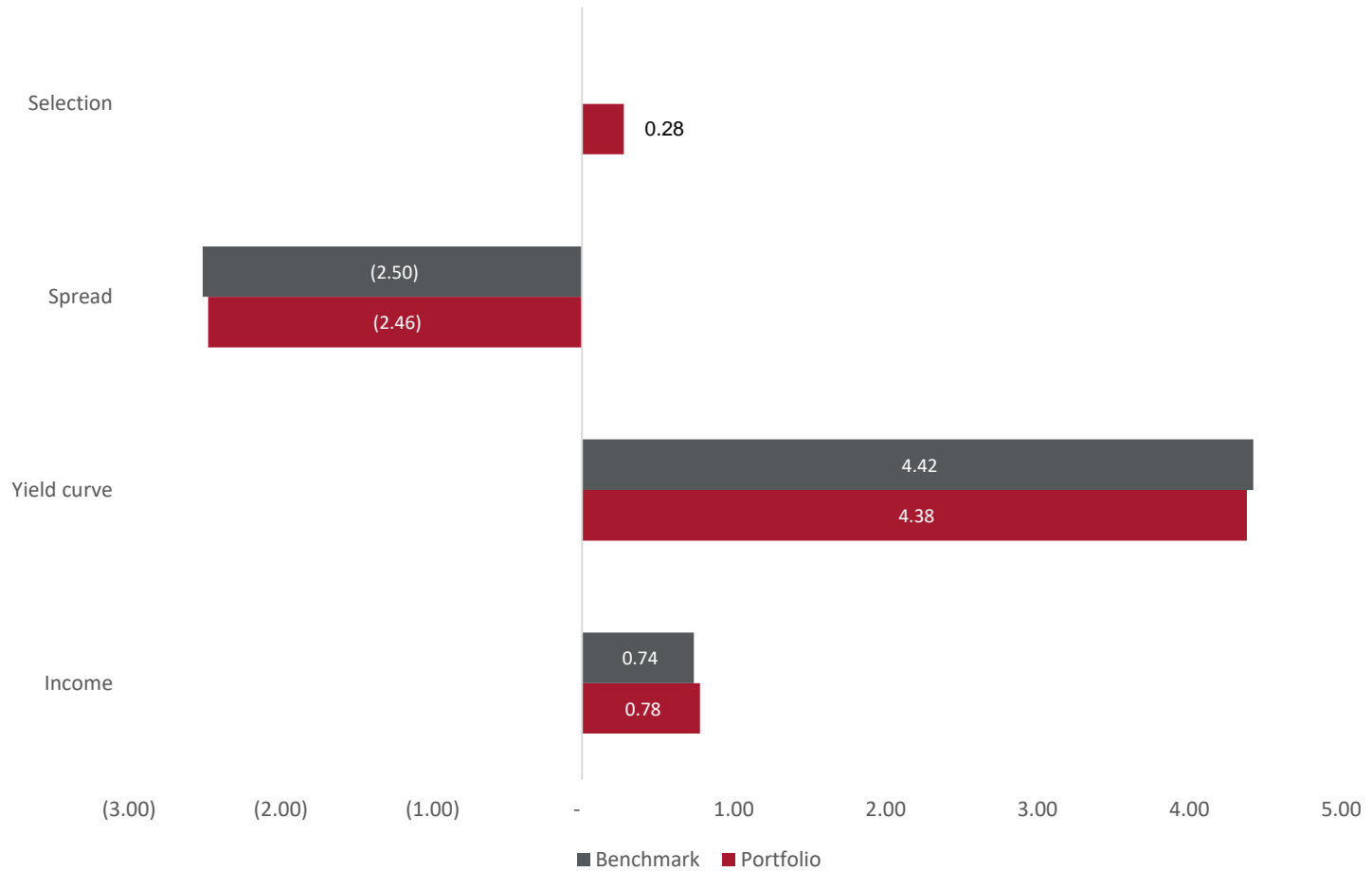
### G-spread Corporates A- A A+



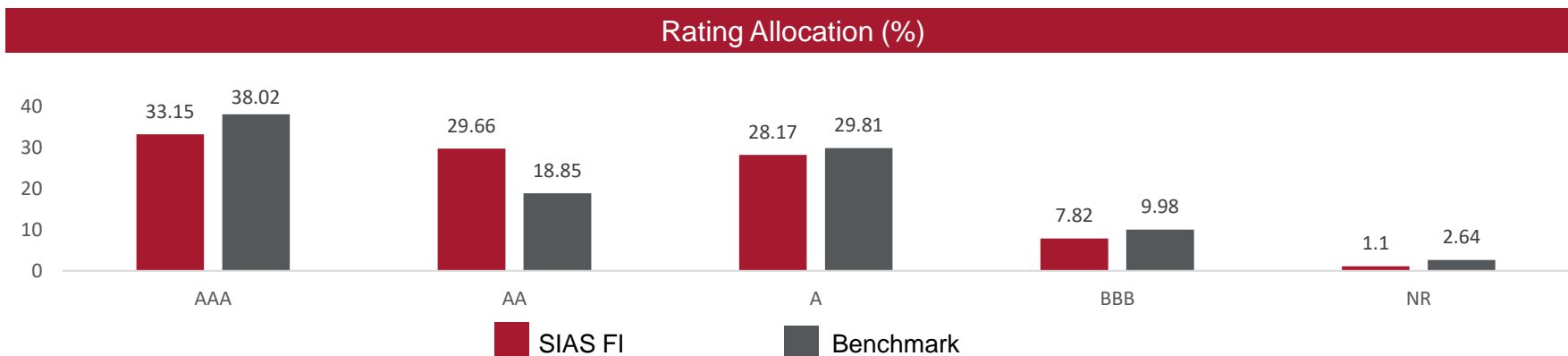
