

Investment Strategy and Objectives

The Outcome Wealth Management Global Tactical Asset Allocation strategy manages portfolios comprised of large, liquid ETFs. The strategy is designed to provide efficient global diversification, offer better protection in bear markets, and deliver higher long-term returns.

Monthly Results:

GTAA (CAD-based accounts)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017					1.7%	-0.1%	1.9%	0.1%	0.5%	1.6%	0.5%	1.3%	7.7%
2018	1.3%	-2.7%	-0.3%	-0.2%	0.6%	0.8%	0.9%	0.9%	-1.1%	-1.7%	0.2%	1.6%	0.2%
2019	0.0%	0.7%	1.4%	1.5%	-2.9%	0.7%	-0.2%	3.7%	0.4%	0.6%	0.7%		6.7%

GTAA (USD-based accounts)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017								1.3%	0.9%	1.1%	0.5%	1.4%	5.4%
2018	2.0%	-3.4%	-0.2%	-0.1%	0.4%	0.6%	1.0%	0.7%	-0.4%	-2.0%	-0.1%	0.9%	-0.8%
2019	1.1%	0.3%	1.6%	1.5%	-2.9%	1.3%	-0.2%	2.9%	0.6%	1.1%	0.7%		8.2%

Portfolio Allocation

In November, the GTAA strategy had a 50% exposure to stocks, which was equally divided between the U.S., Japan, Canada, Europe and emerging markets. North American markets were a clear leader, with U.S. and Canadian equities each gaining about 3.6%, while European and Japanese stocks rose approx. 1.3%. Emerging market equities were a notable laggard, declining 0.1% for the month.

The additional 40% of the portfolio which was allocated to “risk-on” positions was equally spread across U.S. REITs, international REITs, U.S. preferred shares and U.S. high yield bonds. These rate-sensitive positions fared less well than their pure equity counterparts, with U.S. and international REITs declining 1.3% and 1%, respectively, U.S. preferred shares falling 0.4%, and U.S. high yield bonds gaining 0.6%.

The remaining 10% of the portfolio was allocated to “risk-off” assets and had little effect on November’s performance. Specifically, our 5% position in long-term Treasuries declined 0.4%, and our 5% exposure to short-term U.S. investment grade corporate bonds was flat.

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The OWM Enhanced Dividend Fund seeks to produce a dividend yield that is 1-1.5% greater than that of the TSX Composite Index, while exhibiting higher total returns and approximately 20% less volatility over an investment cycle.

October 2019, Year-to-Date and Inception-to-Date Results

For the month of November, the Outcome Enhanced Dividend Fund rose 3.0%, as compared to a gain of 3.6% for the TSX Composite Index.

On a year-to-date basis, the strategy has risen 22.7%, outperforming the TSX Composite Index by 0.4%.

Since its inception on October 10, 2018, the strategy has returned 16.6%, outperforming the TSX Composite Index by 5.2% while achieving lower volatility and drawdowns.

Monthly Results

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2018										-2.9%	2.0%	-4.0%	-5.0%
2019	5.8%	3.2%	1.5%	1.3%	3.2%	0.9%	0.4%	1.9%	2.2%	-2.5%	3.0%		22.7%

Top 10 Positions

Company
Premium Brands Holdings Corp.
Transcontinental Inc. Class A
Cineplex Inc.
BCE Inc.
Loblaw Companies Limited
George Weston Limited
Emera Incorporated
Saputo Inc.
TELUS Corporation
Rogers Communications Inc. Class B

Sector Exposures

Sector	Weight
Commercial Services	0.0%
Communications	13.2%
Consumer Durables	0.0%
Consumer Non-Durables	9.8%
Consumer Services	10.0%
Distribution Services	3.3%
Electronic Technology	0.0%
Energy Minerals	1.0%
Finance	12.7%
Health Services	0.0%
Health Technology	0.0%
Industrial Services	8.8%
Non-Energy Minerals	0.0%
Process Industries	0.0%
Producer Manufacturing	4.9%
Retail Trade	15.5%
Technology Services	3.3%
Transportation	2.8%
Utilities	14.8%

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