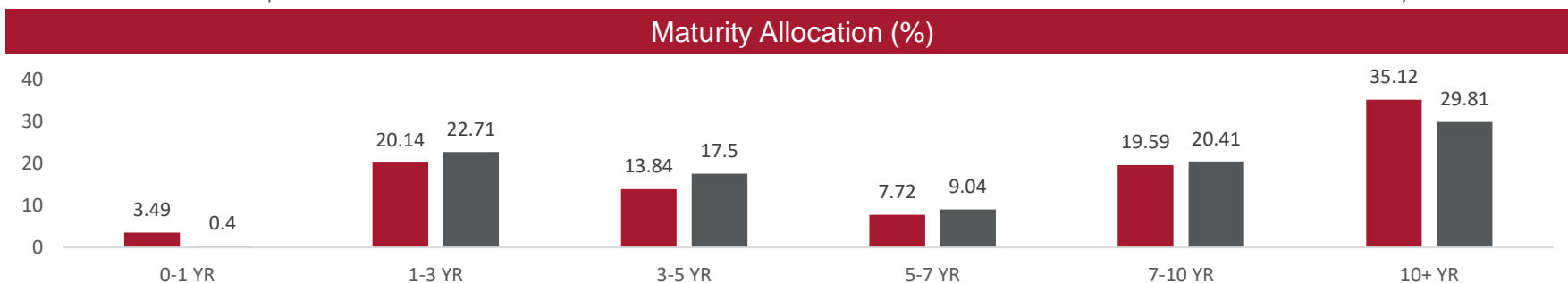
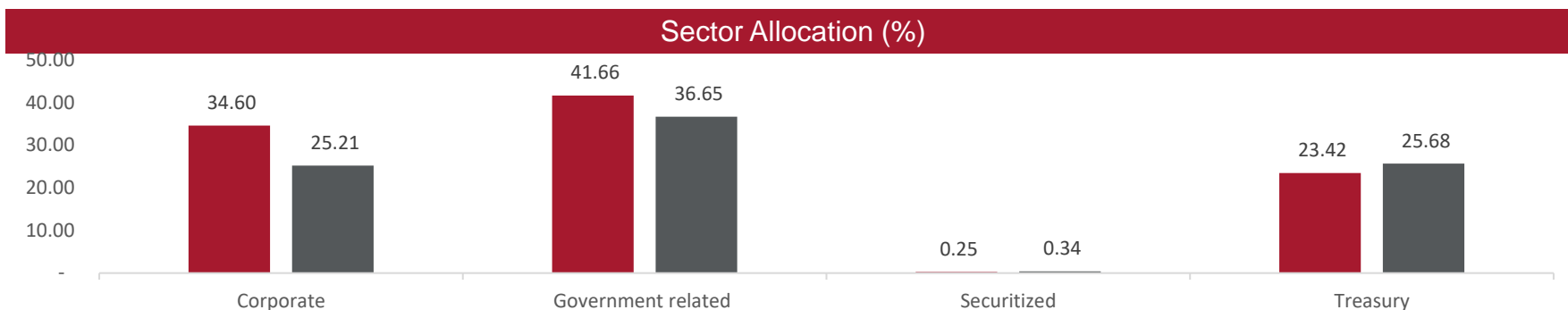


# Total Return Breakdown

Performance breakdown (in %)

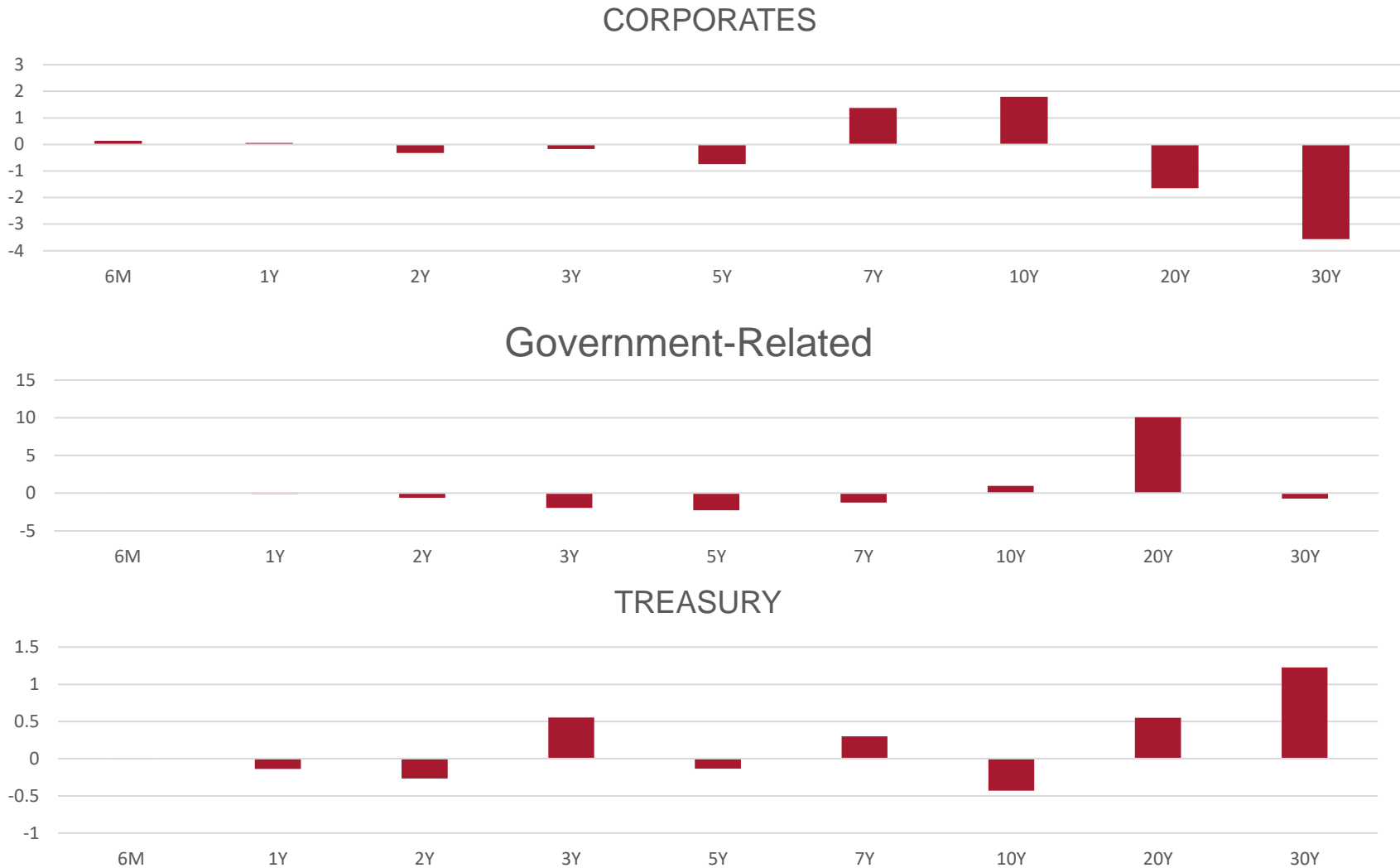


# Allocation Breakdown



# Key Rate Duration by Segments

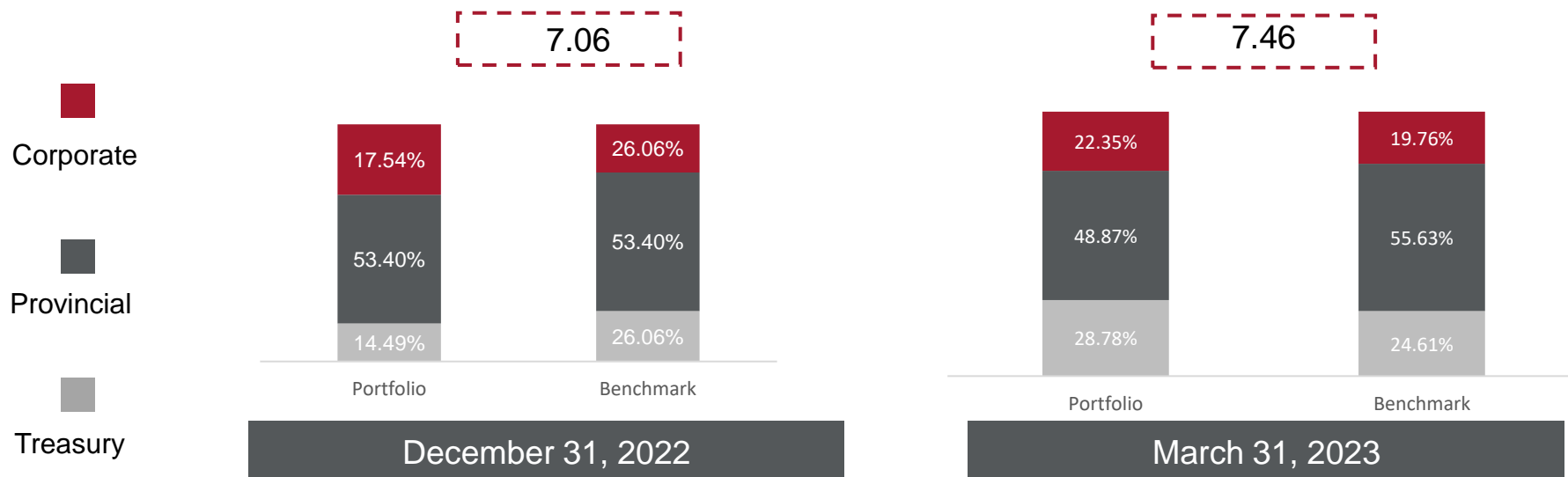
## Key Rate Duration (Portfolio – Benchmark)<sup>(1)</sup>



(1) Ending value as of March 31 ,2023

# Further Duration Analysis

## Duration Weights



## Contribution to Active Duration

December 31, 2022	
Corporate	0.06
Provincial	(0.32)
Treasury	(0.08)

March 31, 2023	
Corporate	(0.13)
Provincial	0.62
Treasury	(0.23)

# Portfolio Holdings

As of March 31<sup>st</sup>, 2023

Name	% of Total	Market value (\$)	Position	Price (\$)
<b>ETF</b>	<b>6.57</b>	<b>385,899</b>		
BMI HIQ CORP BND	6.57	385,899	14,048.00	27.47
<b>Financial Institutions</b>	<b>11.90</b>	<b>698,867</b>		
BANK OF MONTREAL	1.20	70,730	73,000.00	96.50
CAN IMPERIAL BK	1.50	88,238	97,000.00	90.75
CT REIT	1.13	66,502	82,000.00	80.55
INVESTORS GROUP	1.49	87,334	80,000.00	107.18
ROYAL BK CANADA	1.65	96,706	100,000.00	96.21
ROYAL BK CANADA	1.15	67,305	66,000.00	100.96
TORONTO DOM BANK	1.85	108,799	123,000.00	88.33
TORONTO DOM BANK	0.84	49,091	50,000.00	97.99
WELLS FARGO CO	1.09	64,163	67,000.00	94.68
<b>Industrial</b>	<b>7.31</b>	<b>429,326</b>		
407 INTL INC	1.94	113,925	100,000.00	111.98
LOBLAW CO LTD	0.36	21,315	20,000.00	105.40
PEMBINA PIPELINE	1.66	97,245	100,000.00	96.75
SAPUTO INC	1.69	99,547	100,000.00	98.53
TELUS CORP	1.66	97,294	100,000.00	95.52

# Portfolio Holdings

As of March 31<sup>st</sup>, 2023

Name	% of Total	Market value (\$)	Position	Price (\$)
<b>Local Authority</b>	<b>35.16</b>	<b>2,065,028</b>		
ALTA 1.65 06/01/31	1.61	94,747	109,000.00	86.38
ALTA 2.95 06/01/52	1.71	100,718	123,000.00	80.91
ALTA 3.4 12/01/23	0.96	56,246	56,000.00	99.31
BCMFA 2 ½ 04/19/26	0.92	53,839	55,000.00	96.77
BRCOL 5.4 06/18/35	1.98	116,344	100,000.00	114.80
BRCOL 5.7 06/18/29	3.50	205,373	180,000.00	112.47
BRCOL 6.35 06/18/31	2.07	121,551	100,000.00	119.74
MNTRL 3.15 09/01/28	1.07	62,749	64,000.00	97.78
MP 2.45 06/02/25	2.50	146,975	150,000.00	97.18
MP 6.3 03/05/31	1.01	59,442	50,000.00	118.42
NS 5.8 06/01/33	0.79	46,402	39,000.00	117.06
ONT 2.65 12/02/50	1.40	82,514	106,000.00	76.97
ONT 5.85 03/08/33	4.02	235,970	200,000.00	117.60
QHEL 2.1 02/15/60	0.70	40,941	64,000.00	63.71
SCDA 2.8 12/02/52	0.95	55,533	70,000.00	78.41
SCDA 3.2 06/03/24	3.40	199,740	200,000.00	98.83
SOUCOA 4.65 06/20/41	4.46	261,766	250,000.00	103.41
TRNT 2.9 04/29/51	1.46	85,591	109,000.00	77.30
YORKDS 5.3 06/03/25	0.66	38,589	210,000.00	100.75

# Portfolio Holdings

As of March 31<sup>st</sup>, 2023

Name	% of Total	Market value (\$)	Position	Price (\$)
<b>Treasury</b>	<b>32.06</b>	<b>1,882,871</b>		
CAN 0 ¼ 03/01/26	7.48	439,210	480,000.00	91.48
CAN 1 ¼ 03/01/27	4.76	279,510	300,000.00	93.06
CAN 1 ¼ 06/01/30	7.48	439,339	488,000.00	89.61
CAN 1 ¾ 12/01/53	4.49	263,688	350,000.00	74.76
CAN 3 ½ 12/01/45	3.67	215,701	200,000.00	106.69
CAN 5 ¼ 06/01/33	4.18	245,423	194,000.00	124.60
<b>Utility</b>	<b>3.78</b>	<b>222,275</b>		
ALTALK 5.249 09/22/36	2.01	118,079	111,000.00	106.23
BRUPOW 4 06/21/30	1.17	68,682	71,000.00	95.63

# Appendix: ESG



# ESG Factors: Financial Industry

		Social		Governance
<b>Factor</b>		<b>Privacy Data security</b>	<b>Human Capital Development</b>	<b>Governance Pillar Score</b>
<b>Weight</b>		18%	28%	54%
<b>Description</b>		Evaluate the extent to collection and handling of sensitive personal data	Evaluates companies' ability to attract, retain and develop human capital	Assess of risk and management practices related to corporate governance and corporate behavior
<b>Factor choosing reason</b>		Data breaches can have a significant impact on a firm's reputation and may result in regulatory penalties	Working environment, not investing in the well-being or development of employees could result in higher talent acquisition costs and potential retention risks	Weak corporate governance practices and business ethics programs lead to high exposure to corruption risk and business ethics-related controversies
<b>Benchmark coverage ratio</b>	<i>Global</i>	97%	100%	100%
	<i>Canadian</i>	100%	100%	100%

# ESG Factors: Real Estate Industry

		Environment	Social	Governance
<b>Factor</b>		<b>Opportunities in Green Building</b>	<b>Human Capital Development</b>	<b>Governance Pillar Score</b>
<b>Weight</b>		31%	21%	47%
<b>Description</b>		Evaluates the extent to take advantage of opportunities to develop or refurbish buildings with green building characteristics	Evaluates companies' ability to attract, retain and develop human capital	Assess of risk and management practices related to corporate governance and corporate behavior
<b>Factor choosing reason</b>		Have the exposure to growth opportunities from green building practices in new and existing properties	Working environment, not investing in the well-being or development of employees could result in higher talent acquisition costs and potential retention risks	Weak corporate governance practices and business ethics programs lead to high exposure to corruption risk and business ethics-related controversies
<b>Benchmark coverage ratio</b>	<i>Global</i>	95%	100%	100%
	<i>Canadian</i>	90%	100%	100%

# ESG Factors: Telecommunication Industry

	Social	Governance
<b>Factor</b>	<b>Privacy of data</b>	<b>Business ethics</b>
<b>Weight</b>	70%	30%
<b>Description</b>	Evaluates the extent to which there is protection of personal and sensitive information of individuals or entities from unauthorized access, use, or disclosure	Evaluates conduct of a company towards its stakeholders, including employees, clients, shareholders, and the community.
<b>Factor choosing reason</b>	Telecommunications companies are currently under scrutiny for their failure to comply with regulations concerning the protection of customer data privacy.	Human rights and ethical considerations hold significant importance in determining whether companies are adhering to regulations or not.

# ESG Factors: IT Industry

	Social	Governance
<b>Factor</b>	<b>Labor management</b>	<b>Business ethics</b>
<b>Weight</b>	50%	50%
<b>Description</b>	Evaluates the strategies and practices that companies employ to manage their workforce efficiently.	Evaluates conduct of a company towards its stakeholders, including employees, clients, shareholders, and the community.
<b>Factor choosing reason</b>	Effective labor management is a crucial factor due to the significant number of employees they hire. Given the complexity and diversity of tasks involved in IT operations, managing a large workforce is a challenging task that requires specialized skills and expertise.	Human rights and ethical considerations hold significant importance in determining whether companies are adhering to regulations or not.

# ESG Factors: Energy Industry

	Environment	Social
<b>Factor</b>	<b>Carbon emissions</b>	<b>Toxic emissions and waste</b>
<b>Weight</b>	70%	30%
<b>Description</b>	Tools and data to assess companies' carbon emissions, including their carbon intensity, emissions intensity, and exposure to climate risks. MSCI also evaluates companies' carbon management strategies, including their use of renewable energy sources, energy efficiency measures, and other emissions reduction initiatives	Tools and data to assess companies' toxic emissions and waste management practices, including their reporting on hazardous waste, compliance with environmental regulations, and implementation of pollution prevention measures.
<b>Factor choosing reason</b>	The energy sector is accountable for a considerable proportion of global greenhouse gas emissions, which have been identified as a leading contributor to climate change.	The energy sector is accountable for producing substantial levels of toxic emissions, which pose a significant threat to human health and the environment.

# ESG Factors: Consumer Staples Industry

	Environment	Social	Social	Governance
<b>Factor</b>	<b>Carbon emissions</b>	<b>Opportunities in Nutrition and Health</b>	<b>Privacy of Data</b>	<b>Anticompetitive Practices</b>
<b>Weight</b>	33%	22.5%	19.5%	25%
<b>Description</b>	Tools and data to assess companies' carbon emissions, including their carbon intensity, emissions intensity, and exposure to climate risks. MSCI also evaluates companies' carbon management strategies, including their use of renewable energy sources, energy efficiency measures, and other emissions reduction initiatives	Companies that offer products with an improved nutritional or healthier profile and have sought credible verification for its healthier status score higher on this key issue, while companies that do not offer such products to respond to new consumer demand in this area score lower on this key issue.	Evaluates the extent to which there is protection of personal and sensitive information of individuals or entities from unauthorized access, use, or disclosure	Companies that have avoided controversies in this area score higher on this key issue, while companies that have faced moderate or severe controversies over the past three years score lower.
<b>Factor choosing reason</b>	Consumer Staples industry is responsible for a significant amount of carbon emissions due to its manufacturing processes, packaging, transportation and disposal of products	Consumers are becoming increasingly health-conscious and are looking for products that are nutritious and offer health benefits	Companies in this industry often collect and store large amounts of personal data about their customers to personalize marketing campaigns and improve customer experience	Anticompetitive practices can harm consumers, limit innovation and result in legal and reputational risks.

# ESG Factors: Consumer Discretionary Industry

	Environment	Social	Social	Social	Governance
<b>Factor</b>	<b>Carbon emissions</b>	<b>Labor management</b>	<b>Human Capital Development</b>	<b>Privacy of Data</b>	<b>Business ethics</b>
<b>Weight</b>	11.25%	16.5%	16.5%	11.25%	44.5%
<b>Description</b>	Tools and data to assess companies' carbon emissions, including their carbon intensity, emissions intensity, and exposure to climate risks. MSCI also evaluates companies' carbon management strategies, including their use of renewable energy sources, energy efficiency measures, and other emissions reduction initiatives	Evaluates the strategies and practices that companies employ to manage their workforce efficiently.	Evaluates companies' ability to attract, retain and develop human capital	Evaluates the extent to which there is protection of personal and sensitive information of individuals or entities from unauthorized access, use, or disclosure	Evaluates conduct of a company towards its stakeholders, including employees, clients, shareholders, and the community.
<b>Factor choosing reason</b>	This industry is responsible for a significant amount of carbon emissions due to its manufacturing processes, packaging, transportation and disposal of products	In consumer discretionary, labor management impacts labor costs, employee experience, reputation and compliance with legal requirements	Human capital development impacts the quality of products and services, employee retention and productivity, future career advancement, and social responsibility	Companies in this industry often collect and store large amounts of personal data about their customers to personalize marketing campaigns and improve customer experience	It impacts reputation, consumer loyalty, employee morale, legal compliance, and social responsibility

# ESG Factors: Healthcare Industry

	Environment	Social	Social	Social	Governance
<b>Factor</b>	<b>Carbon emissions</b>	<b>Labor management</b>	<b>Human Capital Development</b>	<b>Privacy of Data</b>	<b>Business ethics</b>
<b>Weight</b>	9.33%	23%	20.33%	13.67%	33.67%
<b>Description</b>	Tools and data to assess companies' carbon emissions, including their carbon intensity, emissions intensity, and exposure to climate risks. MSCI also evaluates companies' carbon management strategies, including their use of renewable energy sources, energy efficiency measures, and other emissions reduction initiatives	Evaluates the strategies and practices that companies employ to manage their workforce efficiently.	Evaluates companies' ability to attract, retain and develop human capital	Evaluates the extent to which there is protection of personal and sensitive information of individuals or entities from unauthorized access, use, or disclosure	Evaluates conduct of a company towards its stakeholders, including employees, clients, shareholders, and the community.
<b>Factor choosing reason</b>	This factor impacts public health, sustainability, operational efficiency, regulatory compliance and reputation	It impacts cost control, legal compliance, employee satisfaction, workforce shortages, access to care and quality of care	It impacts the quality of patient care, workforce shortages, access to care, employee engagement and health equity.	It impacts confidentiality, legal compliance, prevention of healthcare fraud and abuse, patient data analysis, and protection of the healthcare industry as a whole	In healthcare, business ethics impacts patient health and safety, patient outcomes, legal compliance, sustainability, and the reputation of the companies



# ESG Factors: Utilities Industry

	Environment	Environment	Social	Governance
<b>Factor</b>	<b>Toxic Emission Waste</b>	<b>Opportunities in Renewable Energy</b>	<b>Human Capital Development</b>	<b>Governance Pillar Score</b>
<b>Weight</b>	30%	20%	20%	30%
<b>Description</b>	Evaluates the companies' performance (emissions intensity and trend), strategies and goals to mitigate toxic pollutant emissions and hazardous releases.	Evaluates the share of renewable energy in companies' current generation portfolio.	Evaluates the companies' ability to attract, retain and develop human capital	Assess of risk and management practices related to corporate governance and corporate behavior
<b>Factor choosing reason</b>	Release of toxic emissions, hazardous waste or pollution damaging health or property could lead to litigation or increased costs to comply with tighter pollution standards.	Companies with a higher proportion of their business dedicated to power generation or in geographies with more generous subsidy regimes are expected to be better placed to take advantage of the growth in renewables.	Companies' not investing in the well-being or development of employees could result in higher talent acquisition costs and potential retention risks and operational disruptions due to workforce unrest.	Weak corporate governance practices and business ethics programs lead to high exposure to corruption risk and business ethics-related controversies

# ESG Factors: Mining Industry

	Environment	Social	Governance
<b>Factor</b>	<b>Toxic Emission Waste</b>	<b>Health and Safety</b>	<b>Governance Pillar Score</b>
<b>Weight</b>	40%	35%	25%
<b>Description</b>	Evaluates companies' risk exposure, toxicity, and carcinogenic potential & intensity of emissions (sulfuric oxides, nitrous oxides) and hazardous waste & the companies' policies, programs to reduce or prevent them	Evaluates companies' assessment of overall safety records (based on disclosed metrics, regulatory filings, or news reports) with strategies, goals, management systems, and improvement programs to manage and mitigate health and safety risks.	Assess of risk and management practices related to corporate governance and corporate behavior
<b>Factor choosing reason</b>	Metal mining and refining have high risks of pollution and contamination. Massive spills, tailings breaches, leaks, acid mine drainage, and heavy air emissions are all risks due to the volumes of waste and inherent properties. Failures can have long-term consequences.	Mining is a hazardous activity with high rates of worker fatalities and injuries. Causes of incidents include explosions, fires, rock falls, entrapment, landslides, and equipment-related accidents. Occupational diseases such as silicosis or noise induced hearing loss are also prevalent. H&S incidents can lead to disruptions, liabilities, and poor labor relations.	Weak corporate governance practices and business ethics programs lead to high exposure to corruption risk and business ethics-related controversies

# ESG Factors: Industrials Industry

	Environment	Social	Governance
<b>Factor</b>	<b>Carbon Emission Waste</b>	<b>Labor Management</b>	<b>Governance Pillar Score</b>
<b>Weight</b>	40%	30%	30%
<b>Description</b>	Tools and data to assess companies' carbon emissions, including their carbon intensity, emissions intensity, and exposure to climate risks. MSCI also evaluates companies' carbon management strategies, including their use of renewable energy sources, energy efficiency measures, and other emissions reduction initiatives.	Evaluates companies' management of workforce wrt employee benefits, collective, bargaining, representation, employee training and development, and implication in work-force related controversies such as strikes and labor disruptions.	Assess of risk and management practices related to corporate governance and corporate behavior
<b>Factor choosing reason</b>	<p>Measuring this factor could show whether the company is adapting and innovating to</p> <ul style="list-style-type: none"> <li>• Reduce the emissions intensity of core operations</li> <li>• Having targets for reducing GHG emissions from direct company operations</li> </ul>	The large workforce and diversified business lines of industrial conglomerates can present increased labor management complexities.	Weak corporate governance practices and business ethics programs lead to high exposure to corruption risk and business ethics-related controversies